

Ethiopian Government that the notes from the Italian and United Kingdom Governments merely constituted an agreement as to procedure concluded by those two Governments with a view to co-ordinating certain economic interests, but that the application, in actual practice, of that agreement was naturally subject to the decisions of the Ethiopian Government and the latter's recognition that these interests were in keeping with those of Ethiopia and would be beneficial to the country's economic and civil progress.

The letter sent by the Italian Minister at Addis Ababa to the Ethiopian Government on June 9, 1926, and attached by that Government to the communication which it sent on June 19 to the Secretary-General, contained the following statement:

"On behalf of my Government, I have the honour to confirm to Your Highness that the agreement referred to is of a purely economic character, and, so far from being designed to infringe (injure) the sovereign rights of the Abyssinian Government, constitutes a further proof of the friendly intentions of Italy and Great Britain towards the Abyssinian Empire, which remains entirely free to grant or refuse any requests in connection with economic questions which either of the two Governments may make."

On September 4, 1926, the Ethiopian Government informed the Members of the League that, far from having given any undertaking whatever in this matter to the two Powers concerned, it retained, as the British and Italian Governments themselves had stated, full and complete freedom to decide as to any request which might be made to it, and had a perfect right to judge what was in the interests of Ethiopia.

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The whole of the correspondence relating to this question was published in the *Official Journal* of the League, November, 1926. (See Appendix 2.)

*Treaty of Amity, Conciliation and Arbitration between Ethiopia and Italy,
dated August 2, 1928*

14. On August 2, 1928, Italy and Ethiopia signed a Treaty of Amity, Conciliation and Arbitration. In this treaty, the two Powers promise each other "constant peace and perpetual friendship" (Article I) and mutually undertake "not to engage, under any pretext, in action calculated to injure or prejudice the independence" of the other party (Article 2) and to develop and promote trade between the two countries (Article 3). The Governments undertake "to submit to a procedure of conciliation and arbitration disputes which may arise between them and which it may not have been possible to settle by ordinary diplomatic methods, without having recourse to armed force" (Article 5).

This Treaty of August 2nd, 1928, was invoked by Ethiopia after the Walwal incident and made it possible to settle this incident by arbitration after the difficulties related in Part I of the present report.