CABINET

CONCLUSIONS of a Meeting of the Cabinet held at 10 Downing Street, S.W. 1, on Monday, 18th March, 1957, at 10 a.m.

Present:

The Right Hon. HAROLD MACMILLAN, M.P., Prime Minister.

The Most Hon. the MARQUESS OF SALISBURY, Lord President of the Council.

The Right Hon. VISCOUNT KILMUIR, Lord Chancellor (Item 1).

The Right Hon. PETER THORNEycROFT, M.P., Chancellor of the Exchequer.

The Right Hon. JOHN MACLAY, M.P., Secretary of State for Scotland.

The Right Hon. IAIN MACLEOD, M.P., Minister of Labour and National Service.

The Right Hon. VISCOUNT HAILSHAM, Q.C., Minister of Education.

The Right Hon. HAROLD WATKINSON, M.P., Minister of Transport and Civil Aviation.

The following were also present:

The Right Hon. THE EARL OF SELKIRK, First Lord of the Admiralty (Items 2–4).

The Right Hon. GEORGE WARD, M.P., Secretary of State for Air (Items 2–4).

The Right Hon. EDWARD HEATH, M.P., Parliamentary Secretary, Treasury.

Secretariat:

The Right Hon. SIR NORMAN BROOK.

Mr. B. ST. J. TREND.

Mr. H. O. HOOPER.
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1. The Cabinet had before them a note by the Colonial Secretary (C. (57) 71) to which was annexed the draft of a statement, prepared at a meeting of Ministers held by the Prime Minister on 15th March, in which the Government would announce their intention:

(i) To accept in principle the offer by the Secretary-General of the North Atlantic Treaty Organisation (NATO) to use his good offices in the search for an acceptable solution of the differences which existed between the Governments of Greece, Turkey and the United Kingdom about Cyprus.

(ii) To summon, at an early date, a conference in London of the leaders of the various Cypriot communities in order to make further progress towards the introduction of internal self-government in Cyprus on the lines of Lord Radcliffe's recommendations.

(iii) To inform Archbishop Makarios that the leader of EOKA had stated in a recent leaflet that his organisation would suspend its operations as soon as the Archbishop was released; that the Government assumed that in this new situation he would be willing publicly to recommend the cessation of terrorist activity; that, in that event, they would be ready to bring to an end his detention in the Seychelles and would raise no objection to his taking his place as a member of the conference to be held in London; but that they must reserve to themselves the decision on the appropriate time when it would be possible to allow him to return to Cyprus.

The Foreign Secretary said that the Turkish Government, who had been informed of our intention to make an announcement on these lines, had expressed strong objections on grounds both of procedure and of substance. On procedure they felt that, in view of the short notice which we had given them, we were merely notifying rather than consulting them. On substance, they could see no advantage in our attempt to separate the internal from the international aspects of the Cyprus problem. The latter should, they felt, be pursued in the light of the United Nations resolution calling for negotiations between the three Governments concerned. The handling of the internal aspect of the problem should, in their view, be determined by the fact that the Government of Cyprus were now making steady progress in the suppression of terrorism and that it would be a sign of weakness to embark on any further discussions with the leaders of the Greek community in Cyprus or with Archbishop Makarios until terrorism had been finally eradicated.

In discussion there was general agreement that the offer of the Secretary-General of NATO should be accepted, and that the Turkish Government should be informed that we saw, and hoped they would see, advantages in pursuing the international aspects of the Cyprus problem through NATO rather than the United Nations.

It was recognised that it was unlikely that the Secretary-General would succeed in his attempt to devise, by means of the conciliation procedure, a solution acceptable to the three Governments involved. But this attempt might throw further light on the possibility of a partition of the Island, and a more detailed examination of the advantages and disadvantages of partition from our point of view should therefore be put in hand as a matter of urgency. In the meantime, however, we should not allow ourselves to be put into a position in which, while opinion in NATO might be moving towards partition, we ourselves should simultaneously be envisaging, in our response to the EOKA leaflet, discussions with the leaders of the Cypriot communities directed towards further constitutional advance within the Island as a single political entity. It might, therefore, be wise to temporize in our treatment of the EOKA leaflet and to wait until we could judge what results the NATO conciliation procedure was likely to achieve before reaching a decision about the future internal administration of Cyprus.
On the other hand, it would be unwise to allow our policy for Cyprus to be determined by NATO. We could not afford to ignore the probable effect on public opinion, both at home and abroad, if we made no response to the EOKA leaflet. There would, however, be advantage in omitting from the proposed announcement any reference to our intention to hold discussions on further constitutional advance with the leaders of the Cypriot community and in emphasising that we were concerned less with the future of Archbishop Makarios than with the effective surrender of the present leaders of EOKA in Cyprus itself. For this purpose the statement should be amended to make it clear that, if terrorism ceased forthwith, we should be prepared to allow the leader of EOKA and his principal supporters to leave the Island under a safe conduct, and that, if the Archbishop would publicly associate himself with the cessation of terrorism, he would be released from the Seychelles, although the timing of his return to Cyprus would be a matter for subsequent consideration. At the same time, while remaining on guard against renewed outbreaks of violence in Cyprus, we should refrain from launching any major offensive against the terrorists.

The exact wording of such a statement would, however, need careful consideration, having regard to its probable effect on opinion among the Government's own supporters, the troops in Cyprus, and the Turkish Government.

The Cabinet—

(1) Invited the Minister of Defence to arrange for a re-examination of the future value of Cyprus as a British military base and of the implications, from this point of view, of a partition of the Island.

(2) Invited the Colonial Secretary to revise the draft announcement on the lines agreed in their discussion, and to circulate it for further consideration by the Colonial Policy Committee at a meeting on the following day.

(3) Invited the Foreign Secretary to instruct Her Majesty's Ambassador at Ankara to inform the Turkish Government that we had reconsidered our policy in the light of their representations and were now contemplating a statement on the lines of the revised draft indicated at Conclusion (2) above.

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Statement on Defence, 1957.
(Previous Reference: C.C. (57) 17th Conclusions, Minute 3.)

*2. The Cabinet had before them a note by the Minister of Defence (C. (57) (69) covering a draft of a White Paper giving an outline of future defence policy.

The Prime Minister said that the White Paper was designed to set out in greater detail the new defence policy which he had already outlined to the Cabinet. It was important that this policy should not be presented in such a way as to reflect unfavourably on the record of Conservative Governments since 1952 or to alarm our allies in Western European Union (W.E.U.), to whom the progressive elimination of National Service would come as a surprise. The opening section of the White Paper should therefore be replaced by a longer introduction which would make it clear that the objective of our defence policy remained, as it had always been, the maintenance of compact and efficient fighting Services, but that the methods by which we should best attain this objective required radical reappraisal in the light of current strategic considerations.

The Minister of Defence briefly reviewed the main provisions of the White Paper, emphasising that, if the Services were to be manned in future by regular recruits, conditions of service would need to be

* Previously recorded in a Confidential Annex.
substantially improved in certain respects, and some additional expenditure on this account would be inevitable. It would also be desirable to indicate in the White Paper the date by which we hoped to complete the elimination of National Service.

In the course of a general discussion the Cabinet reaffirmed their approval of the broad lines of the new defence policy. Its presentation would need careful consideration, however, and in this connection the following points were made:

(a) The White Paper reflected a fundamental revolution in our defence policy, which might have far-reaching effects on our influence in world affairs and on our ability to maintain our position in the more remote Colonial territories such as Hong Kong.

(b) The impact of our proposals on the North Atlantic Treaty Organisation (NATO) might be unfortunate. NATO was the central pivot of our system of defence as a whole, and we should therefore seek by consultation to convince the other member countries of the advantages of our new policy. We should oppose any suggestion that the proposed reduction in our naval forces would warrant the transfer of certain NATO naval Commands to other countries.

(c) A reduction in military establishments on the scale indicated in the White Paper would give rise to considerable problems in the Services themselves, particularly in those branches which were manned predominantly by technical personnel recruited by National Service. The effect of the new policy on industry, particularly from the point of view of the unemployment which might result from the cancellation of contracts, would also need to be carefully reviewed from time to time.

(d) It was for consideration how far our allies in W.E.U. should be informed in advance about our intention to bring National Service to an end. Provided that we made an adequate contribution to the defence of Europe, the decision on the means by which we recruited the necessary forces lay with us and not with the other member countries of W.E.U. Nevertheless it would be advisable to give them some indication of our intentions shortly before the White Paper was published.

(e) The announcement of the withdrawal of two Territorial Army divisions as reinforcements for NATO would not be very opportune at the present moment. The extent to which Territorial Army formations should be available for emergency service overseas should perhaps be reconsidered in the light of experience during the Anglo-French operation against Egypt.

(f) The reference to Cyprus should be carefully considered in the light of the current discussions about future policy for the Island.

(g) The White Paper should include a reference to the need for close collaboration with the other Members of the Commonwealth in the development of our defence policy.

(h) The proposed reduction of our forces in the Far East would make it more difficult for us to discharge, in respect of our Colonies in that area, the responsibilities for their defence which we should retain even when they had attained a large measure of self-government.

(i) The treatment of civil defence in the White Paper would need further consideration, particularly in the light of the statement that the great cities could not at present be protected against nuclear attack.

(j) It was unlikely that all the transport aircraft needed for the Central Reserve could be provided by Transport Command; and the relevant passage in the White Paper might be amended to leave more scope for the contribution which could be made by air charter companies.

The Cabinet—

(1) Approved the general principles of the new defence policy outlined in the draft White Paper annexed to C. (57) 69.
(2) Invited the Minister of Defence to prepare a revised draft of the White Paper in the light of the points made in the Cabinet's discussion and of other comments which Ministers might communicate to him, and to circulate the revised text for their consideration at a later meeting.

(3) Agreed that publication of the White Paper should be deferred until not later than 5th April.

3. The Minister of Labour informed the Cabinet of the most recent developments in connection with the disputes in the shipbuilding and engineering industries and in the railways. In his view, the Government's aim must be to prevent these three separate disputes from merging into a common struggle waged in the three industries simultaneously, with the risk that the dispute would then spread to other industries. The immediate objective should therefore be to isolate the dispute in the railways and to seek to secure a settlement there. The Railway Wages Tribunal, as arbitrators, were due to announce their award on 20th March and arrangements should be made for the Chairman of the British Transport Commission and the union leaders to meet immediately thereafter.

The shipbuilding employees were showing little enthusiasm for the strike, and there was some reason to hope that after a time it would be possible to bring the two sides together.

The engineering employers had rejected the union's wage claim before it had been tabled and the unions were known to be opposed to arbitration. While efforts would be made to bring the parties together, it must remain to be seen, in these circumstances, whether and when these efforts would be successful.

The Cabinet—
Took note of this statement.

4. The Prime Minister said that while he was in Bermuda the Home Secretary would be in charge of the Government and would preside over meetings of the Cabinet.

Cabinet Office, S.W. 1,
18th March, 1957.