

in the Armistice Agreement could be reduced to 200 million dollars." The United States, having taken no part in drafting the Finnish treaty, was not bound to support the agreed text, and accordingly submitted an amendment designed to give effect to the Finnish request. This amendment was, however, submitted so late that the Chairman refused to place it on the agenda of the Commission; the United States then felt obliged to register its opinion by voting against the Finnish reparation article as a whole, a course in which it was joined by the delegations of Canada, New Zealand, South Africa, and (in the subsequent corresponding vote in the Plenary Session) the Netherlands.

The figures which have been quoted above are, of course, still far from being agreed. There is nothing binding about any of them. In one sense all that the Conference has achieved on this issue is to bring into the open estimates from the opposing sides much more precise than anything to which they had hitherto been willing to commit themselves. But even if the figures had been agreed, it would be a mistake to suppose that because they were apparently clear and precise, and certainly easy to remember, they, therefore, if taken by themselves, had very much precise meaning. Their practical significance depends entirely on price policy, and the U.S.S.R. vigorously resisted amendments designed to ensure the valuation of reparation deliveries at "fair prices." The technical difficulties of determining "fair prices" in the present disturbed condition of world trade would in any case certainly be very great. Without, however, necessarily implying any reflection upon the good faith of any of the recipients of reparations, there is equally certainly in present circumstances such a wide margin of discretion in determining the real burden of any apparently precise reparation obligation expressed in terms of United States dollars valued according to the standards of 1938 that the precision of the figures under discussion becomes almost illusory. In some cases an adjustment has already been made on account of the difference between 1938 and current prices, but, so far as can be ascertained, the value of the goods now in course of transfer from the reparation-paying countries, or to be transferred in the near future, are likely considerably to exceed the proportion allotted to the early post-war years of the nominal totals which have naturally figured so largely throughout these discussions.

From some points of view, moreover, the determination of the methods whereby reparation liabilities are to be discharged are scarcely less important than the fixing of their amounts. In the Western world it is now generally agreed that reparation liabilities cannot be taken seriously unless they are limited to a fairly short and clearly-defined period of time. But for this, as well as for other reasons, the view has also been widely held—though there is more divergence of opinion on this question—that, as far as possible, reparation deliveries should take the form of capital goods and equipment, encroaching to the least possible extent upon the output of current