CONCLUSIONS of a Meeting of the Cabinet held at Admiralty House, S.W. 1, on Friday, 27th July, 1962, at 11 a.m.

Present:
The Right Hon. HAROLD MACMILLAN, M.P., Prime Minister
The Right Hon. R. A. BUTLER, M.P., First Secretary of State (Items 1-3)
The Right Hon. VISCOUNT HAILSHAM, Q.C., Lord President of the Council and Minister for Science
The Right Hon. REGINALD MAUDLING, M.P., Chancellor of the Exchequer
The Right Hon. DUNCAN SANDYS, M.P., Secretary of State for Commonwealth Relations and Secretary of State for the Colonies (Items 1-2)
The Right Hon. PETER THORNEycROFT, M.P., Minister of Defence
The Right Hon. JOHN BOYD-CARPENTER, M.P., Chief Secretary to the Treasury and Paymaster General
The Right Hon. J. ENOCH POWELL, M.P., Minister of Health
The Right Hon. Sir KEITH JOSEPH, M.P., Minister of Housing and Local Government and Minister for Welsh Affairs

The Right Hon. THE EARL OF HOME, Secretary of State for Foreign Affairs
The Right Hon. LORD DILHORNE, Lord Chancellor
The Right Hon. HENRY BROOKE, M.P., Secretary of State for the Home Department
The Right Hon. IAIN MACLEOD, M.P., Chancellor of the Duchy of Lancaster
The Right Hon. JOHN HARE, M.P., Minister of Labour
The Right Hon. MICHAEL NOBLE, M.P., Secretary of State for Scotland (Items 1-3)
The Right Hon. Sir EDWARD BOYLE, M.P., Minister of Education
The Right Hon. WILLIAM DEEDES, M.P., Minister without Portfolio

Also present:
The Right Hon. MARTIN REDMAYNE, M.P., Parliamentary Secretary, Treasury

Secretariat:
The Right Hon. Sir NORMAN BROOK
Mr. A. L. M. CARY
Mr. J. H. WADDELL
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1. The Cabinet had before them a memorandum by the Chief Secretary, Treasury (C. (62) 116), reporting the outcome of discussions with representatives of the National Gallery and the National Arts-Collection Fund about the purchase of the Leonardo Cartoon.

The Chief Secretary, Treasury, recalled that at their meeting on 19th July the Cabinet had invited him to negotiate with the object of securing the Cartoon for the nation at a direct cost to the Exchequer not exceeding £250,000. It now appeared that the National Arts-Collection Fund would be prepared to ensure, if necessary by making further calls on their own resources, that the appeal would produce £450,000, which would fall short, by £350,000, of the amount required by the Royal Academy. The Trustees of the National Gallery had rejected the suggestion that they should contribute a further £100,000 in addition to the £50,000 they had already contributed, and had said that they would be most reluctant to adopt any arrangement whereby £100,000 of the possible contribution from the Government would be repaid from fees to be charged by the Gallery for admission to the room in which the Cartoon would be exhibited. In these circumstances the Cabinet might think it best that the Government should make an unconditional contribution of £350,000.

In discussion there was general agreement that the Government should make a contribution of £350,000 without conditions. Consideration should be given to means of limiting the right of public or semi-public bodies in possession of major national treasures to sell these on the international market with the likely consequence that they would have to be allowed to leave the country if they were not acquired for the nation. But it would be inappropriate to include any reference to this matter in the announcement of the Government’s decision about the Cartoon. The terms of the announcement, which should be made in both Houses of Parliament on 31st July, should stress the wide interest which had been taken in the future of the Cartoon and the large number of contributions to the appeal which had come from members of the public.

The Cabinet—

(1) Agreed that the Government should contribute £350,000 towards the purchase of the Leonardo Cartoon for the nation.

(2) Invited the Chief Secretary, Treasury, in consultation with the Lord President and the Chancellor of the Duchy of Lancaster, to arrange for this decision to be announced in Parliament on 31st July.

(3) Invited the Chief Secretary, Treasury, to arrange for an examination of means of limiting the right of bodies possessing major national art treasures to offer them for sale on the international market.

2. The Foreign Secretary said that there was still no sign of any disposition on the part of either Mr. Adoula, the Prime Minister of the Central Government of the Congo, or of Mr. Tshombe, the Prime Minister of Katanga, to resume negotiation for a settlement. The United States and Belgian Governments now agreed that it would be undesirable to hold an early discussion on the Congo in the Security Council. Nevertheless, it was still possible that a meeting might be held in August; and we should be faced with a difficult situation if a resolution were put forward invoking the application of economic sanctions to Katanga. In practice this would involve an attempt to control by force the export of copper from Katanga.
to Northern Rhodesia. This would provoke the outbreak of guerrilla warfare and would have the result of destroying Katanga's economic resources. It would also set a precedent for similar action by the United Nations against South Africa, against the Portuguese colonial possessions and possibly against Southern Rhodesia. If the United Kingdom were to veto a resolution in this sense by the Security Council, the debate would be transferred to the General Assembly where we should find ourselves in a small minority. The use of the veto would, however, demonstrate conclusively the strength of United Kingdom feeling on the subject, both to public opinion in this country and internationally. On the other hand, if we merely dissociated ourselves from such a resolution this might be interpreted in this country as a sign of weakness and indecision.

If a meeting of the Security Council were held it might be to our advantage to put forward a resolution of our own advocating a solution for the Congo, based on a proper federal Constitution, a fair division of the revenues, and an international plan for reconstruction and development. While the United States Government agreed that any solution for the Congo must include these three elements, they wanted in addition to secure rights of movement for Central Government forces throughout the territory. They were also prepared to contemplate a settlement reached by force, and had indicated that, if the United Nations were not prepared to use force, the United States would do so on their own.

The immediate problem was to induce Mr. Adoula and Mr. Tshombe to resume negotiations. Although Mr. Tshombe had said that he would withdraw into the jungle and conduct guerrilla operations from there rather than submit to dictation from the United Nations it might still be possible, given a corresponding move on Mr. Adoula's part, to make progress. Some gesture of conciliation was needed: it might for example be possible to induce Mr. Tshombe to deposit a sum of money in a neutral bank as an earnest of good intention and to say that if agreement could be reached on a federal Constitution he would be prepared to increase the percentage of Katanga's revenue to be diverted to the Central Government. The influence of the Prime Minister of the Federation of Rhodesia and Nyasaland, Sir Roy Welensky, might be helpful in bringing Mr. Tshombe to accept the need for some move of this kind.

In discussion the following points were made:

(a) It now seemed less likely that this question would be raised at an early meeting of the Security Council. If, however, such a discussion took place, the balance of advantage would lie in favour of dissociating ourselves from an unacceptable resolution rather than using the veto. The use of the veto would have a deplorable effect internationally, particularly in Africa and Asia, would align the United Kingdom with countries such as Portugal and South Africa, and would encourage extreme opinion in this country to demand still stronger measures of disapproval of United Nations action even to the extent of withdrawing from the Organisation. Nevertheless, a final decision could only be taken in the light of the situation at the time.

(b) It had been assumed that if the United Nations passed a resolution, whether in the Security Council or in the General Assembly, which led to further operations in the Congo, the United Kingdom would still be bound to contribute to the cost, particularly in the light of the recent judgment of the International Court at The Hague. The judgment of the International Court had not, however, been studied in detail and might prove to be more restrictive in its effect, particularly on the powers of the General Assembly, than now appeared. The judgment would, however, have to be debated in the General Assembly; and a decision on the
continuance of our financial contribution to the cost of the operations in the Congo should, if possible, be deferred until this debate had taken place. It should, however, be possible for us to refrain from taking up our subscription to the United Nations Bond issue if we had dissociated ourselves from an extreme resolution on the Congo.

(c) If any attempt were made to impose economic sanctions on Katanga there would be a strong reaction from Sir Roy Welensky. This was a further reason for asking him to intervene with Mr. Tshombe in an effort to reach a negotiated settlement.

Summing up, the Prime Minister said that we must be prepared to take quick decisions in the event. We should have a resolution of our own ready for submission. If this were not accepted and a resolution to which we could not subscribe were seen to command majority support it seemed to be the present feeling of the Cabinet that we should dissociate ourselves from it rather than veto it. If further operations were undertaken by the United Nations it might be necessary for us to continue to subscribe to their cost, although we should certainly not take up our subscription to the Bond issue. Nor should we provide weapons, particularly aircraft and bombs, for use by the United Nations forces, although we might have to continue to provide repair facilities, e.g., for Indian aircraft.

The Cabinet—

(1) Agreed that in the event of a meeting of the Security Council to discuss further United Nations action in the Congo, it would be desirable to present a resolution of our own urging the parties to reach a settlement by negotiation and indicating the form which such a settlement might take.

(2) Agreed that, if a resolution on these lines found no support, it would probably be preferable that the United Kingdom Government should dissociate themselves from an alternative resolution which we could not support; but a final decision on this point should be deferred until the circumstances were known.

(3) Invited the Foreign Secretary, in consultation with the First Secretary of State, to consider further the possibility of using the good offices of the Prime Minister of the Federation of Rhodesia and Nyasaland to persuade Mr. Tshombe of the need to continue negotiations with Mr. Adoula.

(4) Invited the Lord Chancellor to examine the recent judgment of the International Court on the obligations of member countries of the United Nations, with particular reference to the powers of the General Assembly and to the need for the United Kingdom to continue to subscribe to the cost of United Nations operations in the Congo.

3. The Foreign Secretary said that during his recent visit to Geneva he had had some private discussions on Berlin with the Soviet Foreign Minister, Mr. Gromyko. He had also seen the United States Secretary of State, Mr. Rusk, and the Foreign Ministers of France and Germany; Mr. Rusk had held several discussions with Mr. Gromyko. There had been no sign that Mr. Gromyko was interested in any solution save the ending of the occupation status of West Berlin and the withdrawal of Western troops from the city. It had not been possible to pursue with him either the positive suggestions which at different times had been made from the Western side (for example, for introducing token Russian
forces or for setting up an international access authority) or wider questions affecting the security of Russia's western frontiers. Mr. Gromyko had made it clear that, while he was for the time being prepared to go on talking without insisting on immediate signature of a peace treaty with East Germany, the talks could not be allowed to continue indefinitely. Discussions on Berlin would, in fact, be resumed in Washington between President Kennedy and Mr. Rusk and the Soviet Ambassador.

There was as yet no concrete sign that the conclusion of a peace treaty was imminent. The East German economy was in serious difficulties, and Mr. Khrushchev was probably reluctant to see in the hands of the East German President powers which, if clumsily exercised, could result in major incidents or even war. A further move towards the conclusion of a treaty might be made early in the autumn and this might be linked with international action on a wider front. Some warning might be expected from increased Soviet diplomatic activity, since the Soviet Government would wish to secure the participation of as many countries as possible. Meanwhile the West German Government were endeavouring, by the use of credits, to strengthen their economic ties with East Germany.

In discussion it was noted that the Soviet Government were fully aware that progress could be made, if they so wished, on various practical suggestions affecting the allied position in Berlin. It would be inexpedient to press these suggestions at the present time, since this might have an adverse effect on the attitude of the French and West German Governments in the negotiations for our entry to the European Communities. They might be considered further by the Cabinet during August with a view to bringing them forward later for international consideration. The conclusion of a treaty between the Soviet Government and East Germany was not necessarily in itself a serious matter; the danger lay rather in the incidents which might then take place in the land and air corridors. If the treaty led to effective East-West discussions on major issues, either under the auspices of the United Nations or otherwise, the long-term result might be some easing of international tension.

The Cabinet—

Took note of the Foreign Secretary's statement and of the points raised in their discussion.

4. The Foreign Secretary said that the United States were about to put forward at Geneva new proposals for an international agreement on the cessation of tests of nuclear weapons. These would go far towards matching the proposals previously submitted by the neutral powers represented at the Conference. They would involve the maintenance of a much smaller number of detection posts outside Soviet territory to identify underground tests and the minimum amount of international inspection of seismic disturbances within the Soviet Union itself. The Soviet Government had however made it clear, in earlier discussion, that they were not prepared to accept any degree of international inspection, however small; and it was likely that they would reject the new United States proposals. They might be prepared to offer as an alternative the international inspection of events in their territory at their invitation, but this would not be acceptable to the Americans. Nor were the Americans at this stage prepared to revive the project for a ban on tests in the atmosphere.

The Prime Minister said that, although the American plan was likely to be rejected, the fact that it was to be put forward showed a considerable advance on the position which the United States Government had adopted earlier. It might in the end be necessary
to fall back on a treaty abolishing nuclear tests which would contain no safeguards but would simply reserve to participating countries the right to denounce the treaty in the event of infringement or suspected infringement by any other participating country. Even this the Soviet Government would be unlikely to accept unless it could be seen to form part of some larger settlement of outstanding international issues. For the same reason he would be unwilling to urge the United States Government at the present stage to revise their new proposals in a sense more favourable to the Soviet Government's own point of view; he did not feel that further progress would be possible in this field except in the context of a broader discussion of East-West relations as a whole. An opportunity for such a discussion might present itself after the end of the next series of Russian tests.

The Cabinet—
Took note of these statements by the Foreign Secretary and by the Prime Minister.

South-East Asia Treaty Organisation
Laos
(Previous Reference: C.C. (62) 47th Conclusions, Minute 2)

5. The Foreign Secretary said that during his recent visit to Geneva he had signed, on behalf of the United Kingdom Government, the international agreement designed to assure the unity and neutrality of Laos. He had been favourably impressed by the present attitude of the Asian representatives who had taken part in these protracted discussions in Geneva. The atmosphere was very different from that which had prevailed when the conference had opened 14 months previously. There was now, among the Asian representatives, a much greater understanding of the Western point of view. This was largely due to the efforts of the British and American representatives, Mr. Malcolm MacDonald and Mr. Averell Harriman. But it also illustrated the advantages to be gained, in terms of mutual understanding between East and West, by the patient exploration of practical plans for resolving specific international problems. There would have been little prospect of resolving this particular problem in the overcharged atmosphere of the United Nations. It would be worth considering whether this method of resolving differences could be applied to some other area of disagreement between East and West.

The Cabinet—
Took note of the Foreign Secretary's statement.

Cabinet Office, S.W. 1,