

with non-commercial services occupying a clearly subsidiary role, INMARSAT had to be tailored to provide a service responding equally to commercial requirements for public correspondence and to government requirements in such areas as distress, safety and navigation.

At the same time it was necessary to establish operational principles for the Organization which would enable it to attract capital participation from the U.S. private sector. This balance is reflected in two provisions of the Convention.

"The purpose of the Organization is to make provision for the space segment necessary for improving maritime communications, thereby assisting in improving distress and safety of life at sea communications, efficiency and management of ships, maritime public correspondence services and radiodetermination capabilities." (Article 3(1))

"The organization shall operate on a sound economic and financial basis having regard to accepted commercial principles." (Article 5(3))

The INMARSAT Organization is likely to differ from INTELSAT in another very significant respect. Unlike INTELSAT, which was brought into being under largely U.S. auspices, the INMARSAT agreements were negotiated under the auspices of a U.N. Specialized Agency (IMCO). The Soviet Union and other socialist states of eastern Europe, which have refrained from participating in INTELSAT, played a leading role in the INMARSAT Conference and clearly intend to play a major role in the Organization itself. Indeed the greatest significance of the INMARSAT Convention may be that it indicates acceptance by the international community of the INTELSAT type of organizational structure.

This nascent Organization, conceived under U.N. auspices and designed to operate at least in part in the commercial, high-technology field of satellite communications, presents features of particular interest to the international lawyer. The Convention is clearly a treaty and the rights and obligations of states parties to it will be governed by the law of treaties. What law will operate to determine the rights and obligations of Signatories to the Operating Agreement? Will the answer vary depending upon whether one of the Signatories which is a party to a dispute is a private commercial entity? The operating Agreement contains a provision for compulsory arbitration of disputes. The Annex to the Convention which establishes the disputes settlement procedures for both the Convention and the Operating Agreement, provides that the decision of the arbitral tribunal "shall be in accordance with international law and be based upon ... generally accepted principles of law". The obviously carefully-chosen words do not resolve the issue.