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WHY CHILE LEFT THE LEAGUE

PRESIDENT'S STATEMENT

FROM A CORRESPONDENT

SANTIAGO, MAY 25

President Alessandri, in opening the Chilean Congress for the last time after six years in office, explained the reasons for Chile's withdrawal from the League of Nations.

Chile, he said, had never deviated from her loyalty to the League and her determination to meet all the obligations which she had incurred as a member. But events had finally brought the conviction that it would be unable to achieve its aims under its present organization. The reform of the Covenant advocated by Chile had scarcely received a hearing, and . . . he therefore felt it to be his duty to give notice of withdrawal from the League and so free Chile from the risk of being drawn to no purpose into far-distant conflicts.

He sincerely hoped that within the period of two years necessary to give effect to their withdrawal a new collective spirit would have manifested itself, so that this regrettable step might be averted.

Dealing with affairs nearer home, the President observed that the recent visit of the Argentine Chancellor, Señor J. Cantilo, had enabled the question of the islands south of the Beagle Channel to be submitted to arbitration. Chile's economic recovery had been most satisfactory; exports had risen largely and imports had advanced normally. The Compensation Agreements had worked well, and on April 30 almost the whole of the "frozen" credits had been paid. The last Budget proposed by him, the President said, would be properly balanced and the external debt had been reduced since he took office by \$61,000,000.

The President, who retires in December, said in conclusion:—

It is particularly gratifying to record that we are on friendly terms with all countries and particularly with our American neighbours. It may be that some people will criticize the use of receipts from the copper and nitrate industries for the reduction of the external debt. But nations, like individuals, live by moral prestige and the payment of debts is a duty. Public credit is essential to the progress of the nation and to its salvation. This country is recognized as a model of ordered prosperity by all who regard it impartially from outside.

GUATEMALA LEAVES THE LEAGUE

FROM OUR LEAGUE CORRESPONDENT

GENEVA, MAY 25

The retirement of Guatemala from the League of Nations, announced two years ago, becomes effective at midnight, Guatemala having fulfilled all her responsibilities, including the payment of subscriptions.

Guatemala was an original member of the League. Her intended retirement was announced in 1936 as being due both to financial stringencies and to events which have shown the impossibility of reaching the high ideals that were held when the League was founded.