

Parliaments of both partners and the first meeting is to take place within eight months after the establishment of the provisional Parliament of the R.U.S.I. This Union will have a permanent secretariat, directed by two secretaries-general, one from each partner, who will alternate annually as senior officer of the secretariat.

Decisions of the Conference of Ministers must be taken by common consent and, where constitutionally necessary, must be ratified by the respective Parliaments. After ratification, the Head of the Union shall "state that agreement exists between the two partners" and the joint regulations will then have statutory effect in both countries.

The Statute provides for a Union Court of Arbitration which is to consider legal disputes arising out of the Union Statute or the other agreements of the Round Table Conference which are presented to the Court by one or both of the partners. The Court will consist of three members from the Netherlands and three from the R.U.S.I., all of whom shall hold office for a period of ten years. The presidency of the Court will be held in annual rotation by a Netherlander and an Indonesian.

Decisions of the Court will be by a majority vote and in case of a divided court, the President of the International Court of Justice or another international authority will be asked to appoint a person of a third nationality as an extraordinary member of the Union Court with a casting vote.

The rest of the Statute is concerned with provisions for co-operation between the partners in the fields of foreign relations, defence, financial and economic relations, cultural relations and citizenship. Finally, the Statute is given the standing of an international agreement with the provision that it may be presented to the United Nations secretariat for registration in accordance with Article 102 of the United Nations Charter.

Financial and Economic Agreement

Articles 1 to 13 of this agreement regulate in some detail the rights, concessions, licences and modes of operation of business enterprises in the R.U.S.I. Articles 14 to 19 concern the financial relations to be followed between the Netherlands and the R.U.S.I. Both parties agree to seek a sound monetary system based on the principles of Bretton Woods. Both countries agree that only one circulation bank shall be in operation in each country and that monetary policy shall aim at maintaining a stable currency value and promoting free convertibility. The partners agree that currency rates shall not be altered without previous consultation between the two countries and that foreign exchange policy shall be drawn up with regard to the interests of the other party. Of considerable importance to the Netherlands economy is the Indonesian guarantee that transfers can be made from Indonesia to the Netherlands for all the usual financial transactions, i.e., interest, amortization, profits, dividends, etc. The Netherlands has agreed to lend Indonesia a government adviser in the field of monetary systems and circulation banking.

Articles 20 to 24 deal with relations between the partners in commercial and trade policies. Recognition is given to the fact that the Netherlands chief commercial interest lies in Europe, whereas that of Indonesia is principally in