LEAGUE OF NATIONS.

THIRD COMMITTEE.

Genoa, 10th Sept., 1924.

DRAFT PROPOSAL,

for an International Agreement relating to the Reduction of Armaments, communicated to the Third Committee as a contribution towards further study of the problems by Mr. Chr. L. Lange (Norway).

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1. Basis and Procedure.

1. The Signatory States undertake not to exceed, during the first budgetary year beginning after December 31, 1925, their average total expenditure on military, naval and aerial objects during the three fiscal years preceding the above-mentioned period.

2. The total sum spent within the limits fixed by Art. 1 during the first budgetary year beginning after December 31st, 1925 shall form the basis for the reduction of armaments which is the object of this agreement.

3. The Signatory States undertake to decrease the total sum mentioned in Art. 2 in the proportion of 10 - ten - per cent, from the first budgetary year beginning after December 31st, 1927.

The said decrease of 10 per cent will be repeated from the first budgetary year beginning after December 31st, 1929, and so on every two years, the total sum mentioned in Art. 2 being taken as basis, until, after a period of ten years, the military, naval and aerial budgets show a total of not more than 50 per cent of the budgetary basis stated in Art. 2.

4. In order to facilitate the execution of the present agreement the States undertake to enter all sums intended for military, naval or aerial purposes in a special section of the
budget based on a model drawn up by the Financial Committee of
the League of Nations.

The said section shall also include all the credits
allotted by the State for the following objects:

a. The development of the industry of the country with a
   view to its mobilisation in case of war;

b. Subsidies to the shipping industry conditional on the
   transformation, in case of need, of merchant ships
   into warships;

c. Subsidies to civil aviation with a view to the utilisation
   of the aircraft in case of war;

d. . .

5. The Signatory States further undertake not to increase,
during the period of ten years mentioned in Art. 2, the following
elements in their military organisation, as fixed for the budgetary
year mentioned in Art. 2:

a. Their peace forces in all military, naval and aerial
   services;

b. The number of their canons (land and naval artillery)
   whose calibre exceeds . . . mm;

c. The number of their naval units exceeding . . . tons;

d. the number of their submarines;

e. the number of their aerial unities;

f. . . .

II. Exceptions and Reservations.

6. Those States whose armaments were reduced by the Peace
Treaties of 1919 and 1920 shall not be bound by the undertakings
stated in articles 1 to 5.

7. Expenses incurred in connection with military, naval
or aerial action undertaken on the recommendation of the Council
of the League of Nations, in conformity with Art. 16 of the
Covenant, shall not be considered as forming part of the total
sum referred to in Arts. 2 and 3.
8. The Signatory States recognise that exceptional circumstances - for instance, a considerable increase in prices on the home market, or participation in a war - may in individual cases prevent a State from strict adherence to the stipulations of Arts. 2 and 3.

They undertake if necessary to call the attention of the Council of the League of Nations to the fact that such exceptional circumstances may prevent them from fulfilling their obligations under the present agreement. They pledge themselves to accept the decision of the Council as to the validity of the exceptional cases brought to its notice in conformity with the present article.

III. Control and Sanctions.

9. The Secretariat of the League of Nations is instructed to publish annually all the information dealing with the application and execution of the present agreement, in a convenient and clear form.

In order to facilitate the work, the Signatory States undertake to furnish the Secretariat with the necessary documents and information. In particular, they undertake to communicate to the said Secretariat:

a. all draft budgets, definite budgets and annual accounts relating to armaments, simultaneously with the transmission of those documents to the parliament or to the other controlling or inspecting bodies (Accountants, etc.) of the State;

b. detailed information concerning the elements of their military, naval and aerial organisation, referred to in Art. 5;

The latter information shall be transmitted at least three months before the end of the budgetary year mentioned in Art. 2.

10. The Signatory States recognise the right of any of the High Contracting Parties to draw the attention of the Council of the League of Nations to any action which, in the opinion of that
Contracting Party, constitutes an infringement of the undertakings of the present agreement.

11. The Signatory States recognise the right of the Financial Committee of the League of Nations to call the attention of the Council of the League of Nations to the fact that in a given State the purchasing power of the national currency has increased in such a way as to make an appreciable difference to that State's power of extending its military, naval or aerial organisation.

12. The Council shall immediately come to a decision with regard to the validity of the appeals made to it under Arts. 10 and 11\(^x\). It shall be empowered to submit contested cases to the International Court of Justice. \(\times\)

IV. Duration and Renewal of the Agreement.

13. The present agreement shall be valid until the end of the period of ten years referred to in Art. 3, c.

At least three years before the end of that period, the Council of the League of Nations shall invite the High Contracting Parties to draft a new agreement for a further reduction of their armaments.

\[X\] Majority vote ?

\[XX\] Technical assessors? (cp. Statute of the Court of Justice, Arts. 26 and 27.)