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CABINET.

PROPOSED REQUEST TO GERMAN AND ITALIAN GOVERNMENTS TO SECURE THE LIQUIDATION OF BRANCHES OF THE NATIONAL SOCIALIST AND FASCIST PARTY ORGANISATIONS ESTABLISHED IN THE UNITED KINGDOM.

Joint Memorandum by the Home Secretary and the Foreign Secretary.

THE branch of the foreign section of the National Socialist Party established in the United Kingdom is known as a Landesgruppe and is under the direction of a Landesgruppenleiter, Herr Otto Bene (an application for whose appointment as German Consul-General in London we recently succeeded in forestalling without any protest from the German Government). Under him there are two local branches, known as Ortsgruppe, in London and Dalston, and smaller branches, known as Stutzpunkte, at Bradford, Birmingham, Hull and Manchester-Liverpool and Newport-Cardiff. There is also, apparently, a Stutzpunkt at Dublin. It is believed that at the moment there are some 288 members of the National Socialist Party in Great Britain, of whom some 67 form the staff of the British Isles branch of the Auslands Organisation. Prince Bismarck himself is one of these: he is the liaison officer between the Embassy and the Landesgruppe. The headquarters in London are understood to be in touch with some 1,500 people, some being British subjects of German extraction. Since the Nazi Party in Germany has unprecedented power over the individual, it can direct the energies of every member of the party in any desired direction. An underlying object of the Auslands organisation is to weld together all Germans abroad who are to be regarded as an indissoluble part of the Reich, and who are expected by their oath to give active co-operation in the pursuit of the Führer's aims.

- 2. Considerably less information is available regarding the Italian Fascist Party Organisation in this country since enquiries into their activities have only recently been set on foot; but as in the case of the German National Socialist Party, a branch of the Fascist Party is known to be in existence here with its complement of party officials and machinery. It has its headquarters in London and a number of provincial branches. It is based on the foreign section of the Italian Fascist Party in Rome. During the recent crisis very definite instructions were issued from H.Q. that in the event of an outbreak of hostilities certain acts of sabotage were to be carried out by members of the Fascist Party attached to British Air Force units in the Near and Middle East.
- 3. There is no objection on the part of our authorities to German and Italian citizens in this country being affiliated as individuals to their national party organisations in Germany or Italy as the case may be. What is considered objectionable is the establishment of branches of these organisations in this country. These organisations provide a ready-made machine which can be used for any end desired or decided upon by the party headquarters (a branch of the totalitarian State) in Germany or Italy. They might also be used in an

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emergency to the detriment of the vital interests and safety of this country. This party machinery is, in fact, an excellent instrument not only for propaganda and intelligence, but also for espionage and, in an emergency, for sabotage. It cannot be over-emphasised that every member of the party is an agent of his Government and is obliged to act according to their orders.

- 4. It is true that there is in existence in this country an organisation known as the Russian Communist Party cell, which consists of members of the Russian Communist Party employed in Soviet institutions in this country. This organisation works underground and has no open contact with the Communist Party of Great Britain. It can, however, be differentiated from the Fascist and Nazi organisations in that for the moment its activities and influence are so negligible that our authorities do not consider it necessary to review its activities in this connexion.
- 5. The proposal which it is now desired that the Cabinet should consider is that informal and friendly suggestions should be made to the German and Italian Governments through their Embassies in London that they should take steps to secure the closing down of their party organisations in this country, the presence of which is considered unusual and undesirable here. Action of this kind has already been taken, without any serious protest from Germany, by the Swiss Government against the National Socialist Party organisation in Switzerland. It is not proposed that detailed reasons for this request should be communicated to the German or Italian Embassies; but they would be given to understand that, should the request not be acted upon, we should probably be obliged to require the leading organisers and party officials to leave the country.
- 6. The decision to be taken by the Cabinet in this matter must depend primarily on their view of the effect of the proposed action on the safety of the country. M.I.5, who are responsible for supervising the activities of any organisation which may be a danger to the internal security of this country, strongly urge that this action should be taken. Their view is that to deprive these organisations of their right to operate publicly and freely here would embarrass them and limit their activities. For instance, the pressure which they can bring to bear on other individuals, of German and even of British nationality, to aid and abet their activities would, in the view of M.I.5, be diminished; and, moreover, even if the work of the organisation was continued in secret and by underground methods, it would inevitably be hampered in many directions. On the other hand, it can be argued that if driven underground and compelled to work in secret it might become more difficult to keep an effective watch on these organisations. On this view the action suggested would not necessarily secure the discontinuance of these organisations, but might add to the difficulties of observation.
- 7. Two other points will have to be borne in mind in coming to a decision on this matter. The first is the fact that this action will certainly be challenged in Parliament and the Press, and that for obvious reasons it would not be in the public interest to give detailed arguments in its defence. The ultimate sanction is deportation of party officials if the organisations continue, and great pressure would be brought to bear on the Home Secretary to explain his reasons for requiring the departure from this country of German or Italian subjects who ostensibly have good reasons to remain in this country but are known to the authorities to be engaged in secret party activities.
- 8. There is, finally, the question of the effect of the proposed action on our relations with Italy and Germany. There can be no question but that the action proposed is legitimate from our own point of view; and, however inconvenient it may be to the German or Italian Governments, it can scarcely be said that they would be entitled to resent it. If our people go to Germany or Italy they have to conform to German or Italian practice: and there is no reason why German or Italian citizens in this country should seek to establish over here, in this unprecedented manner, their own organisations. These, as agencies of a totalitarian State, are the tools of a foreign Government owing direct allegiance to its head. On the other hand, it is, of course, true that, for this reason, the two Governments concerned will feel that this action strikes at a very fundamental part of their methods and programme.

- 9. It would certainly be legitimate to refuse to give detailed reasons for our action to either Power or to say more than that we had decided to take the action proposed on grounds of public interest. A reason for taking it soon, which is of some importance, is that, the longer it is delayed, the greater becomes the prescriptive right of these organisations to carry on their activities here. By permitting their continuance we, in fact, condone their activities. Were, moreover, action to be delayed until a period of emergency arose, its initiation, which might then be imperative, might be embarrassing; and in any case the widened activities of these organisations might be difficult to suppress at short notice. They are in an early stage of development here: we do not know how they will evolve.
- 10. If the Cabinet take the view that some action to deal with these foreign political organisations is necessary, the only possible course seems to be that suggested in this memorandum, even if we cannot be sure that it will be entirely effective. To give freedom of action in this country to the organised agencies of a foreign Power is a dangerous precedent; and it is for serious consideration whether time has not come when we should do our best to curtail the activities of these foreign political organisations.

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J. S. A. E.