On 29 January the Security Council adopted an important resolution somewhat similar to the New Delhi recommendations, but more favourable to the Netherlands point of view. The Netherlands then proposed a round-table conference at the Hague to accelerate the transfer of sovereignty, to which Indonesian Republican and Federalist leaders were invited. As the Republican Government had still not been reinstated; the Security Council thereupon instructed its Commission on Indonesia (formerly the Committee of Good Offices) to call a preliminary conference at Batavia to work out the time and conditions for holding the Hague Conference. At the end of the period under review Australia and India had both requested that the Indonesian question should be placed on the agenda of the second part of the Third General Assembly (and this was subsequently done), but there were hopes that the situation would improve as a result of the Batavia conference.

8. REGIONAL CO-OPERATION IN ASIA

Asian regionalism, which found unofficial expression during March-April, 1947, in the First Asian Relations Conference held at New Delhi, and which has since manifested itself in the formation of an Economic Commission for Asia and the Far East, has progressed a little further as a result of the New Delhi Conference on Indonesia. At that conference some delegates expressed the view that there would be value in discussion on a regional basis not only of the Indonesian problem, but also of all matters of common concern. This feeling resulted in the adoption of a third resolution "that participating Governments should consult among themselves in order to explore ways and means of establishing suitable machinery, having regard to the areas concerned, for promoting consultation and co-operation within the framework of the United Nations." As an observer at the New Delhi conference, New Zealand has since been kept informed of the preliminary suggestions which have been made as to the implementation of this resolution. While little progress has apparently so far been made, the movement is both interesting in itself and of potential significance in New Zealand's relations with the Far East.

EUROPE

1. General

During the past year two significant and momentous developments have taken place in the political life of Europe—the deepening of the cleavage between the States of Eastern and Western Europe, and the establishment of arrangements designed to organize the political, military, and economic strength of Western Europe against