

League

OFFICE OF WAR INFORMATION

WASHINGTON

February 26, 1943

Dr. Frank Aydelotte,
Institute for Advanced Study,
Princeton, N. J.

Dear Frank:

The more I study this question of proper courtesies to international officials in this country, the worse the situation seems to me to be. I have just written the attached letter to Stanley Woodward at the State Department, who is trying to work out a long term solution. I wonder, however, if there is not something more immediate that we ought to do?

Cordially yours,

A.S.

AS:JR
Encls.



February 25, 1943

Mr. Stanley Woodward,
State Department,
Washington, D. C.

Dear Stanley:

I have given considerably more thought to the question of the proper status to be accorded officials of international organizations in this country, which we had the pleasure of discussing recently in a small committee in your office. May I send you a few further ideas which I hope may be useful?

First of all, it seemed to me that it might be very helpful to you, in trying to work out a solution of this problem, to have the texts of the two agreements arrived at on the same subject between the Swiss Government and the Secretary General of the League of Nations. It took me some little time to locate them but I have now got them and take pleasure in enclosing them herewith.

You will see that they accord international officials the fullest rights and privileges and work out their status in considerable detail. This arrangement worked quite satisfactorily for the very appreciable number, well over one-thousand, of international officials in Switzerland.

The arrangement was in line with article 7 of the Covenant of the League, which, as you know, has been subscribed to, at one time or another, by nearly 60 nations and which, therefore, has a very wide acceptance. This article reads:

"Representatives of the Members of the League and officials of the League when engaged on the business of the League shall enjoy diplomatic privileges and immunities."

This article was widely respected by States' Members of the League. League officials were given passport and customs facilities not only by the European countries but also by many in the Far East and Latin America.

While it does not apply directly to the United States, nevertheless, an accepted practice throughout most of the rest of the world

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will undoubtedly have certain repercussions here, particularly as more and more international agencies, if only of a technical character, are established.

As a matter of fact, we have already given some recognition along these lines. Many American citizens, who have been connected with various activities associated with the League of Nations, have been given the courtesy of "official" passports from this government, with some such designation to the effect that, while not representing the United States, they were travelling abroad on important international business. This applied, for instance, to various technical experts going abroad in connection with economic, disarmament, and social problems, and even to persons like myself who were in the permanent service of the League as members of the Secretariat. Some times, I think, diplomatic passports were granted, if I am not wrong, to judges of American nationality on the permanent Court of International Justice.

I am sure that everyone in our government, whether in State, Treasury, Justice, or the Congress would want to grant full courtesies to such officials. It would seem that, irrespective of the great political issues and differences, there is a unanimous view in favor of cooperation in the many technical international activities. President Roosevelt, indeed, speaking of the continuous policy of this government to cooperate in the world-wide technical and humanitarian activities of the League, described some of them as "not only worthy but definitely essential". Secretary Hull, in saying that "The League has been responsible for the development of mutual exchange and discussion of ideas and methods to a greater extent and in more fields of humanitarian and scientific endeavor than any other organization in history", concluded that "The United States Government is keenly aware of the value of this type of general interchange and desires to see it extended."

I confess, however, that each time I read the Treasury's ruling that certain international officials in this country are, for the purpose of the Federal Income Tax, "engaged in trade or business in the United States", the ruling strikes me as lacking not only in logic but as being inconsistent with the practice and viewpoint of this and other governments. I am sure, as international contracts develop, we will want to make every effort to bring ourselves in line with the general practice and give full courtesies to officials engaged in furthering the common work of the international community.

Other official agencies have, as a matter of fact, recognized the special status of international services in this country. For instance, back in the early days of the League, New York State refunded, in response to a protest, a tax which had been placed on League funds on deposits in New York. Similarly, the Social Security Agencies waived certain charges on international personnel at the League of Nations Pavilion in New York, on the ground that this was an exceptional situation assimilable to that of a national government.

All of this brings into my mind the question as to whether, irrespective of ~~any~~ pending any formal legislative action, it might not be possible for the State Department to assimilate at least certain groups of such international

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officials to those who are entitled to diplomatic courtesies? This, after all, is a matter of international as well as national law and practice. Obviously, if an open question is put to the Treasury for its judgement, without any indication of opinion or desire, the tax officials will naturally give a limited interpretation. If, however, the Department were to take a definite position and certify some of these officials as in its judgement falling within the category entitled to diplomatic courtesies, it would put the burden of proof the other way. In any event, I am sure from our previous discussions that you agree that this is a question which we ought to clear up in order to give appropriate courtesies to officials engaged in the work of the international community and to be in line with the procedure in practice in other countries.

Hoping that this letter, and the facts in it, may be of some assistance to you in this important question, I am

Yours very truly,

Arthur Sweetser,
Deputy Director

AS:JR
Encls.

TEXT OF MODUS VIVENDI OF 1926 DEFINING THE DIPLOMATIC
STATUS OF THE LEAGUE OF NATIONS IN SWITZERLAND

"1. The Swiss Federal Government recognises that the League of Nations, which possesses international personality and legal capacity, cannot, in principle, according to the rules of international law, be sued before the Swiss Courts without its express consent.

"2. The premises in which the services of the League of Nations (Secretariat and International Labour Office) are installed (in the case of buildings entirely occupied by League Offices, the buildings themselves, together with gardens and annexes) are inviolable, that is to say, no agent of the public authority may enter them, in the exercise of his duties, without the consent of the Secretariat or of the International Labour Office.

"3. The archives of the League of Nations are inviolable.

"4. The Secretary-General of the League of Nations and the Director of the International Labour Office are entitled to use couriers for the reception and dispatch of official correspondence with the Members of the League of Nations and its agents outside Switzerland.

"5. Customs exemption is granted to the League of Nations in respect of all objects, whether intended to form an integral part of a building or not, which are the absolute property of the League and are destined for its exclusive use.

"6. The League of Nations shall enjoy complete fiscal exemption in respect of its bank assets (current and deposit accounts) and its securities.

In particular, it shall be exempted from the stamp duty on coupons instituted by the Federal Law of June 25, 1921. The exemption shall be effected

by the repayment to the League of Nations of the duty levied on its assets.

"7. Subject to the provisions of Article 9 below, officials of the Organisations of the League of Nations at Geneva, who are members of the Staff of the first category or extra-territorial Staff, shall enjoy immunity from civil and criminal jurisdiction in Switzerland unless such immunity is waived by a decision of the Secretary-General or of the Director of the International Labour Office.

The members of the Staff of the second category shall enjoy the same privileges in respect of acts performed by them in their official capacity and within the limits of their functions. They shall remain subject to local laws and jurisdiction in respect of acts performed by them in their private capacity.

It is clearly understood, however, that the Organisations of the League of Nations at Geneva will endeavour to facilitate the proper administration of justice and execution of police regulations at Geneva.

"8. Officials of the Organizations of the League of Nations who are members of the Staff of the first category enjoy fiscal immunity. Consequently they are exempted, in accordance with international practice, from all direct taxes, with the exception of the charges attaching to immovable property (the land tax). They are liable for the payment of indirect taxes and charges. The expression "direct taxes" shall be understood to mean taxes which are levied directly upon the taxpayer. "Charges" - whatever the expression employed in the regulations governing the matter may be - shall only be understood to mean payments in return for the rendering of a special and definite service by the administration to the person who pays them, together with those which are paid in order to cover special expenditure necessitated by an act of the taxpayer.

Members of the Staff of the second category are exempted:

- (1) from the tax ("taxe") on salary (revenu professionnel);

- (2) from the tax ("taxe") on capital (fortune)
or income (revenu);
- (3) from the emergency federal war tax.

"9. In the case of members of the Staff of Swiss nationality the following exceptions are instituted:

- (1) Officials of Swiss nationality may not be sued before the local courts in respect of acts performed by them in their official capacity and within the limits of their official duties.
- (2) The salaries paid to them by the League of Nations are exempted from cantonal and municipal direct taxes.

"10. The customs examination of packages, etc., addressed to the officials of the Organisations of the League of Nations shall be effected in accordance with the regulations ("prescriptions"), the text of which was communicated to the Secretary-General of the League by the Head of the Federal Political Department on January 10th, 1926.

"11. If the exigencies of training and the interests of the country permit, exemptions from or postponements of military service shall be granted to officials of Swiss nationality incorporated in the Federal Army in cases in which their compliance with an order calling them up for military service would be likely seriously to interfere with the normal working of the services of the League.

"12. Correspondence relating to the application of the rules of the modus vivendi between the Organisations of the League of Nations and the Swiss authorities shall be exchanged through the intermediary of the Federal Political Department, except in cases in which some other procedure has been prescribed.

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"13. The present provisions complete or summarise but do not abrogate the rules previously established by an exchange of notes between the Organisations of the League of Nations and the Federal Political Department.

"14. As long as the present arrangement remains in force, the examination of the legal arguments set forth in the notes of February 24th and March 5th, 1926, shall not be proceeded with.

The above rules of the modus vivendi can only be modified by agreement between the Organisations of the League of Nations and the Federal Political Department. If, however, an agreement cannot be reached, it shall always be open to the Federal Government or the Organisations of the League of Nations to denounce the whole or part of the rules of the modus vivendi. In this case the rules mentioned in the denouncement shall remain in force for one year from the date of such denouncement."

Berne, le 19 juillet 1921.

DEPARTEMENT POLITIQUE FEDERAL

19/14132/14

Division des Affaires etrangeres

B. 56/41 D./1 CA

Monsieur le Secretaire general,

Le Gouvernement Federal Suisse a eu une satisfaction particuliere a constater qu'a la suite des conferences tenues, a Geneve et a Berne, il y a quelques mois, et des correspondances ulterieurement echangees, les vues du Secretaire general de la Societe des Nations, concernant la mise en application de l'article VII, 4eme alinea, du Pacte, concordaient aujourd'hui, sur un grand nombre de points, avec sa propre maniere de voir.

S'inspirant du resultat de nos pourparlers, le Conseil Federal nous a charges et nous avons l'honneur de vous faire part des propositions suivantes, qui ont trait aux questions au sujet desquelles d'accord s'est etabli. Ces propositions pourraient constituer la base d'un premier modus vivendi provisoire de la Societe des Nations a Geneve; ce reglement partiel, constamment revisable a la demande de l'une ou de l'autre des Parties, serait facile a completer dans la suite, a mesure que les points demeurés encore en suspens auront ete regles.

Voici les propositions dont il s'agit:

I. PERSONNEL

Le personnel du Secretariat general de la Societe des Nations et du Bureau international du Travail beneficiera des memes prerogatives et immunités que celle reconnues par le droit international et par la pratique au personnel des Missions diplomatiques; il sera, consequemment, soumis a un regime analogue, mutatis mutandis a celui applique aux membres des Missions diplomatiques accreditees aupres de la Confederation. Ce regime comporte la division du personnel en deux categories distinctes, dont la situation differe.

Le personnel de premiere categorie (a Berne, le corps diplomatique et les chefs de chancellerie), comprendra, a Geneve, les membres du personnel qui, par leur rang et leurs attributions, correspondent a des fonctionnaires publics. Ce personnel, dit "personnel exterritorial" sera, par assimilation avec le corps diplomatique a Berne, admis au benefice des prerogatives et immunités que la pratique synthetise sous le nom d'"exterritorialite" et qui sont les suivantes:

A. L'inviolabilite, dans l'acceptation technique que le droit international donne a ce mot.

B. L'exterritorialite, au sens precis et restreint de ce terme, soit la presumption en vertu de laquelle celui qui y a droit est cense conserver son domicile dans son pays d'origine.

C. L'immunité de juridiction civile et criminelle, telle qu'on l'entend en droit international.

En application, par analogie, de la coutume qui confère aux Gouvernements le droit de demander, en tout temps, le rappel d'un diplomate dont l'attitude ou la conduite auraient laissé à désirer, le Secrétaire général de la Société des Nations et le Directeur du Bureau international du Travail, lorsque le Gouvernement fédéral leur aura signalé des cas semblables, les soumettront à un examen attentif et prendront à l'égard du fonctionnaire en cause des sanctions administratives qui iront éventuellement jusqu'au licenciement. Cette procédure sera, cela va de soi, sans préjudice des poursuites judiciaires à ouvrir en cas d'infraction. L'action judiciaire (sauf les exceptions prévues par le droit international) appartiendra aux organes du pays d'origine de l'intéressé. Si toutefois le Secrétariat général ou le Bureau international du Travail renonçaient à l'immunité couvrant leur fonctionnaire, les tribunaux Suisses, l'obstacle de l'exterritorialité étant levé, pourraient alors être saisis en application normale de leur procédure. Particulièrement dans les cas graves, la renonciation à l'immunité serait très désirable.

En matière civile également, si le fonctionnaire renonçait à se prévaloir de son exterritorialité, les tribunaux suisses retrouveraient leur compétence en tant que tribunaux du for du domicile de fait.

D. L'immunité fiscale, soit, l'exonération des impôts directs personnels et des taxes somptuaires, des impôts généraux sur la fortune, soit sur le capital, soit sur le revenu et des décimes de guerre.

E. En matière de douane:

1) Par application de la décision prise à ce sujet par le Conseil fédéral, le 5 de ce mois, les hauts fonctionnaires de la Société des Nations suivants, pour autant qu'ils ne sont pas citoyens suisses, bénéficieront de la franchise de douane pour tous les objets destinés à leur usage personnel:

a) le Secrétaire général de la Société des Nations et son adjoint, les deux Sous-Secrétaires généraux et les huit Directeurs du Secrétariat général;

b) le Directeur et le Sous-Directeur du Bureau international du Travail, les deux chefs de Division de ce bureau.

Ces fonctionnaires seront, en outre, à l'égal des Représentants diplomatiques à Berne, dispensés, en principe, de la visite douanière de leurs bagages.

2) Le reste du personnel de première catégorie jouira des mêmes avantages que ceux accordés à l'ensemble du corps diplomatique à Berne par l'arrêté du Conseil fédéral du 8 octobre 1912 (entrée en franchise des effets neufs de première installation, etc.); la visite en douane des bagages de ce personnel sera, comme à l'égard du corps diplomatique, réduite au strict minimum.

F. Le personnel de première catégorie aura droit au visa diplomatique de ses passeports. Ce visa, délivré par la Division des Affaires étrangères du Département Politique fédéral, est, soit simple, c'est-à-dire valable pour un nombre indéterminé de voyages aller et retour par toutes frontières, avec durée de validité pouvant aller jusqu'à un an. Le visa diplomatique peut également être obtenu auprès d'une Légation de Suisse à l'étranger.

G. La femme et les enfants des fonctionnaires de la première catégorie partageront la condition du chef de famille, s'ils vivent avec lui et sont sans profession.

Le Secrétariat général et le Bureau international du Travail établiront une liste nominative de leur personnel de première catégorie, indiquant la nationalité, les attributions et l'adresse de chaque fonctionnaire et mentionnant qu'il est marié ou célibataire. Cette liste sera communiquée au Département Politique Fédéral, qui sera tenu régulièrement au courant des mutations; sur sa base, la Division des Affaires Etrangères fournira aux intéressés des cartes d'identité, munies de la photographie du titulaire; ces cartes, contresignées par le Secrétariat Général ou le Bureau international du Travail, serviront à la légitimation du fonctionnaire à l'égard des Autorités Fédérales et Cantonales; elles seront restituées en cas de départ définitif.

Le personnel de deuxième catégorie (non exterritorial) comprendra le reste du personnel officiel, soit le personnel technique et manuel, tous ceux, en d'autres termes qui, sans être assimilables à des fonctionnaires publics, sont néanmoins engagés et salariés par la Société des Nations et se trouvent au service exclusif de son Secrétariat général ou du Bureau international du Travail. La situation de ce personnel sera la suivante:

A. Il bénéficiera d'une complète immunité pour les actes qu'il aura accomplis en sa qualité officielle et dans les limites de ses attributions. Il restera, par contre, soumis aux lois et à la juridiction locales pour les actes de sa vie privée. Au cas, toutefois, où des mesures judiciaires, de police ou autres, prise à l'égard d'un membre de ce personnel, seraient de nature à entraver la marche normale des services de la Société des Nations, le Département Politique Fédéral, à la demande du Secrétariat général, attirera aussitôt sur ce fait l'attention de l'Autorité compétente, qui en tiendra compte dans la mesure compatible avec l'ordre public.

B. Il sera dispense de l'obligation de s'annoncer à la police locale et de déposer ses pièces de légitimation. Une liste nominative du personnel de deuxième catégorie, analogue à celle mentionnée plus haut à propos du personnel exterritorial sera également fournie au Département Politique Fédéral par le Secrétariat Général et le Bureau international du Travail. Sur la base de cet état, qui devra, comme celui du personnel de première catégorie, rester constamment à jour, des cartes d'identité, de couleur différente de celles du personnel exterritorial, seront délivrées aux intéressés par la Division des Affaires Etrangères.

C. En matière fiscale, le personnel de deuxième catégorie sera, par application de l'arrêté fédéral du 28 septembre 1920 (article 18) et de l'arrêté du Conseil d'état du Canton de Genève du 14 Juin 1921, exonéré;

- 1^o des taxes sur le revenu professionnel (traitements);
- 2^o de la taxe sur la fortune (pour autant, du moins, que le montant des revenus n'excedera pas celui du traitement);
- 3^o du paiement de l'impôt fédéral de guerre.

D. En matière de douane, le personnel de deuxième catégorie bénéficiera des mêmes facilités de visite que le personnel exterritorial. Il n'aura, par contre, et comme le personnel correspondant à Berne, droit à aucune franchise.

E. En matière de passeports, le personnel de deuxième catégorie recevra comme, à Berne, le personnel correspondant, le visa officiel (non diplomatique) de la Division des Affaires Etrangères. De même que le visa diplomatique, ce

ce visa est soit simple, soit permanent, avec meme duree de validite maximum.

F. La femme et les enfants des membres du personnel de deuxieme categorie partageront la condition du chef de famille, s'ils vivent avec lui et sont sans profession.

Les dispositions qui precedent, tant celles relatives au personnel exterritorial que celles applicables au personnel de deuxieme categorie, ne concernent pas le personnel de nationalite suisse, dont la situation reste a regler.

Il y a lieu, toutefois, de mentionner des a present:

A. Que les ressortissants suisses, fonctionnaires ou employes de la Societe; beneficent de l'immunité de juridiction pour tous les actes qu'ils accomplissent en leur qualite officielle et dans la limite de leurs attributions;

B. Que ceux d'entre eux qui, par leurs fonctions, se rattachent a la premiere categorie ont, s'ils se rendent en mission a l'etranger, droit a un passeport officiel du Conseil Federal;

C. Qu'en application de l'arrete du Conseil d'Etat du Canton de Geneve, du 14 Juin 1921 ils sont exemptes, dans ce Canton, du paiement, de la taxe sur le revenu professionnel, pour les traitements qui leur sont alloues par la Societe des Nations.

II LOCAUX, ARCHIVES et COURRIERS.

A. Les locaux dans lesquels les services de la Societe des Nations (Secretariat general et Bureau international du Travail) sont etablis (si ce sont des batiments entiers, ces batiments, y compris leurs jardins de dependances) seront inviolables; par quoi il faut entendre que nul agent de l'Autorite publique ne devra y penetrer, pour un acte de ses fonctions, sans le consentement du Secretariat general ou du Bureau International du Travail.

B. Les archives de la Societe des Nations seront inviolables.

C. En application par analogie du droit qu'ont les Missions diplomatiques de correspondre librement avec leur Gouvernement, le Secretariat general et le Bureau international du Travail auront le droit de faire usage de courriers de Cabinet pour la transmission de leur correspondance officielle a leurs agents a l'etranger (et vice-versa); on voudra bien se referer, a cet egard, a la correspondance echangee entre la Division des Affaires Etrangeres et le Secretariat General concernant les details d'organisation de service de courriers Geneve-Paris.

D. La Societe des Nations beneficiera d'une entiere franchise de douane pour tous objets lui appartenant en propre (non a ses personnel) et destinee a l'usage exclusif du Secretariat General ou du Bureau international du Travail (mobilier des locaux, materiel et fournitures de bureau, etc.)

III PERSONNALITE INTERNATIONALE DE LA SOCIETE DES NATIONS

Bien que l'article VII du Pacte de la Societe des Nations n'ait trait qu'au personnel et aux locaux de la Societe, il y a lieu d'admettre qu'en application, sinon de la lettre, du moins de l'esprit du Pacte, la Societe des

des Nations peut revendiquer, en sa faveur, la personnalité internationale et la capacité juridique, qu'elle a droit, en conséquence, à un statut analogue à celui d'un Etat. Il en ressort que la Société des Nations peut prétendre à la même indépendance à l'égard des organes administratifs et judiciaires suisses que les autres membres de la communauté internationale, en sorte qu'elle ne doit pas être actionnée devant les tribunaux suisses sans son consentement (abstraction faite des exceptions consacrées par le droit international, comme, par exemple, en matière d'actions réelles immobilières, etc.).

Toutefois, la Société des Nations, à la différence des autres personnes internationales, n'ayant, faute de territoire, pas de tribunaux à offrir, il en résulte qu'elle ne peut, à l'heure actuelle, être actionnée nulle part sans son consentement. Sans doute, la Société des Nations, par le fait que son siège est à Genève, peut dès aujourd'hui s'adresser aux tribunaux suisses; il lui suffit, à cet effet, de renoncer à se prévaloir de son exterritorialité; elle peut le faire, soit expressément, en se portant demanderesse, soit tacitement, en n'élevant pas le declinatoire d'incompétence. Cependant, le Gouvernement Suisse est de l'avis qu'il serait certainement préférable que la Société, dans son intérêt même, ne se contentât pas de la compétence, pour elle aujourd'hui simplement facultative, des tribunaux suisses, et fit aussitôt que possible choix d'un for judiciaire général; ce choix pourrait d'ailleurs n'être que provisoire. Du moment où la Société a son siège à Genève, il semblerait naturel que l'élection de for fut faite dans cette ville.

La Société des Nations pouvant d'ores et déjà, si elle le désire, en appeler aux tribunaux suisses, le Gouvernement Fédéral n'a, conséquemment, pas d'offres à faire sur ce point; il se borne à exprimer le vœu de connaître bientôt les propositions que le Secrétariat Général estimerait pouvoir formuler en vue de remédier à ce que la situation actuelle a d'anormal.

Dans l'attente des obligeantes communications que vous voudrez bien nous faire parvenir relativement à ce que précède, nous saisissons cette occasion pour vous reitere, Monsieur le Secrétaire général, l'assurance de notre haute considération.

DEPARTEMENT POLITIQUE FEDERAL

MOTTA

13 November 1941

Dear Mr. Hambro:

I am very sorry indeed to have been away when you called the other day, and hope to see you as soon as you return to Princeton. I am delighted that you will take part in our meeting of the Pennsylvania and New Jersey League of Nations Association on November 29th, and I am sure we shall have a worth while group of leaders of opinion on this subject in the two states.

During the summer I have had many opportunities of discussing your criticisms of the Quaker "Call to Persons of Good Will." I can assure you that the interpretation which you quite naturally placed on one sentence of the document was not intended by the people who drafted it. On the contrary it is a source of constant satisfaction to me to find out how many members of the Society of Friends realize the necessity of an allied victory if their testimony in favor of peace is ever to be given practical effect.

I have thought a good deal about the question of income tax as applied to the officers of the League now in residence at the Institute, and I am convinced that the line which I suggested in my last conversation with you on the subject is the right one to adopt, namely, to advise the officers to pay the tax under protest and to wait for the developments which are now taking place so rapidly to change the attitude of the American law toward officials of the League. I am convinced that it would be impossible to get proper consideration of a question of this kind at this moment when the United States is about to enter the war, and that our participation in the war and still more, our participation in some form of international organization after the war is won are so much more important, that we should bend all our efforts in that direction.

With kindest regards, I am

Yours sincerely,

Hon. Carl J. Hambro
65 Stockton Street
Princeton, New Jersey

C O P Y

TREASURY DEPARTMENT
WASHINGTON

Office of Commissioner
of Internal Revenue

October 22, 1941

The League of Nations Association, Inc.
c/o Melvin D. Hildreth
714-719 Evans Building
1420 New York Avenue, N.W.
Washington, D. C.

Sirs:

Reference is made to the evidence submitted for use in further considering the status of your organization for Federal income tax purposes under the provisions of section 101 (6) of the Internal Revenue Code.

The records of the Bureau disclose that in Bureau ruling dated September 21, 1939, it was held that you were not exempt from Federal income tax under the provisions of section 101 (6) of the Revenue Act of 1938 and the corresponding provisions of prior revenue acts but that you were exempt under the provisions of section 101 (8) of the Revenue Act of 1938 and the corresponding provisions of prior revenue acts. You now claim exemption as an educational organization within the meaning of section 101 (6) of the Internal Revenue Code, beginning with the year 1941.

The evidence before the Bureau discloses that your charter was amended by resolution dated December 27, 1940. The purpose of your organization under the charter, as amended, is through educational processes to study the fundamental basis of permanent peace and the machinery necessary for the development of this peace; recognizing that the League of Nations, the International Labor Organization and the World Court are the principal bodies to which the world can turn for this purpose at the present time. The aim of your organization is also the carrying on of educational activities to the end that the United States may cooperate to the fullest extent practicable in these international organizations. It is stated that your educational program is conducted at the national headquarters and in twenty-three branches. Such program includes the preparation and distribution of literature, placing of speakers, the conduct of discussion groups, youth session meetings, speakers at monthly luncheons and annual dinners, radio programs and all the various means by which information can reach the public about the League of Nations and related subjects. It is stated further that two special educational projects have been carried through by the educational staff of your organization; that is, the Fifteenth Annual Student Contest, the purpose of which is to inform young people with regard to the history of the League of Nations, the World Court and the International Labor Organization, as well as other facts and principles inherent in world organization for peace; and the Fifteenth Annual Middle Atlantic Intercollegiate Model Assembly the purpose of which is to decide upon a means of establishing a lasting peace for all the nations of the world.

The League of Nations Association, Inc.

The income of your organization, which is derived from membership dues, contributions and the sale of publications, is used to defray expenses incurred in connection with contests and for prizes, scholarships and publication expenses, and no part thereof inures to the benefit of any private shareholder or individual.

After a careful review of all the evidence, it is held that you are entitled to exemption from Federal income tax under the provisions of section 101 (6) of the Internal Revenue Code for 1941 and subsequent years. Bureau ruling dated September 21, 1939, is modified insofar as it may be regarded as applicable under the Internal Revenue Code to 1941 and subsequent years.

You will not, therefore, be required to file returns of income for 1941 and subsequent years unless you change the character of your organization, the purposes for which you were organized, or your method of operation. Any such changes should be reported immediately to the collector of internal revenue for your district in order that their effect upon your exempt status may be determined.

Since any organization which is exempt from Federal income tax under the provisions of section 101 of the Internal Revenue Code also is exempt from the capital stock tax pursuant to the express provisions of section 1201 (a) (1) of the Internal Revenue Code, you will not be required to file capital stock tax returns for future years so long as the exemption from income tax is effective.

Furthermore, under substantially identical authority contained in sections 1426 and 1607 of the Code and/or corresponding provisions of the Social Security Act, the employment taxes imposed by such statutes are not applicable to remuneration for services performed in your employ during 1941 and subsequent years so long as you meet the conditions prescribed above for retention of an exempt status for income tax purposes.

Contributions made to you are deductible by the donors in arriving at their taxable net income in the manner and to the extent provided by section 23 (e) and (g) of the Internal Revenue Code for 1941 and subsequent years.

Bequests, legacies, devises or transfers, to or for your use, are deductible in arriving at the value of the net estate of a decedent for estate tax purposes in the manner and to the extent provided by sections 812(d) and 861(a) (3) of the Code. Gifts of property to you are deductible in computing net gifts for gift tax purposes in the manner and to the extent provided in section 1004 (a)(2)(B) and 1004 (b)(2) and (3) of the Code.

The collector of internal revenue for your district is being advised of this action.

By direction of the Commissioner.

Respectfully,

(Signed) J. Mooney
Deputy Commissioner

SOCIETE DES NATIONS

LEAGUE OF NATIONS
Institute for Advanced Study,
Princeton, N.J.

October 9th, 1941.

To: Dr. Aydelotte.

From: Mr. Sweetser.

Following our conversation the other day, I have attempted to put down in draft form the kind of letter which I think the three Princeton institutions might address to Mr. Fosdick on the taxation matter.

You will see that I have put this in very broad and general terms and on the basis of appropriate American hospitality. Undoubtedly, the drafting could be greatly improved and strengthened, but at least this might be a starting point. I think, also, that it is on a line which would appeal to the Foundation,

One other consideration: If we can possibly get the amount down under \$7,500 we ought to do so, for the reason that the officials of the Foundation have authority to make grants up to that amount without going to the Trustees at all. Once you pass the 7,500 mark, you must go before the whole Board, which is obviously much more difficult, not to mention any element of time.

Athene Sweetser

P.S. The exact amount involved is 26789-

Dear Mr. Fosdick,

When our three institutions at Princeton, the University, the Institute for Advanced Study and the Rockefeller Institute decided to invite the League's technical services to establish themselves here, it was, of course, our desire to extend them the fullest possible hospitality and create conditions ~~here~~ as nearly comparable as possible with those in Geneva. Obviously, the situation would be difficult enough at best, working in a different country three thousand miles from base, but we felt a particular anxiety to minimize these inevitable difficulties just as much as we could.

I believe we have succeeded in doing so in so far as the Economic and Financial group now in Princeton is concerned. This little group has been given excellent facilities for work and, perhaps equally important, seems to feel very much at home. The Opium group, which for other reasons went to Washington, seems also to have found its place, though perhaps not quite so easily, while offices are still being reserved in case the Health group succeeds in reaching Princeton.

Just recently, however, a small but somewhat worrying difficulty has arisen about which we are taking the liberty of writing you. This has to do with the taxation by the United States of League funds and salaries in this country and raises, as you can appreciate, questions both for the League and for the individual officials.

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In League States, League funds and salaries are recognized as immune from taxation. This immunity is in accordance with the general terms of the Covenant and has ~~been~~ never been disputed. Indeed, it was recognized years ago by an action in New York State.

The League administration has always insisted upon this principle on the ground that the League is a formal official governmental entity, inherently and specifically entitled to all the usual immunities and courtesies. It has had an even more practical reason for doing so recently in that it has demanded contributions from the salaries of its officials, which in effect amount to ~~our~~ income tax, in order to spread its funds more widely.

Since the establishment of the offices in Princeton and Washington, Mr. Loveday, who has been charged with the administrative arrangements for both offices, has been very punctilious in seeking to comply with any and all American laws and practices. In this spirit he inquired of the State Department as to the liability of officials in the two offices regarding American taxation.

The competent State Department officials anticipated that exemption from taxation might be secured in the special circumstances prevailing and took the matter up with the Treasury. There also, it was at first anticipated that no difficulty would arise, but when the question was presented to the legal officers, they ruled that the law was quite explicit and would not permit exemption. Their ruling said:

"As the League of Nations is an association of several foreign governments, it does not qualify as a foreign country and the employees thereof are ~~not~~ employees of a foreign government entitled to the provisions of Section 116 (h) of

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the Internal Revenue Code. The status of each alien, for the purpose of the Federal Income Tax is, therefore, that of a non-resident alien engaged in a trade or business within the United States by virtue of the services performed for the League of Nations".

Leaving aside at this moment any question as to whether a more flexible interpretation of the law might have been given, this decision seems to us to create an embarrassment all around. On the one hand, it raises ~~the~~ serious ~~matter~~ question of principle for the League which is already, in effect, taxing its own officials for the maintenance of its work, and on the other, for the United States in the question of general hospitality and welcome, particularly to two international groups such as the Economic and Anti-Drug which are working so preeminently along American lines.

Unfortunate, as this situation is, it, nevertheless, is our belief that the present moment, with so many other large questions pending, is not an auspicious one for pressing a review of the matter. What would seem to be the wiser course would be for the League authorities to authorize the payment of the taxation pending some kind of appeal in more favorable circumstances, and then for those of us who have cooperated in bringing the League groups to this country to see if we could not meet the temporary financial problem.

Our purpose in writing thus in detail to you is to ask whether you thought the Foundation might be prepared to make a small grant, either directly to the League or through the three institutions for transmission to the League, to meet the expenses incident to this taxation, pending an ultimate review of the matter in more auspicious circumstances. A rough estimate would indicate that

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the total involved would be somewhere between 5 and 7 thousand dollars a year.

We are basing this suggestion, as you will see, very largely on the desirability of providing the fullest and most complete hospitality to these visiting groups who are serving international purposes so much in line with our own objectives. It seems unfortunate indeed that, when everything has gone as well as it has in connection with their establishment in this country, the Treasury should not find a way to avoid imposing taxation on funds which by every ordinary standard would seem entitled to exemption. This is perhaps even more so as these officials, though living here with their wives and children, are not permitted to be classified as residents and thus have the benefit of deduction for dependents and of the lower rates, but are classified as non-residents.

We would be grateful indeed if you could give this matter your consideration and let us know your ^{views} ~~decision~~

Yours very truly,

SOCIETE DES NATIONS

LEAGUE OF NATIONS

Perry Park Ranch
Larkspur, Colorado
September 11, 1941

Dr. Frank Aydelotte
Institute of Advanced Study
Princeton, New Jersey

Dear Frank:

I was so very sorry to hear about your arm; I hope it is now entirely recovered and that you got your 73!

I have thought a good deal about what you wrote regarding the League tax situation, and I also had a chance to discuss it with Reber, of the State Department, who told me he had made a special effort to get the letter through the Department to the Treasury, and that Cochran had similarly made a special effort to see it through there, even if unsuccessfully.

The situation is surely most unfortunate. The law seems to have been interpreted very strictly and without pliability, as it was before, for instance, when the Treasury insisted on a huge gift tax of some \$200,000 on Mr. Rockefeller's final payment of \$900,000 on the League Library donation. It is difficult to know what you could do in such a situation, particularly in the present confusion, where I agree with you that it is difficult to expect full consideration.

I greatly hope, therefore, that a way can be found to carry out your suggestion of not pressing it to an issue now in the present circumstances. I think the political consequences would be far out of proportion to the other issues involved, and that, somehow or other, they ought to be turned for the moment. Also, it is true that the United States is not bound by the usual Covenant provision as to tax exemption, that no undertaking was given in this regard when the groups came over, that the action is not discriminatory against the League, as such, but is applicable to others, like the Pan American Union, and that other advantages have been received in this country far outweighing this particular disadvantage.

What would seem to me to be the best solution, if it were possible, would be to have the three inviting Princeton institutions take this matter over and make it their own. It would seem to me that this is a question which they, as American agencies, could press with our government with better grace than the League itself, which is both immediately interested and also is a foreign agency. Similarly, I should think that

September 11, 1941

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the inviting institutions would be in a far better position to approach the Foundation to see if it would be possible to cover these taxes provisionally, pending a subsequent appeal and possible refund.

In any case, I throw out this suggestion for your consideration and for that also of Mr. Hambro and Mr. Lovejoy.

As I have a series of engagements in Denver, Chicago and New York, I am afraid I shall not be back in Princeton for another ten days, but will count on seeing you then.

|| This means also, I fear, that I will not be able to be on hand for the meeting of the Ozone Club, which I had much looked forward to, and which I greatly regret missing.

With best wishes, I am,

Yours very truly,

AS

Arthur Sweetser

AS:LH

P. S. Probably meeting Miss Hickman in New York Tuesday to discuss the New Jersey. Pennsylvania meeting. Will stay at Murray Hill Hotel

Lynch Homestead
Stockbridge, Mass.
7 August 1941

Dear Mr. Hambro:

I am keenly disappointed to receive this morning the letter which you have just received from Sumner Welles on behalf of the State Department, refusing to grant exemption for the officers of the League from American income tax. As soon as I return in September I should like to sit down with you and some of our friends in Princeton to decide what steps can most effectively be taken to protest against this decision. Just why an employee of an association of several foreign governments should not be entitled to the same exemption as the employees of a single foreign government, I do not see. The whole matter is obviously a question of interpretation, and I think the interpretation favorable to the League much more convincing than the one made by the Department of State. We must certainly do our best to make them see the force of that argument.

Meanwhile, would the best plan not be for the officials of the League to pay the tax under protest, with the expectation of having these payments refunded, if and when we are able to induce the State Department to reverse its rule? If the officials of the League were willing to follow that course, it would give us time to take legal advice and present this case to the State Department in the strongest possible way.

You will realize, of course how preoccupied all State Department officials are at present with war problems and how sensitive they are to isolationist criticism, and any suspicion of dealing too generously with other countries with these isolationists, who stick at nothing, might use as a handle to embarrass our war effort in Congress. This letter signed by Welles was not, I am sure, written by him. I am confident that we could expect a favorable decision only from Mr. Hull and with the many demands that there are upon him, and with his delicate health, it may take us some time to bring the matter effectively to his attention. These considerations seem to me to point to the advisability of going slowly and preparing our case very carefully.

Yours sincerely

Hon. C. J. Hambro
65 Stockton Street
Princeton, New Jersey

FRANK AYDELOTTE

SOCIETE DES NATIONS

LEAGUE OF NATIONS

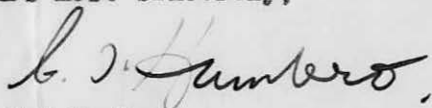
5 August 1941.

Dear dr. Aydelotte,

I am sorry to trouble you while you are on your holiday, but I thought it best to bring to your knowledge the letter I just received from the State Department.

I am glad it did not arrive until after our meeting in Montreal, or things would have happened. But you will understand that the decision that the functionaries of the League shall pay the special defense tax in U.S.A. is absolutely unacceptable. I have sent Mr. Loveday a copy of the document from the Circumlocution Office, but shall await your return before taking any steps.

Yours most sincerely,


C.J. Hambro

Dr. Frank Aydelotte,
Lynch Homestead,
Stockbridge, Mass.

C O P Y.

DEPARTMENT OF STATE - Washington.

In reply refer to
FR 500. c113/205

My dear Mr. Hambro:

With further reference to your inquiry of April 21, 1941 in regard to the exemption from Federal taxation of salaries paid to certain officials of the League of Nations who are at present in the United States, a communication has now been received from the appropriate branch of the Government, excerpts from which are quoted below for your information:-

"In the letter to your Department of April 21, 1941 by Mr. Hambro particular reference is made to certain members of the Secretariat of the League who are now on mission in the United States and to the employees of the Opium Board and the Drug Supervisory Body which has a branch office temporarily in Washington D.C. A list of the members of the Secretariat who are not citizens of the United States and for whom exemption is sought from the payment of Federal income tax on the compensation received by such members during the period of their employment for and in behalf of the League within the United States accompanied this letter.

" In a letter addressed to you on March 15, 1941, in response to your letter of March 1, 1941 which concerned the status, for the purpose of the Federal income tax, of compensation paid officials of the Economic, Financial and Transit Department of the League of Nations who are now in the United States, you were informed that as the League of Nations is an association of several foreign governments it does not qualify as a foreign country and the employees thereof are not employees of a foreign government entitled to the benefits of section 116 (h) of the Internal Revenue Code and that the status of each alien, for the purposes of the federal income tax, is, therefore, that of a non-resident alien engaged in trade or business within the United States by virtue of the services performed for the League (section 19.211-7(c) of Regulations 103 prescribed under the Internal Revenue Code). As the letter of Mr. Hambro contains no new or additional facts which would warrant a reversal of the position taken in this respect this Department must adhere to its former holding.

" Inasmuch as the officials and employees of the Opium Board and the Drug Supervisory Body which has a branch office in Washington D.C., fall within the same category as the officials and employees of the Economic, Financial and Transit Department of the League who are in Princeton, New Jersey, each of such aliens is also held to be a nonresident alien engaged in trade or business within the United States."

" Each alien is entitled to the statutory deductions from his total gross income from sources within the United States provided by section 23 of Code, as amended, allowable to a nonresident alien by section 213 of the Code. The resulting net income is further reduced by the credits allowable to an individual by sections 25 and 214 of the Code, as amended, including the personal exemption of \$ 300 and the earned income credit. The rates of tax applicable under existing law are the normal tax

"at 4 percent imposed by section 11 of the Code and the graduated surtax
"imposed by section 12 (b) of the Code, as amended, if the surtax net
"income exceeds \$ 4,000. In addition, each alien for any taxable year
"beginning after December 31, 1939, and before January 1, 1945, is liable
"to the ten percent defense tax (ten percent of the amount representing
"the total of the normal tax and the surtax) imposed by section 15 of
"the Code, which was added by section 201 of the Revenue Act of 1940".

A similar question was brought to the attention of the Department informally by Mr. Loveday, Director of the Economic, Financial and Transit Department of the League of Nations, and on March 18 a copy of the communication received from the Treasury Department was forwarded to Mr. Loveday. The information previously conveyed to Mr. Loveday was in substance the same as the information quoted above.

I am very sorry that I cannot send you a more favourable reply, but there appears to be no legal basis for extending to the officials of the League of Nations who are in the United States exemption from Federal taxation.

Sincerely yours,

(Signed) Sumner Welles
Acting Secretary.

January 14, 1941.

Dear Reber,

I should be most grateful if you could help to clarify the position as regards income-tax of the officials of the Economic, Financial and Transit Department of the League who are now in the United States.

I assume that the international officials are not liable as they are on mission here and derive their income from League funds. It occurs to me, however, that it may be necessary for the certificate mentioned in Section 116h of the Income Tax regulations to be issued by the State Department and filed with the Treasury Department. This is the certificate that grants exemption, subject to reciprocity, to foreign officials in respect of their salary. The officials here all belong to countries which do not tax United States employees on the remuneration they receive from their Government, and American citizens employed by the League, resident in Geneva, London, etc. have, of course, always been exempt.

In case it is necessary to consult with the Treasury Department, I might mention that the two officials of that Department especially conversant with the nature of our mission are:- Mr. H. Merle Cochran, Technical ~~Asst~~ Assistant to the Secretary of the Treasury, and Mr. Eldon P. King, Special Deputy Commissioner, in the Bureau of Internal Revenue.

Yours very sincerely,

Director of the Economic, Financial
and Transit Department.

S. Reber, Esq.,
State Department,
Washington, D.C.

DEPARTMENT OF STATE

Washington.

March 18, 1941

Dear Loveday,

In compliance with your request for a ruling from the Treasury Department concerning the liability to American income tax as regards salaries paid to officials of the Economic, Financial and Transit Department of the League of Nations who are now in the United States, a communication has been received from the Acting Secretary of the Treasury in respect thereto, a copy of which is enclosed.

Sincerely yours,

Samuel Reber

Enclosure:

Copy of letter from
Treasury Department
of March 15, 1941.

A. Loveday, Esquire,
Director of the Economic, Financial and
Transit Department of the League of Nations,
Institute for Advanced Study,
Princeton, New Jersey.

(COPY:Eu:MCH)
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TREASURY DEPARTMENT

WASHINGTON

March 15, 1941

My dear Mr. Secretary:

Further reference is made to your letter of March 1, 1941, in which you asked whether salaries paid officials of the Economic, Financial and Transit Department of the League of Nations, who are now in the United States, are exempt from the Federal income tax.

The individuals to whom reference is made are temporarily within the United States under visitors' visas and are engaged in research work at Princeton University for the League of Nations. These individuals receive compensation from the League of Nations for the services performed in its behalf.

As the League of Nations is an association of several foreign governments, it does not qualify as a foreign country and the employees thereof are not employees of a foreign government entitled to the provisions of Section 116(h) of the Internal Revenue Code. The status of each alien, for the purpose of the Federal income tax, is, therefore, that of a nonresident alien engaged in a trade or business within the United States by virtue of the services performed for the League of Nations. Section 19.211-7(c) of Regulations 103 prescribed under the Internal Revenue Code. Each alien is entitled to the statutory deductions from their total gross income from sources within the United States provided by Section 23 of the Code, as amended, allowable to a nonresident alien by Section 213 of the Code. The resulting net income is further reduced by the credit allowable to an individual by sections 25 and 214 of the Code, as amended, including the personal exemption of \$800 and the earned income credit. The rates of tax applicable are the normal tax at 4 percent imposed by section 11 of the Code and the graduated surtax imposed by section 12(b) of the Code, as amended, if the surtax net income exceeds \$4,000. In addition, each alien for any taxable year beginning after December 31, 1939, and before January 1, 1945, is liable to the ten percent defense tax (ten percent of the amount representing the total of the normal tax and the surtax) imposed by section 15 of the Code, which was added by section 201 of the Revenue Act of 1940.

The return required to be filed by these individuals is Form 1040B which, for the year 1940, should be forwarded to the Collector of Internal Revenue, Camden, New Jersey, not later than June 15, 1941.

If further correspondence relative to this matter is necessary, please refer to IT:P:T:2-RLB.

Very truly yours,

JOHN L. SULLIVAN

Acting Secretary of the Treasury.

The Honorable,
The Secretary of State,
Washington, D. C.

NOTE ON THE TREASURY DEPARTMENT'S LETTER OF

MARCH 15th, 1941.

This ruling raises serious difficulties for the following reasons:

1. The League is an association of Governments constituted by formal Treaty obligations, which has demanded since its constitution and obtained, diplomatic recognition and diplomatic status for its properties and its officials. The authorities of the League have always jealously guarded this diplomatic status and indeed are bound to do so under the terms of the Convention from which the League emanates. Article 7 of the Covenant states:

"Representatives of the Members of the League and officials of the League, when engaged on the business of the League, shall enjoy diplomatic privileges and immunities".

In consequence of this provision, the properties of the League, representatives of Member States attending its meetings and officials have in practice received all customary diplomatic privileges. The Swiss Government has issued special diplomatic identity cards to the officials, who are exempt from taxation both in Switzerland and in other countries where they are conducting their work.

2. The members of the E.F. and T. Department are on mission for the League in the United States, engaged, according to Art. 7 of the Covenant "on the business of the League" and the League authorities would certainly not admit that the status of its officials could be modified by the fact that they are sent on mission.

If it is the view of the U.S. Government that this mission does in any way modify the status of the League officials, the League ~~authorities~~ authorities would almost certainly decide to terminate the mission, at any rate in this country.

3. One reason why the League authorities have been particularly insistent that salaries paid by it should not be subject to national taxation is that it views these monies as ~~international~~ international

Government funds from which no single Government should derive a fiscal benefit. It has, accordingly, fixed the rates of salary by contract with the individuals with this consideration in mind and has obtained from the Governments of the various countries in which League officials have been resident, the necessary fiscal exemption.

4. At the same time, the League Administration has adopted the view since the outbreak of war that it was not reasonable that this exemption should confer a special benefit on League officials at a moment when rates of taxation were being rapidly raised owing to the war, in almost all countries.

It has, therefore, demanded a reduction in salaries from its employees, intended to adjust salaries to existing fiscal conditions. The funds thus surrendered by the officials have gone as a grant in aid to the League budget. Were the League to accept the position in which any official is taxed by a national Government, the amount of tax paid would be equivalent to a loss of income to the League itself. This situation the League authorities would be wholly reluctant to accept.

5. The ruling of the Treasury Department seems to be based on an interpretation of the municipal law which assumes, first, that the League officials are engaged in "trade or business" and, secondly, that they are not employees of a foreign Government, apparently on the grounds that they are employees of a number of Governments.

Neither the fact of the first, nor the logic of the second could conceivably be accepted by the League authorities.

6. The ruling as it stands would appear to apply equally to the Opium Board and Supervisory Body.

7. One important point in connection with the whole problem is that the ~~xxxxxxx~~ initiative in action under Article 116H seems to lie, not with the Treasury Department, but with the State Department which has to furnish a certificate to the Treasury.

The relevant section of the Income Tax Regulations reads as follows:

*Certificate by the Secretary of State: The Secretary of State shall certify to the Secretary of the Treasury the names of the foreign countries which grant an equivalent exemption to the employees of the Government of the United States performing services in such foreign countries, and the character of the services performed by employees of the Government of the United States in foreign countries".

From: Mary E. Woolley Committee
8 West 40th Street
New York, N. Y.

FOR RELEASE SATURDAY, JUNE 1, 1940

COMMITTEE FORMED TO AID NON-POLITICAL WORK OF LEAGUE
OF NATIONS

Dr. Mary E. Woolley Appeals For Preservation of Technical Activities of League

President Roosevelt Endorses Proposal

Dr. Mary E. Woolley of Westport, N. Y., President Emerita of Mount Holyoke College, is chairman of a newly created American Committee to help preserve the non-political activities of the League of Nations.

Announcement of the Committee's purpose and personnel was made yesterday by Dr. Woolley in a statement issued to the public. She said:

"In this critical period, when brutal aggression threatens to bring back the dark ages, it is comforting to know that one institution in which the hopes of man were centered still struggles to keep alive the spirit and the meaning of international cooperation. Press reports bring the news that international epidemic commissions in China are combating epidemics of plague, typhus fever, and smallpox at their source. The Eastern Bureau at Singapore still sends out the daily broadcasts which enable port health officers, ships at sea, and air services to function without fear of disease in the Far East, the hot bed of pestilential diseases. The most complete campaign against habit-forming drugs ever organized in history still pushes on to new successes. These are a few of the present technical activities of the League of Nations: to describe this work in all economic, social, and humanitarian fields would require volumes. This work must go on even in time of war if the extremity of human suffering is to be averted; it will be indispensable when peace comes to a war torn world. These social, economic and humanitarian activities had their beginnings long

before the League of Nations was founded. They were taken over, nourished and developed by the League. Now the tide of war threatens to ruin these most hopeful attempts to harness science to the service of man. Without them the future peace conference will be gravely handicapped. If they are destroyed, the task of rebuilding a peaceful world may fall short of success.

"Our Government and our people have whole-heartedly cooperated in these international activities for more than a decade. It is natural that Americans should view with concern their possible destruction.

"With this in mind, an American Committee has been formed to help in preserving the non-political activities of the League of Nations in this dark period. This task will be made easier by the fact that the League is segregating its non-political from its political work, and placing the former under a separate independent Commission on which may sit representatives from non-member States. The work which this Commission will direct includes: questions of health, child welfare, nutrition, finance, transport, housing, drugs, taxation, trade agreements, agriculture, economics and many others which touch closely the lives of man, woman, and child.

"Even before word came that the League might have to seek shelter and safety far away from Geneva, I received the following letter from President Roosevelt:

'My dear Dr. Woolley: I have received the preliminary announcement that you are forming a committee to support the non-political and humanitarian activities of the League of Nations, which have been crippled by the outbreak of the European war. Please allow me to say that I hope your committee will get full and adequate support.

'Without in any way becoming involved in the political affairs of Europe, it has been the continuous policy of this government for many years to cooperate in the world-wide technical and humanitarian activities of the League. Certain of them indeed are not only worthy, but definitely essential.

'The League's health organization, for example, must in no way relax its efforts in preventing the spread of epidemics: wartime conditions definitely

increase the danger. The world-wide efforts for better nutrition standards have already shown that the way towards solution of health problems may also be the way towards definite improvement of economic conditions.

'The international Narcotics Control system has been of the greatest value in combating the drug traffic. The child welfare work has won the sympathies of every friend of children. The League's committees on intellectual cooperation have outlined non-political programs furthering the mutual appreciation of artistic and cultural values essential to common civilization.

'Secretary Hull, in a letter to the Secretary General of the League dated February 2, 1939, said:

"The League. . . has been responsible for the development of mutual exchange and discussion of ideas and methods to a greater extent and in more fields of humanitarian and scientific endeavor than any other organization in history. The United States Government is keenly aware of the value of this type of general interchange and desires to see it extended."

'Realizing, as we must, that these essential and non-political activities are handicapped under wartime conditions, I am glad that your committee has undertaken the task of providing support, to the end that their work may continue. However governments may divide, human problems are common, the world over and we shall never realize peace until these common interests take precedence as the major work of civilization.

Very sincerely yours,
(Signed) Franklin D. Roosevelt'

Members of the American Committee whose names were made public yesterday are:

Mrs. Emmons Blaine	Henry Noble McCracken
Frank G. Boudreau, M.D.	Frekerick C. McKee
Nicholas Murray Butler	Robert A. Millikan
Mitchell B. Carroll	Henry Morgenthau, Sr.
John H. Clarke	Felix Morley
George Dealey	Mrs. Burton Musser
Monroe Deutsch	William Allan Neilson
Lucius R. Eastman	Bishop G. Ashton Oldham
Clark M. Eichelberger	Marion Park
Rev. Harry Emerson Fosdick	Clarence Pickett
Edwin F. Gay	James P. Pope
Frank P. Graham	Chester Rowell
Henry I. Harriman	James T. Shotwell
George H. Harrison	Charles P. Taft
Hamilton Holt	Sarah Wambaugh
Phillip Jessup	Robert J. Watt
Dorothy Kenyon	W. W. Waymack
Freda Kirchwey	William Allen White
Mr. and Mrs. Thomas W. Lamont	Mary E. Woolley
Mrs. James Lees Laidlaw	Ray Lyman Wilbur
Herbert L. May	Ernest H. Wilkins
Rev. William P. Merrill	George F. Zook

Dr. Woolley is chairman of the new committee. Dr. Frank G. Boudreau, for many years assistant director of the Health Organization of the League of Nations, is chairman of the Executive Committee.