that could be readily established, to allow private persons, in certain restricted instances, to institute themselves the international action, with the sanction of their governments?

(b) It is recognized that among the States normal conditions disturbed by international wrongs are restored by means of satisfaction and reparation. Some of the authorities claim that there is a certain degree of similarity between these means and the repressions and indemnities provided by the municipal penal laws. Satisfaction among States is, properly speaking, only a moral or political reparation. It is applied in instances wherein it is deemed that the national honor, dignity or respectability have been injured. There is no precedent in arbitral awards expressly imposing punitive satisfaction or indemnity. On the contrary, arbitral awards contain statements that eliminate every possibility of applying punitive measures among the States. However, there have been cases in actual practice where a State has demanded punitive satisfaction or reparation and the defendant State has found it necessary to yield. It is neither advisable nor proper to cite these cases. These occurrences, however, have extrajudicial character and could not exert any influence upon codification work. There have been cases, too, in which arbitration commissions have imposed indemnities so grossly out of proportion with the actual damage caused that they are suggestive of exemplary damages. The fact remains, however, that in international jurisprudence there is no possibility of meting out punishment or penalties in the sense that these measures were understood in the ancient penal law. In the modern penal law the conceptions of punitive atonement and retribution have disappeared. Repressions are only exercised for the purpose of maintaining the public peace. From this point of view there is not, properly speaking, any difference between disciplination and indemnity. Each of them constitute a feature of the one conception that reparation is essential to maintain social equilibrium.

(c) The work of codification should be extended so as to give international character to certain principles of private jurisprudence in connection with the nature of the damage, the assessment of same, the various kinds of reparations, how these should be fixed, etc. There are certain principles that would be very useful in determining the measure of damages for which reparation should be made. The connection between the act and the damage is one of the essential elements. This connection establishes the fact that not only should the actual material loss caused by the act be allowed, but also the loss of income that it has brought about. This is the ancient Roman interpretation of *damnus emergens* and *lucrum cessans,* which has been followed in a large number of arbitral awards. There is also a very extensive and substantial arbitral jurisprudence, although somewhat contradictory and indefinite, running from the time of the *Alabama* claims to the present