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C.M. (50)

39th Conclusions

CABINET 39 (50)

CONCLUSIONS of a Meeting of the Cabinet held at 10, Downing Street, S.W.1, on Tuesday, 27th June, 1950, at 11 a.m.

Present:

The Right Hon. C. R. ATTLEE, M.P., Prime Minister (*in the Chair*)

The Right Hon. HERBERT MORRISON, M.P., Lord President of the Council.

The Right Hon. SIR STAFFORD CRIPPS, K.C., M.P., Chancellor of the Exchequer.

The Right Hon. HUGH DALTON, M.P., Minister of Town and Country Planning.

The Right Hon. VISCOUNT ADDISON, Lord Privy Seal.

The Right Hon. VISCOUNT ALEXANDER OF HILLSBOROUGH, Chancellor of the Duchy of Lancaster.

The Right Hon. VISCOUNT JOWITT, Lord Chancellor.

The Right Hon. E. SHINWELL, M.P., Minister of Defence.

The Right Hon. G. A. ISAACS, M.P., Minister of Labour and National Service.

The Right Hon. ANEURIN BEVAN, M.P., Minister of Health.

The Right Hon. T. WILLIAMS, M.P., Minister of Agriculture and Fisheries.

The Right Hon. GEORGE TOMLINSON, M.P., Minister of Education.

The Right Hon. J. H. WILSON, M.P., President of the Board of Trade.

The Right Hon. JAMES GRIFFITHS, M.P., Secretary of State for the Colonies.

The Right Hon. HECTOR McNEIL, M.P., Secretary of State for Scotland.

The Right Hon. P. C. GORDON-WALKER, M.P., Secretary of State for Commonwealth Relations.

The following were also present:

The Right Hon. P. J. NOEL-BAKER, M.P., Minister of Fuel and Power (*Item 1*).

The Right Hon. G. R. STRAUSS, M.P., Minister of Supply (*Item 1*).

The Right Hon. H. T. N. GAITSKELL, M.P., Minister of State for Economic Affairs (*Items 1-3*).

The Right Hon. MAURICE WEBB, M.P., Minister of Food (*Items 2-3*).

The Hon. K. G. YOUNGER, M.P., Minister of State (*Item 4*).

The Right Hon. SIR HARTLEY SHAW-CROSS, K.C., M.P., Attorney-General (*Item 4*).

SIR WILLIAM STRANG, Foreign Office (*Item 4*).

SIR ROGER MAKINS, Foreign Office (*Item 1-3*).

Secretariat:

Sir Norman Brook.

Mr. A. Johnston.

CABINET 39 (50)

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**Integration
of French and
German Coal
and Steel
Industries.**

(Previous
Reference :
C.M. (50) 38th
Conclusions,
Minute 5.)

1. The Cabinet reviewed the course taken in the first day of the House of Commons debate on the French Foreign Minister's proposal for integrating the coal and steel industries of Western Europe. They also discussed the line to be taken by the Prime Minister when he spoke in reply to the debate later in the day.

**White Fish
Industry.**

(Previous
Reference :
C.M. (50) 26th
Conclusions,
Minute 3.)

2. *The Minister of Agriculture* said that on 23rd June the Production Committee had agreed in principle that a White Fish Industry Board should be set up for the purpose of reorganising and regulating the white fish industry, but had remitted to a smaller group of the Ministers primarily concerned the question whether a subsidy should be provided to ease the short-term difficulties of the industry until such time as long-term remedies could begin to produce their effects. The majority of this group had been against the grant of a short-term subsidy. It was therefore proposed that, in reply to Parliamentary Questions which had been put down for answer that afternoon, the Prime Minister should announce the Government's intention to introduce legislation to set up a White Fish Industry Authority and to initiate discussion in the Organisation for European Economic Co-operation (O.E.E.C.) with a view to securing a common policy regarding excessive landings of coarse fish and over-fishing generally.

In discussion the following points were made:—

(a) The white fish industry had expanded under war conditions when other foods were scarce. Although people were still eating more fish than before the war, the industry must now contract and some unemployment and financial loss was inevitable.

(b) The Production Committee had considered the grant of a subsidy for the near and inshore fishermen pending the working out of a long-term policy, because under present conditions these sections of the industry might come to a standstill if the Government afforded no hope beyond long-term measures which would take a year or more to mature. These measures would include international agreement on over-fishing and the reorganisation of the British industry.

(c) It was doubtful whether a temporary subsidy would bring back into use the trawlers which were now laid up; and, if it did so, prices might go down still further and there would be a demand for a higher subsidy. Moreover, under the present unsatisfactory methods of fish distribution, some part of the subsidy would go to the middle-men unless retail prices were again controlled. It was suggested that, since fish was in competition with subsidised food-stuffs (notably meat and eggs), the proper course would be to readjust the food subsidies so as to reduce those on meat and eggs by the amount of any new subsidy on fish.

(d) The discussions in O.E.E.C. about over-fishing and the landing of catches from foreign vessels in United Kingdom ports were likely to be difficult and prolonged. No speedy remedy should be expected from them.

(e) The Minister of Food doubted whether people could now be induced by publicity to eat more fish. It might, however, be practicable for the Government to increase consumption in the Services, hospitals and schools and in canteens run in connection with Government services or socialised industries.

The general view of the Cabinet was that the House of Commons was unlikely to be satisfied with the announcement which it was proposed that the Prime Minister should make, particularly as it promised no early relief for the fishermen. It was therefore agreed

that, in replying to the Parliamentary Questions that day, the Prime Minister should confine himself to promising a statement of policy on 4th July, and that in the meantime the matter should be further discussed by the Cabinet on the basis of memoranda to be submitted by the Ministers primarily concerned.

The Cabinet—

- (1) Agreed that, in answer to Questions that afternoon about Government policy towards the white fish industry, the Prime Minister should promise to make a considered statement of policy on 4th July.
- (2) Invited the Fisheries Ministers, in consultation with the Chancellor of the Exchequer and the Minister of Food, to submit proposals for consideration by the Cabinet before 4th July.
- (3) Invited the Minister of Food, after consultation with the Ministers concerned with public services, to submit proposals for increasing the consumption of fish in this country.

**Marginal
Land.**
(Previous
Reference :
C.M. (50) 9th
Conclusions,
Minute 2 (2).)

3. The Cabinet had before them a memorandum by the Home Secretary, the Minister of Agriculture and the Secretary of State for Scotland (C.P. (50) 135) proposing that grants should be made for the improvement of marginal land and that the subsidy schemes for hill-sheep and hill-cattle should be extended for a further period.

There was general support for measures designed to improve stock-breeding land where it could, without excessive expenditure, be brought into a condition in which it would yield a remunerative return, but some doubt was expressed whether the proposals in C.P. (50) 135 had been properly related to the measures already being taken to assist British agriculture and whether sufficient safeguards had been provided against the risk that the consequential gain from appreciation in the capital value of the land would accrue to the landowner, rather than to the farmer or the Exchequer.

The Cabinet—

Invited the Agriculture Ministers to bring their proposals before the Lord President's Committee for detailed examination before re-submission to the Cabinet.

Korea.

4. On 24th June the People's Republic of North Korea had made an armed attack, with substantial forces and without warning, upon South Korea and their armies were rapidly advancing upon Seoul. On 25th June the Security Council had passed a resolution, proposed by the United States representative, calling for the immediate cessation of hostilities and requiring the North Koreans to withdraw their forces. The resolution required all members of the United Nations to render every assistance in the execution of the resolution and to refrain from giving assistance to the North Koreans. Despite this resolution, the North Koreans had persisted in their aggression. The United Nations Commission in South Korea had reported to the Security Council that they could hold out no hope of being able to enforce the cease-fire, that the situation was deteriorating rapidly and that North Korea was unlikely to heed the Council's resolution or to accept the good offices of the Commission. They had therefore suggested that the Security Council should either invite both parties to agree upon a neutral mediator to negotiate peace, or should ask certain member Governments of the United Nations to undertake mediation forthwith.

The Cabinet were informed that the United States Minister in London had called at the Foreign Office that morning and delivered two messages from his Government. The first contained the text of a public announcement which the United States Government were

proposing to make later in the day. After reciting the facts of the aggression, this stated that the President had ordered United States air and sea forces to give cover and support to the South Korean forces. It went on to say that it was amply clear from this attack that "centrally-directed Communist imperialism had passed beyond subversion in seeking to conquer independent nations and was now resorting to armed aggression and war. It had defied the Security Council. In these circumstances, Communist occupation of Formosa would directly threaten the security of the Pacific area and the United States forces performing necessary and legitimate functions in that area. The President had accordingly ordered the United States Seventh Fleet to prevent any attack on Formosa; and was also calling upon the Nationalist Government in Formosa to cease all sea and air operations against the mainland of China. The United States Fleet would see that this was done." The future status of Formosa, it added, must await determination in connection with the restoration of Pacific security, a peace settlement with Japan or possible consideration by the United Nations. The announcement would also state that the President had directed that military assistance to the Philippines should be expedited and the United States forces there strengthened; and that he had similarly directed that military assistance to the French and associated forces in Indo-China should be expedited and that a United States Military Mission should be sent to ensure close working relations with those forces. The announcement would conclude with a statement that, as a return to the rule of force would have far-reaching effects, all members of the United Nations must carefully consider the consequences of this latest aggression. A similar warning of this impending announcement had been conveyed to all the other North Atlantic Treaty Powers, to Australia, New Zealand and India, to the Philippines and to Indo-China.

The second message from the United States Government stated that their representative on the Security Council would that afternoon introduce a resolution recommending "that the members of the United Nations furnish such assistance to the Republic of Korea as may be necessary to repel the armed attack." It asked that the United Kingdom Government should instruct their representative on the Security Council to support this resolution. A similar request had been made to the Governments of France and Norway.

The Cabinet at once agreed that the United Kingdom Government should support the substance of the resolution which was to be put to the Security Council urging all members of the United Nations to assist the Republic of Korea to repel this armed attack. It was the clear duty of the United Kingdom Government to do everything in their power, in concert with other members of the United Nations, to help the South Koreans to resist this aggression.

The Cabinet's discussion turned mainly on the question whether it was expedient publicly to attribute responsibility for this aggression, as the United States Government proposed to do, to "centrally-directed Communist imperialism" and to link it with Communist threats in other parts of Asia. It had not been proved that, in carrying out this aggression on South Korea, the North Koreans had been acting on instructions from Moscow; and it was suggested that there might have been advantage in seeking to isolate this incident and to deal with it as an act of aggression committed by the North Koreans on their own initiative. This would have enabled the Soviet Government to withdraw, without loss of prestige, any encouragement or support which they might have been giving to the North Koreans. The announcement which the United States Government were proposing to make, by linking this up with Communist threats in other parts of Asia, would present a major challenge to the Soviet Government; it would bring into controversy other issues which had not yet been brought before the Security Council; and its reference to Formosa might embarrass the United Kingdom Government in their relations with the Communist Government of China and might even

provoke that Government to attack Hong Kong or to foment disorder there.

On the other hand it was pointed out that the action which the United States Government proposed to take, and the form of their proposed statement, had probably been influenced by the consideration that the whole of South Korea was likely to be overrun before any effective assistance could be given by the United States or any other member of the United Nations. In that event, if action had to be limited to Korea, it might have to take the form of an offensive against North Korea. The Cabinet were informed that the Foreign Secretary, who had been consulted that morning, doubted whether it would be wise for us to try, in any public statement, to isolate the Korean incident from the other matters mentioned in the announcement which the United States Government proposed to make; for we would not wish to discourage that Government from helping us and the French in resisting Communist encroachments in Malaya and in Indo-China. In the Security Council, however, it was important that the resolution which the United States representative was to move should be confined strictly to events in Korea; and we should certainly advise the United States Government that, whatever form their own public announcement might take, they should not include in the preamble to their resolution any reference to Communist threats in other parts of Asia which had not yet been brought before the Security Council.

In further discussion it was recognised that, by the terms of their proposed announcement, the United States Government were deliberately taking the major risk of making it clear to the Soviet Union that they were resolved to put a stop to armed aggression. In this they were doubtless influenced by the consideration that, as had been amply demonstrated by the events preceding the Second World War, it would be easier to make such a stand in the earlier, rather than the later, stages of imperialist expansion by a totalitarian State. Though major risks were involved, it was arguable that there would be even greater risks in allowing the Soviet Government to conclude, as Hitler had done, that aggression would succeed if its victim could be over-powered sufficiently quickly. The point was also made that the United States Government were doubtless taking steps to strengthen their hold on Formosa in order to forestall any Communist attempt to advance there while attention was concentrated on Korea. The action which they were proposing to take there could not be concealed; and they were not therefore likely to be willing to refrain from referring to it in their proposed announcement, particularly as its terms had already been communicated to so many friendly Governments. It would, however, be worth while to suggest to them that they should refrain from including in their announcement the statement explicitly attributing to "centrally-directed Communist imperialism" the responsibility for the aggression against South Korea: it would be preferable that they should leave their proposed action in other parts of Asia to speak for itself. *The Minister of State* read to the Cabinet the draft of a telegram in this sense which had already been prepared by the Foreign Office; and the Cabinet endorsed the terms of this draft.

The Cabinet's conclusions were as follows:—

- (1) The United Kingdom Government should in principle support the action which the United States Government were proposing to take to halt Communist aggression in Asia.
- (2) The United Kingdom representative on the Security Council should be instructed to support the resolution, to be proposed by the United States representative, calling on "the members of the United Nations to furnish such assistance to the Republic of Korea as may be necessary to repel the armed attack."

- (3) The United States Government should, however, be urged to refrain from including in the preamble to that resolution any reference to Communist encroachments in other parts of Asia which were not before the Security Council; and it should also be suggested to them that they should refrain from including in the public announcement which they proposed to issue the statement explicitly attributing to "centrally-directed Communist imperialism" the act of aggression against South Korea.
- (4) The Prime Minister should at once communicate the substance of Conclusions (1)–(3) to the United States Ambassador in London; and the Foreign Office should at the same time make a similar communication to the United States Government through His Majesty's Ambassador in Washington.
- (5) The Prime Minister and the Lord President should inform the Leaders of the Conservative Opposition of the announcement which was to be made by the United States Government later in the day; and the Prime Minister should communicate it to the House of Commons as soon as it had been made public and should indicate that it had the full support of the United Kingdom Government.
- (6) The Secretary of State for Commonwealth Relations should at once inform other members of the Commonwealth of the attitude of the United Kingdom Government towards this United States announcement.
- (7) The Foreign Office should arrange for Sir Gladwyn Jebb (who had recently been appointed to take the place of Sir Alexander Cadogan as the United Kingdom representative on the Security Council) to proceed at once to New York to handle the subsequent discussions of this issue in the Security Council.
- (8) The Minister of Defence should arrange for the Chiefs of Staff to report to the Defence Committee what practical steps the United Kingdom could take to assist the Republic of Korea, in pursuance of the resolution which was being brought before the Security Council; and to submit an appreciation of possible Russian reactions to the United States announcement.

*Cabinet Office, S.W. 1,
27th June, 1950.*