

puts forward certain proposals to this end, including the supervision of the issuance of registries to vessels suspected of being engaged in illegal traffic and an arrangement between the two countries by which their respective authorities would be authorized to exercise a measure of control beyond the three-mile limit of territorial waters.

Mr. Hughes draws special attention to the apparent ease with which vessels of American registry are transferred to British registry, particularly at the Bahama Islands and, in this latter respect, the suggestion is made that the authorities at Bermuda and the Bahama Islands might be disposed to refuse the privilege of registry to American vessels unless a certificate is first produced showing that the vessel has been tendered to the Shipping Board.

While it is of course true, as pointed out in a letter from the Colonial Office dated the 10th of August, 1921 (which formed the enclosure to Lord Curzon's despatch No. 1147 of the 24th of August) that, under international law, a State is only responsible for the enforcement of its own laws, I nevertheless desire to express the hope that His Majesty's Government will not lose sight of the internal political situation in this country when giving consideration to the proposals now put forward by the American Government.

I have the honour in particular to invite reference to the observations contained in the last paragraph of Sir A. Geddes' despatch No. 452 of the 11th of May, 1921, and also in his despatch No. 667 of the 19th of May, 1920. His Majesty's Government would doubtless, in any case, be reluctant to take any action which interfered with the principle under which they have always resisted the claim of any State to jurisdiction outside the three-mile limit of territorial waters. Indeed, in the case of America it is necessary to proceed with special caution having regard to the openly expressed intention of many members of Congress to introduce measures which will render foreign vessels liable to a fine when entering American waters should they have liquor on board or even should liquor have been sold on such vessels during the voyage across the Atlantic. To extend American jurisdiction beyond the three-mile limit would obviously increase the capacity of the American Revenue Officers for interference with vessels innocent of any intention to engage in smuggling. At the same time there are certain other cooperative measures, such as the passage of legislation to prevent the smuggling of liquor to the United States and the tightening up of regulations governing the transfer of vessels to British registry, which might well be taken without involving any departure from important principles of international law. It would be understood, of course, that such measures, if taken, must be regarded purely as an act of grace on the part of the Dominions and Colonies concerned.

It is also a matter for consideration whether, assuming that His Majesty's Government and the Dominion and Colonial Governments concerned are prepared to take steps in the direction desired by the American Government, we should not ask for some *quid pro quo* in the nature of an undertaking that British vessels engaged in legitimate traffic would not be subject to interference within American territorial waters merely on account of the conveyance as