16 A.—5c.

And a second point, of hardly lesser importance, is the constant insistence on the necessity of international consultation and co-operation if that aim is to be achieved. That, too, is not perhaps without importance at a time when scepticism as to international institutions is momentarily fashionable, and when isolationist and nationalistic policies are receiving a great deal of incense,

some of it rather undiscriminating.

"When one comes to analyse the discussion somewhat further, it is a very evident feature of the debate that the general principle to which I have just alluded has found frequent expression in the descriptions given by one delegate after another of the progress made in their own countries during the past year. We have had long and interesting and valuable descriptions of the attempts and the achievements of a great number of countries, among which I might perhaps mention—though there are no doubt others—Argentina, Chile, Cuba, Egypt (the latest member of the organization), Finland, Greece, Hungary, Iraq, Latvia, Lithuania, Mexico, New Zealand, Norway, Venezuela, Yugoslavia.

"Now that is not merely, I think, just a catalogue of legislation, but it is the proof of a living movement: it is the proof, a realization to which I alluded just now, of the fact that social progress

has now become a vital concern of Governments and one of their primary preoccupations.

"Then there is another point which has been brought up by a number of speakers, and that is the growth of trade-unionism in a number of countries. Mr. Watt spoke of the United States, Mr. Parra of Venezuela, Mr. Diaz Muñoz of Mexico, Mr. Chu Ksueh-Tan of China. On the other side we had some complaints, notably from Mr. Koizumi and Mr. Krekitch, that the principle of freedom of association—of free trade-unionism—was not being sufficiently observed. In fact, Mr. Krekitch suggested to the Office that in next year's report special attention should be given to this subject. No one, I think, who has read the Constitution of this organization is likely to dispute the fact that freedom of association is one of its fundamental principles. On the other hand, I would point out to delegates that the power of the Office in that respect is strictly limited. Freedom of association like freedom of speech and freedom of the press, is mainly a political manner, and, as every one in this room is aware, there is no Convention which has been adopted by this Conference which would warrant the Office in intervening in the internal politics of the various States members of this organization. I say that lest any exaggerated expectations should be aroused as to what it is possible for the Office to do, but when I have said that, I would like to add that as far as is possible within those limitations, the Office will do what it can to make known the situation as it exists in the various countries.

"Well then, the next point which struck me in reading the speeches was the obvious improvement in the economic conditions of the world. There was a welcome change of tone from the pessimism which on the whole dominated the debates of the past few years. It is true that in some quarters a certain disquiet was expressed as to how real, how lasting, the present recovery might be. There were even some delegates, like Mr. Li Ping-Heng, who considered that the present recovery is neither normal nor solidly grounded, and that the convalescence about which so much has been said was purely illusory. I would not be disposed to go as far as he in that direction. At the same time, the repetition by a number of speakers of the economic dangers of excessive production of armaments necessarily leaves a sinister query in the mind of anybody who reads the whole of this discussion, and it was interesting to note that the fears which were expressed in regard to armaments came not only from speakers from European countries but also from speakers from a number of overseas countries, who, if they may possibly be outside the political danger zone, clearly did not feel that they were

outside the economic danger zone.

"The whole of that part of the debate was perhaps best summed up in two sentences, one by Mr. McGrady, who said: 'Every workman engaged in the construction of armaments must be provided with the necessities of life by the labour of those who are engaged in productive enterprise'; the other by Mr. Jouhaux, who said: 'The very conditions of an economy governed by preparation for war are opposed to the development of social legislation and to the realization of social justice. Those, I think, are two lapidary remarks from which it is very difficult to get away. But, on the whole, there were surprisingly few delegates who re-echoed the question put by Mr. Hayday. Mr. Hayday said: 'What is going to happen when the armaments boom bursts? What will happen to employment if we emerge from one depression only to plunge into the next?' Although one or two delegates, notably Mr. Knob, suggested that immediate consideration should be given by the Governing Body and by the Office to what steps could usefully be taken to forestall another depression, less attention was perhaps given to that subject than it deserves. It is not only dependent on the armaments question; whether there was a considerable increase in the production of armaments or not, the possibility of another depression is not one which could be excluded. Therefore, in the near future that is likely to be one of the foremost preoccupations of countries everywhere. involves a great social problem which can only be met by organization and by forethought. In some countries that kind of forward-thinking has already begun, and the Office will certainly do its best to collect all the information available in order to indicate what progress is being made towards solving a problem which has never been solved before, and indeed which no one has ever attempted to solve before. It can hardly be supposed that the right or complete solution will be found at the first attempt, but it is encouraging that at the present time a great deal of thinking and a great deal of discussion is going on in a number of countries as to what can be done to prevent the recurrence of cyclical depression.

"That brings me to the economic section of the discussion, on which I do not propose to say very much. Mr. Zaalberg accused me of making propaganda for dangerous ideas which might have an unfortunate influence on simple-minded people. I confess that on reading the debate I was somewhat alarmed at the responsibility which he sought to place on my shoulders, but I comforted myself with the reflection that the great majority at any rate, if not all the Delegates, who spoke in agreement