CABINET 19 (22).

Conclusions of a Meeting of the Cabinet held at 10, Downing Street, S.W., on Monday, 20th March, 1922, at 11.30 a.m.

PRESENT:

The Right Hon. A. Chamberlain, M.P.,
Lord Privy Seal. (In the Chair)


The Right Hon. S. Baldwin, M.P., President of the Board of Trade.


The Right Hon. Sir Arthur Griffith-Boscawen, M.P., Minister of Agriculture and Fisheries.


The Right Hon. Sir L. Worthington Evans, Bart., M.P., Secretary of State for War.

The Right Hon. Sir Alfred Mond, Bart., M.P., Minister of Health.

The Right Hon. H. A. J. Fisher, M.P., President of the Board of Education.

The Right Hon. Sir I. Macnamara, M.P., Secretary for Scotland.


The Right Hon. Sir L. J. Fisher, M.P., Secretary of State for War.

The Right Hon. Sir Alfred Mond, Bart., M.P., Minister of Health.

THE FOLLOWING WERE ALSO PRESENT:

Capt. The Right Hon. F. E. Guest, Sir Edward Grigg, K.C.V.O., C.M.G., C.B.E., D.S.O., M.P., Secretary of State for Air. (For Conclusion 1.)

Mr. T. Jones .................. Principal Assistant Secretary.
Conclusion 6, the Secretary of State for War, as a matter of urgency in view of the forthcoming discussion on the Army Estimates on Wednesday next, raised the question of the number of battalions of the Army to be abolished.

The Committee on National Expenditure had recommended the reduction of 26 battalions, and Mr. Churchill's Cabinet Committee on the Report of Sir Eric Geddes' Committee had recommended that this number be reduced to 24 battalions. On recalculating the Army Estimates it had been found that with the expenditure now contemplated it would be possible to maintain an additional two battalions so that the reduction would not exceed 22 battalions in the aggregate. This concession would enable the Army Council to avoid the embarrassment of being obliged to choose between scrapping two battalions of Guards, two battalions from North Ireland, or two English county battalions.

In this connection the attention of the Cabinet was drawn to a memorandum by the Secretary of State for the Colonies on the subject of the disbandment of the Royal Irish Fusiliers, in which he had set forth the objections of the Prime Minister of Northern Ireland to the disbandment in present circumstances of a battalion recruited mainly from the border districts. (C.P. 3824).

The Cabinet agreed -

(a) To approve the proposal of the Secretary of State for War that the number of battalions to be reduced should be 22.

(b) That the Secretary of State for War should be authorised, in carrying out this decision, to retain four of the battalions recruited in Northern Ireland, on the understanding
that this decision should apply only for the financial year 1922 - 23

c) That the Secretary of State for War should confer with Sir James Craig as to which North Ireland battalion should be selected for disbandment.
(2) With reference to Cabinet 14 (22), Conclusion 3 and Appendix IV, the Cabinet had before them four Memoranda, by the Secretary of State for Foreign Affairs, of Conversations he had had with Issazet Pascha and Yussuf Kemal Bey on March 16 and March 18, 1922 (Papers C.P.-2857, 3856, 3860 and 3861).

The Secretary of State for Foreign Affairs gave to the Cabinet an account of the Conversations described in these Memoranda, the two latter of which had only reached members of the Cabinet shortly before the meeting. The terms put forward by Yussuf Kemal Bey, which included the return to Turkey of Thrace as well as Asia Minor, were impossible. At Yussuf Kemal Bey's request Lord Curzon had put the fundamental principles on which he considered a settlement should be reached. First, he was prepared to use his influence with the Greeks to make a peaceful and voluntary retirement from Asia Minor. This condition, however, was dependent on the settlement of the Treaty as a whole. Moreover, there must be guarantees for the Christian population left behind by the Greeks. Such guarantees would be extended reciprocally to Turkish minorities left under Greek rule. Second, the Allies could not surrender both shores of the straits of the Dardanelles as well as of the straits of the Marmora. There were two reasons for this. The first was a military reason. The War Office deemed it out of the question that we should surrender the European shores of the Dardanelles, although the Asiatic shore might be returned to the Turks as part of a widened demilitarised zone. The second reason was a sentimental reason, namely, that the Dominions would not tolerate the return to the Turks of the Gallipoli Peninsula containing the graves of the men who had fought so gallantly there. Third, the Turks must recognise their pre-war debts.
Fourth, they must recognise the claims arising out of the War, the cost of the Army of Occupation, etc. Fifth, the Turks must not have a conscript army. LORD CURZON said he had not discussed the boundaries of Thrace, nor the measures to be applied in Smyrna, as this was a matter which would have to be discussed between himself and the Allied Foreign Ministers. On the whole, the conversation, though friendly, had, he felt, been unfruitful. The only hope of a settlement appeared to depend upon union among the three Powers to be represented at Paris. One thing which he had impressed on the Turkish Delegates was the necessity for an immediate armistice. Otherwise, at any moment while the peace negotiations were in progress, a collision might occur between the hostile forces. İzzet Pasha had appeared quite friendly to this idea, but the Constantinople Government, of course, was not at present fighting with the Greeks. Yusuf Kemal Bey, on the other hand, was rather disturbed at the prospect of an armistice, and Lord Curzon had insisted that he should telegraph the proposal to his Government. The Turkish forces at the present time were being somewhat diminished by desertion, and Yusuf Kemal Bey probably feared that, if once an armistice were agreed to, the Angora army would melt away. In any case, Yusuf Kemal Bey had no power to agree to an armistice, but he (Lord Curzon) thought it probable that one of the first acts of the Paris Conference would be to insist on this.

Yusuf Kemal Bey had insisted on the immediate evacuation of Smyrna by the Greeks. On the subject of the evacuation, LORD CURZON said he had seen General Harington, who had evolved, in concert with the Allied Commanders at Constantinople, a very sensible scheme for achieving this. The Greek Army consisted of approximately 200,000 men, and
retirement of this large force was a matter of some difficulty. He thought that the rumoured devastation of the country by the Greeks was very unlikely to occur, and the same applied to the rumoured Venizelist revolution. The proposal of the Allied Commanders was to divide the territory to be evacuated into four zones, and to begin by evacuating the easternmost zone. The retirement was, under this scheme, to be supervised by Allied officers. As the forces withdrew the Turkish Civil Administration was to be restored, and a commandery was to be set up under Allied officers. The whole evacuation was to occupy 4½ months. The necessary shipping was available. The Turkish army was to be under the surveillance of Allied officers, who would see that as soon as the Greeks had withdrawn the Turkish forces were demobilised.

THE SECRETARY OF STATE FOR WAR interpolated at this moment that the plan drawn up by the Allied Generals under General Harrington had not been agreed to in all its details by the General Staff. In particular, they objected to sending British officers as far as Afum Karabissar.

THE SECRETARY OF STATE FOR FOREIGN AFFAIRS said he had not committed himself to this particular plan. He had seen General Thwaites with General Harrington, and was aware that the General Staff had certain objections. The whole question would probably be remitted to Marshal Poch's Committee.

In regard to the procedure at Paris, THE SECRETARY OF STATE FOR FOREIGN AFFAIRS thought that his task was very difficult, and his prospect of achieving success remote. He recalled the consistent and almost treacherous attitude of the French. There was reason to believe that all the British views, if communicated to the French Government, were passed on to the Turks, and General Pelle and the
said that another sinister feature was the increasing closeness between Angora and the Bolsheviks. Referring to his Memoranda, he pointed out that he had done his best for our policy in Mesopotamia. Yusuf Kemal Bey had begun with the usual formula in regard to the conformity of interests between Great Britain and the Angora Turks. Lord Curzon had asked him how he reconciled this with the rapprochement to the Bolsheviks, from whom the British Government differed widely. Yusuf Kemal Bey had replied that the Bolsheviks recognised the community of economic and social conditions between the two countries. Lord Curzon then asked him what he was doing with Bolshevist money, and he had replied that it was being spent for defence. Lord Curzon had asked him against whom this defence was to be provided? Was it against the Greeks? Certainly not, because the present Conference was being held to consider how the Greeks were to be extricated from Smyrna. Lord Curzon had continued that he had heard of Turkish armies threatening the Mosul region. He had warned Yusuf Kemal Bey that if British interests were attacked the attack would be resisted with all the force of the Empire.

For the reasons set forth above, Lord Curzon said he would be going to Paris with but little hope of complete success, though he intended to yield as little as possible.
He thought it necessary that the Foreign Ministers should continue sitting until they reached an agreement, which must be put in writing. There would not be time to reconstruct the Treaty of Sevres, and the Agreement should relate to principles only. This Agreement should then be sent both to the Greeks and to the Turks, who should be asked for their views and should be invited to state them at a fresh meeting in Constantinople, where they should be received by the Commissioners of the Powers. An armistice should also be asked for. If the replies were favourable, the Greek evacuation of Smyrna should begin at once. He thought it would be inadvisable for the Prime Ministers or Foreign Ministers to meet at Constantinople, as it would never do to meet a rebuff there. If the proposals of the Powers were rejected, there would have to be a meeting of the Supreme Council, or a fresh meeting of Foreign Ministers. He felt, however, that once an armistice could be arranged, there was a chance of reaching some settlement.
THE SECRETARY OF STATE FOR THE COLONIES said that all must have sympathy with Lord Curzon in his task. At the moment we were liquidating an immense disaster for which we were not entirely free from responsibility. The signature of the Treaty of Sévres had been one of the most unfortunate events in the history of the world. No means had existed for enforcing it. The result had been that we had aroused in a Power that had been at our feet, a spirit which now had no means to combat. Consequently, the Foreign Secretary had to do his best in very difficult circumstances. The Greeks were exhausted, worn out, bankrupt. The Smyrna vilayet which had existed for three years in utter misery was again to be abandoned to the Turks. We had no leverage with the Turks, whereas the Turks had a leverage to use against us in the threat to Mosul. There the Turks had the means of wrecking our policy without any great effort. If Lord Curzon came back from Paris without a peace, he himself did not know what advice he could give to the Cabinet. He had always said that he could not hold Mesopotamia without peace on its borders. If there were no peace, it was very likely that there would arise a pressure on Mesopotamia, which would drive us out. The Turks recognised the British Empire as their great enemy. At one time they would have taken anything from us, but we had rejected them and now they had in their hands an easy means to inflict humiliation upon us and to complete the destruction of our policy in Mesopotamia. He had been glad to hear Lord Curzon say that the Pact was a lever to use with the French. That was very strongly his view, confined though the Pact was within narrow limits.
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LORD CURZON interpolated that the Foreign Office had always objected to and still objected to was an alliance with France and not a limited pact of guarantee.

THE SECRETARY OF STATE FOR THE COLONIES, continuing, said that he hoped the Cabinet would realise that our policy in regard to Turkey had resulted in achieving the impossible, namely the marriage of the Bolshevists and the Turks in spite of the entire conflict of principles between them. This greatly increased our difficulties.

LORD CURZON pointed out that this union was inevitable when the decision was taken to abandon the Caucasus. He had foreseen it at the time.

THE SECRETARY OF STATE FOR THE COLONIES said his view had always been that our proper line was an easy policy towards Turkey and a stiff policy towards the Bolshevists. We had adopted exactly the contrary course, with results which were now visible.

He asked whether India was to be represented at the Paris Conference. He felt she was entitled to this by her sacrifices in the War against Turkey. Lord Curzon, owing to the private letter which Sir Montagu by his action had compelled him to make public, was regarded in India as hostile. He asked, therefore, if the new Secretary of State for India could not go to Paris as a Delegate with Lord Curzon, or possibly, some Indian might be found to accompany him.

THE LORD PRIVY SEAL pointed out that the new Secretary of State for India would have difficult domestic Indian problems to deal with and could hardly go away during his first week in office.

THE SECRETARY OF STATE FOR WAR agreed with the Secretary of State for the Colonies that some demonstration should be made to indicate that India was being
represented.

THE SECRETARY OF STATE FOR FOREIGN AFFAIRS pointed out that the Paris meeting was to be attended only by foreign Ministers who would be accompanied by their Private Secretaries. No-one else would be in the room. He strongly resented any suggestion of lack of impartiality on his part. He pointed out that throughout he had been absolutely impartial between the Turks and Greeks. He was not going to Paris to speak against the interests of India or in favour of the Greeks. He had no more right to take an Indian with him to Paris than a representative of a Dominion who wished to put an opposite point of view. He would do his best in the difficult circumstances, for which he himself was not responsible.

THE LORD PRIVY SEAL said that all present must recognise that the situation of the Foreign Secretary was a very difficult one. He had no cards in his hand and the few he had had had already been played by someone else. He was not quite clear, however, how far Lord Carson was prepared to go in order to secure peace.

THE SECRETARY OF STATE FOR FOREIGN AFFAIRS said he might have to make some concessions. He thought it was essential to get some kind of settlement but M. Schanser had to return to Rome on the 27th March as the King of the Belgians was visiting Rome on March 29th. His idea was that the evacuation of Asia Minor should be accompanied by the establishment of some régime in Smyrna under Turkish sovereignty to provide for non-Turkish races. He himself would be glad to see this régime set up under the auspices of the “League of Nations.” He thought this was not impossible, provided Turkish sovereignty remained, as Eastern nations attached great
importance to the flag. The Turks had suggested an exchange of population between Greeks in Smyrna and Turks elsewhere but this was hardly feasible. The protection of minorities, however, ought not to present insuperable difficulties and resort might be had to the League of Nations in this, more particularly as the League had certain responsibilities for this in connection with the European Treaties. As regards the Armenians, he despaired of doing much for them. At the present moment there was an Armenian Republic in Armenia which had adopted Soviet principles and was safe for the moment. He would like to persuade the Turks to increase the size of this state. An alternative was a scheme for an Armenian Republic in Silesia, but he thought there was no chance of the Turks accepting this. As regards financial control, he would give the Turks a large measure of independence.

The two main difficulties related to the Straits and to Thrace. In regard to Thrace, the difficulty was that the Greeks were in possession. Supposing the Allies were to accept the Turkish National Pact, who, he asked, would be able to turn the Greeks out of Thrace? They had there an army of 70,000 men. Moreover, the moment the Allies withdrew from Constantinople, the Greeks would slip in. That was something the Turks had to bear in mind and did provide some sort of a lever. To this consideration must be added the military aspect of the question. The War Office, as he had already mentioned, would not hear of returning the European shores of the Dardanelles to the Turks. Neither would the Dominions, for sentimental reasons. Consequently, he felt he must put up the best fight he could for retaining the Greeks in Thrace, with the Allies occupying the
forts in the Gallipoli Peninsula. If the frontiers of Turkey were extended to the Bulgarian frontier, the whole Balkan question would be re-opened. Hence, Thrace was the most difficult question.

The Minister of Health pointed out that the Foreign Secretary’s position was, perhaps, not so bad. Supposing he achieved nothing and the Greeks and Turks were left to fight it out, Great Britain would suffer no loss of prestige. Even assuming the worst, if we were attacked in Mesopotamia, this country was merely under a British mandate and was not part of the British Empire.

The Secretary of State for Foreign Affairs pointed out that one of his difficulties was that the Greeks at Paris had been invited by the Allies to go to Smyrna. Later on they had fought for the Allies and fought very gallantly. Consequently, it was impossible for us to wash our hands of the Greeks and leave them to their fate.

The Secretary of State for the Colonies pointed out that if the worst came to the worst, the British might have to evacuate Mesopotamia. An even more serious matter would be the evacuation of Gallipoli. He would rather have a continuance of a state of war, or at any rate of disturbance, even involving the evacuation of Mesopotamia, than to return the mastery of the Straits to the Turks.

The Minister for Education agreed in this.

The Lord Privy Seal suggested that it was not worth while to run risks in order to secure the acknowledgment by the Turks of their obligation to pay the cost of the armies of occupation. In any case, they would never be able to pay anything.

The Secretary of State for Foreign Affairs agreed.
THE LORD PRIVY SEAL asked if it was worth while pressing very strongly about the abandonment of conscription.

THE SECRETARY OF STATE FOR FOREIGN AFFAIRS pointed out that this would raise the question in Bulgaria, Hungary and Austria. Everywhere the abolition of conscription had been resisted and everywhere we had refused to give way. He felt that the only chance for the miserable inhabitants of Turkish territory and the only prospect of peace in these regions lay in the abolition of conscription. If conscription was maintained, then the invasion of Mesopotamia would come in due course.

THE LORD PRIVY SEAL expressed doubt as to whether we could achieve it.

At the conclusion of the discussion the SECRETARY OF STATE FOR WAR begged Lord Curzon to be very careful to incur no additional military responsibilities.

THE SECRETARY OF STATE FOR FOREIGN AFFAIRS said he fully realised the importance of this.

THE LORD PRIVY SEAL said he thought that the discussion could not usefully be carried further.

The Cabinet left the Secretary of State for Foreign Affairs full discretion to do his best at Paris on the general lines he had indicated, and in accordance with the general intentions of the Cabinet as revealed in the course of the discussion.
(3) With reference to Cabinet 70 (21)

Conclusion 1, the Cabinet had before them a memorandum by the President of the Board of Trade, dealing with the enforcement of Part II of the Safeguarding of Industries Act (C.F.3852).

The President of the Board of Trade explained that seven reports had been received from committees which had been dealing with complaints under Part II of the Act, four of these reports being in favour of and three adverse to the applicants' industries. In the case of fabric gloves and glove materials, the committee's report was unanimously in favour of the applicants and the direction of the Cabinet was now required on the question whether or not the Board of Trade should exercise its powers to make an Order under the Act. Inasmuch as it would be the first of such orders under Part II considerable interest was being shown in the case as it would indicate the Government's general attitude to Part II. Strong representations had been made on behalf of the Lancashire fine cotton spinners against the making of such Order on the ground that if a duty is placed upon German fabric gloves the German manufacturers, who up to the present have bought their fine cotton yarn mainly from Lancashire, may divert their purchases to France. However, groundless this fear it could not be denied that it was real and might have considerable political effect by provoking anew old tariff controversies. He (Mr. Baldwin) thought it quite probable that to make the Order would cost the Government many votes but he saw no alternative other than to administer the Act.

In the course of the discussion which followed
it was pointed out that in the case of gloves the committee's report was unanimous and unhesitating and that the arguments against its application was simply the fear of some hypothetical action by the Germans, upon whom we could bring very heavy diplomatic pressure and who in any case could only impose retaliatory duties by violating the terms of the Treaty of Versailles. On the other hand, very general expression was given to the inexpediency of proceeding at the present moment to foment agitation by taking action on behalf of a very minor industry affecting only a few thousand out workers and thereby upsetting so large and powerful an interest as that of the Lancashire spinning trade. The workers in this trade, it was emphasised, had greatly suffered during the war, and since the war despite continuous and systematic short time they had shown great reluctance to have recourse to the Poor Law. Further, the imposition of a duty of thirty three and one-third percent for two or three years could not be regarded as effectively meeting the collapse in the exchanges.

The question was then raised as to whether the President of the Board of Trade had legally any discretion in the matter of making an Order and whether "may" make an Order in the Act did not in fact mean "must" make an Order.

The Cabinet agreed -

(a) That the President of the Board of Trade in reply to questions in Parliament should state that the reports of the committee were still under consideration.

(b) That the President of the Board of Trade should consult the Law Officers on the point of the interpretation of his powers under the Act whether permissive or obligatory, with a view to further consideration of the matter by the Cabinet.
LIMITATION OF EXPENDITURE ON ARMAMENTS.

(4) With reference to Cabinet 36(22) Conclusion 5, the Cabinet had before them a Note by the Lord President of the Council covering a draft reply to the League of Nations on the question of the Second Assembly’s Recommendations for the limitation of Expenditure on Armaments. (C.R.3950).

The Cabinet agreed to the terms of the draft letter and authorised the President of the Board of Education to sign it subject to the following amendment proposed by the First Lord of the Admiralty:-

Paragraph II to read -

I am happy to be able to inform you that the further economies foreshadowed in the reply of His Majesty’s Government dated June 2nd 1921, to the similar recommendation of the First Assembly, have proved capable of realisation and the forthcoming Estimates to be presented to Parliament of their national expenditure on armaments will demonstrate the very considerable reductions in all directions provided for during the next financial year.
At the request of the Minister of Labour the Cabinet postponed the consideration of Dr Macnamara's Memorandum on the Building Trade and Ex-Service men. (C.P. 3814).