

Allied Nations have placed upon themselves a self-denying ordinance under which these territories are to be developed in the interest and for the benefit of the world at large, and especially of the races which inhabit them. Until such races are capable of self-government the territories in question are to be administered by Mandatory Powers, subject to the supervision and control of the League of Nations.

Financial and Economic Clauses

The financial clauses embodied in Part IX of the Treaty contain provisions respecting the allocation of the debt of the German Empire as it stood on August 1, 1914, among the Powers to which German territory is ceded. It is provided that France, in respect of Alsace and Lorraine, shall be exempt from any such payment, inasmuch as in 1871 Germany refused to undertake any portion of the burden of the French debt. In respect of former German territories to be administered by a Mandatory under Article XXII of the League of Nations Covenant, neither the territory nor the Mandatory Power is to be charged with any portion of the debt of the German Empire or States. The remaining dispositions of Part IX are chiefly in aid of the general provisions for reparation which are set forth in Part VIII, and to which further reference will be made.

The economic clauses embodied in Part X of the Treaty are very elaborate, and I shall attempt no more than a short summary. They entitle the Allied Nations to most-favoured-nation treatment in respect of customs duties and in respect of natural products and manufactured articles exported from German territory to any of the Allied countries. They contain provisions to prevent unfair competition by Germany. They declare that Germany shall not subject the nationals of the Allied Powers to any prohibition, regulation, restriction, or tax in regard to the exercise of occupations, professions, trade, or industry which shall not be applicable to all aliens; and they make provision as to the continuation of certain international conventions and agreements. Section III of Part X contains elaborate dispositions as to the collection and payment of debts due from or to German nationals to or from the nationals of any of the Allied States.

The user of and the rights in ports, waterways, and railways wholly or partly within the territory of the former German Empire are regulated by elaborate provisions which are set forth in Part XII of the Treaty, and which do not seem to require special observation.

Disarmament of Germany

Apart from the security afforded by the Covenant of the League of Nations, safeguards against future aggression on the part of Germany are established in Part V, which places severe restrictions upon the military and naval power of that country. It is provided that within a very short time the German army shall be reduced to not more than one hundred thousand men, who are to be recruited by voluntary enlistment for a term of twelve years. Germany undertakes to abolish compulsory military service. The Treaty imposes a definite limit to the amount of arms, munitions, and materials which she is permitted to maintain. No arsenals or factories for the production of munitions of war, except such as are approved by the Allied Powers, are permitted. All warlike material, arms, and munitions of war in excess of certain stipulated quantities are to be handed over to the Allied Powers. The manufacture,