CABINET.

WESTERN MEDITERRANEAN: SITUATION ARISING FROM THE SPANISH CIVIL WAR.

NOTE BY THE ACTING SECRETARY.

THE accompanying Report by the Chiefs of Staff Sub-Committee, which has not yet been considered by the Committee of Imperial Defence, is circulated to the Cabinet at the request of the Secretary of State for Foreign Affairs.

(Signed) R. B. HOWORTH,
Acting Secretary to the Cabinet.

2 Whitehall Gardens, S.W. 1,
August 31, 1936.
COMMITTEE OF IMPERIAL DEFENCE.

WESTERN MEDITERRANEAN: SITUATION ARISING FROM THE SPANISH CIVIL WAR.

Report by the Chiefs of Staff Sub-Committee.

IN accordance with the request contained in the letter from the Foreign Office which is attached as Annex I to this Report, we have had under consideration the extent to which British interests would be affected and what action His Majesty's Government might take in the event of Italy taking some action which might upset the existing balance in the Western Mediterranean.

British interests in the Western Mediterranean.

2. The chief British interest in the Western Mediterranean is the safety of our trade and of our sea and air communications which pass through the Straits of Gibraltar and close along the southern shore of Spain. For the purpose of maintaining the required degree of security in this area, as well as for the protection of our sea communications with South America and the Cape, it is essential that Gibraltar should continue to be available to us as a secure naval base. In addition, it is hoped to establish in the comparatively near future an air base at Gibraltar which will be a key station in the "all red" air routes from United Kingdom both to the Far East and to the Cape. Even if the air route through the Mediterranean were to be closed to us through the loss or destruction of air facilities at Malta, the Gibraltar air base would still be essential for the use of the alternative air route via the west coast of Africa.

3. For 150 miles east of Gibraltar both shores of the Mediterranean are Spanish, and are no more than one hundred miles apart at any point. In a war with a European Power it would, therefore, be essential to our interests that Spain should be friendly, or at worst, strictly neutral. A hostile Spain or the occupation of Spanish territory by a hostile Power would make our control of the Straits and use of Gibraltar as a naval and air base extremely difficult, if not impossible, and would thus imperil Imperial communications by way of the Mediterranean.

Similarly, apart from the situation in the Western Mediterranean itself, the possession by a hostile Power of harbours on the Atlantic seaboard in Spanish territory would imperil our communications by way of the Atlantic.

4. Our position at Gibraltar has for many years been based on a continuation of friendly relations with Spain. Apart from the risk of any foreign intervention, should a Government inimical to Britain, whether Fascist or Communist, emerge from the present struggle, the question of the security of our base at Gibraltar will require serious examination.
5. Our interests in the present Spanish crisis may therefore be summarised as:

(a) the maintenance of the Territorial integrity of Spain and her possessions (Balearics, Morocco, Canaries and Rio de Oro);
(b) the maintenance of such relations with any Spanish Government that may emerge from this conflict as will ensure benevolent neutrality in the event of our being engaged in any European war.

Italy and the Morocco Treaty position.

6. The Treaty position as regards fortifications and cession of territory in Morocco, so far as we have been able to assess it is explained in Annex II. The effect of existing conventions seems to be briefly as follows:

(1) France, Spain and ourselves are all bound to prevent the erection of fortifications, &c., on the Spanish-Moroccan coast bordering on the Mediterranean with the exception of certain ports and islands which are under full Spanish sovereignty.

(2) With the same exceptions, Spain is under an obligation not to cede any of her rights in her sphere of influence in Morocco to another Power.

Possible Courses of Action by Italy.

7. It is clear that Italy is the Power that has most to gain by upsetting the existing balance in the Western Mediterranean since her present strategic position in the Mediterranean is obviously unfavourable. Both exits are in foreign hands, and her seaborne trade with countries outside the Mediterranean is therefore at the mercy of any Power that can control the Straits of Gibraltar and the Suez Canal. Consequently, it is not impossible that Italy may try to take advantage of the present crisis in Spain to improve her position in the Mediterranean.

8. The steps which Italy might take with the above object in view may be summarised as follows:

(i) She might openly intervene in support of the insurgents;

(ii) She might create some pretext, such as the protection of her nationals or the infringement of her maritime rights, to occupy Spanish territory in a less conspicuous way;

(iii) Signor Mussolini might obtain from General Franco the promise of the lease, or cession, of some Spanish territory in exchange for his effective intervention in the present struggle. Territories which might be so bartered are—

part of Spain itself, one or more of the Balearic Islands, part of Spanish Morocco, the Canary Islands, and Rio de Oro;

(iv) In addition, or alternatively to (iii) above, Signor Mussolini might come to an understanding with General Franco that, in exchange for effective Italian intervention, the latter would conclude an offensive-defensive Italo-Spanish alliance when he came into power.

The above measures, and particularly the effect which they would have on British interests, are discussed seriatim in the paragraphs that follow.

9. With regard to Paragraph 8 (i) above, open Italian intervention in support of the insurgents would precipitate a major international crisis. It would be beyond the scope of this Paper to attempt to consider in detail the situation that would arise.

10. The possibilities summarised in paragraph 8 (ii) and (iii) will be considered together, since the material effect of an Italian occupation of any of the territories in question, however that occupation is brought about, is much the same.

11. The Occupation by Italy of any land in the Spanish Peninsula would obviously prejudice the security of our position at Gibraltar and of our communications. But the Spaniards are a people intensely proud of their own race and country, and we, therefore, consider it reasonable to rule out the
possibility of any permanent Italian occupation of Spain itself. It is true that Catalonia might split away, but we do not think even this province could be dominated by foreigners for long.

12. The Italian occupation of any part of Spanish Morocco, and particularly of Ceuta, which is fifteen miles from Gibraltar, would bring Gibraltar within range of heavy Italian air attack, and thus deny to us its full use as a Naval Base. In addition, the possession and possible development by Italy of any of the Spanish Moroccan ports, small and undeveloped though they are at the present time, would contribute to our difficulties in controlling the Straits of Gibraltar. Accordingly, we regard the maintenance of the territorial integrity of Spanish Morocco as of vital importance to British interests. France also has an interest in this possibility, since an Italian occupation of the territory in question would menace the communications between her Mediterranean and Atlantic seaboard.

13. An Italian occupation of any of the Balearic Islands would probably not be acceptable to the islanders themselves, but the possibilities of their having to submit to force majeure cannot be ruled out. The naval facilities in these islands are at present as follows:—

Majorca, 450 miles from Gibraltar, has no harbour entirely suitable for a naval base, since Palma and Pollenza Bay, although good in some ways, are too exposed. Minorca, which is still further from Gibraltar, has in Port Mahon a small, but heavily defended, naval base.

As regards air facilities, there are, so far as is known, no military air stations in the Balearic Islands at the present time; but there is no doubt that they could be established without great difficulty. It is understood that there is a satisfactory aerodrome site at Pollenza, and that civil seaplane services were operated at Port Mahon and Palma in 1932.

In view of the foregoing an Italian occupation of any of the Balearic Islands would not vitally affect British strategical interests. At the same time it would give Italy a base for naval and air operations, 250 miles nearer Gibraltar than anything which she possesses at the present time. The menace to our control of the Straits and to Gibraltar itself would thus be increased.

14. It is to be noted in addition that an Italian occupation of any of the Balearic Islands would constitute a direct threat to French communications between France and her possessions in Northern Africa; it is, therefore, reasonable to assume that an enterprise of this kind would be most energetically opposed by France.

15. An Italian occupation of the Canary Islands and/or Rio de Oro would present her with a base flanking our communications to the Cape of Good Hope and South America. Since, in a war with Italy, the bulk of our eastern trade might have to use the Cape route, it is clear that an Italian occupation of either the Canary Islands or Rio de Oro would be prejudicial to our interests.

An Italo-Spanish Alliance.

16. It remains to consider the possibility indicated in paragraph 8 (iv), namely, the conclusion of an Italo-Spanish alliance. The effect of this would be that Spanish ports and aerodromes would be available for the use of Italian forces in time of war. This would constitute a most serious menace not only to our use of Gibraltar as a naval and air base, but to our control of the Straits, but also to our Imperial communications.

From the French point of view an Italo-Spanish alliance is equally undesirable, though obviously for different reasons.

17. It will be seen from the foregoing that the adoption by Italy of any of the courses of action which have been discussed in the preceding paragraphs would in effect be a threat, to a greater or lesser degree, to British and French interests.

We now turn to the question of what action His Majesty’s Government might take to safeguard the situation.

ACTION OPEN TO HIS MAJESTY’S GOVERNMENT.

18. The successful issue of the Abyssinian campaign in the face of League opposition, suggests that Mussolini, if determined to exploit the Spanish crisis to his own advantage, will not be deterred by threats, and only by the certainty
that force, and adequate force, will be employed against him. We are, therefore, driven to the conclusion that any action, other than action in the diplomatic sphere, which His Majesty's Government might take which would effectively thwart his designs, must inevitably involve a serious risk of war between Great Britain and Italy.

19. The relative preparedness for war of these two countries has been examined so exhaustively during the past twelve months that it is unnecessary in this paper to reconsider the question in any detail. Suffice it to say that Italy is the only Power whose forces are fully mobilised and available for immediate operations.

20. We now turn to the consideration of what action, other than the threat of direct military action, might be taken by His Majesty's Government to prevent Italy from embarking upon any of the enterprises visualised at the beginning of this Report. Before setting out our views on this point we venture to suggest, with the memories of last year's events still fresh in our minds, that we should avoid at all costs the possibility of becoming involved in action which, on the one hand, fails to achieve our object, and, on the other hand, tends further to alienate Italy, i.e., we should take no action which we are not prepared to back up by all the force at our command. This statement is made on the understanding that Italy is the only enemy in contemplation.

21. With that general proviso, the courses of action that appear advisable are summarised as follows:

In the first place, we should press for the conclusion and rigid enforcement of a universal agreement of non-interference in Spain by all European Powers. If such an agreement can be reached and enforced, there would be no reason for the winning side in Spain to grant territorial concessions to, or negotiate closer military relations with, her neighbours than now exist.

22. If no general agreement of non-intervention can be reached, we should not cease to impress on France, whose strategic interests are largely identical with our own, the desirability of giving no cause for intervention by Italy. Support by France and Russia to the forces of the Spanish Left may well lead Italy to afford open support to General Franco.

23. We should endeavour to ensure that any action taken by Foreign Powers, either to protect their nationals in Spanish territory or exact reparations, is international and concerted. Failing such agreement, every endeavour should be made locally for concerted action to be taken when occasion arises. This applies with particular force to action by Italian ships; and we should, therefore, arrange that wherever an Italian man-of-war is berthed in Spanish waters there is also a British ship, and that at important ports the British Senior Naval Officer is, if possible, senior to the Italian.

24. Since this report was put in hand, we have seen a copy of the Foreign Office memorandum that has recently been circulated to the Cabinet Committee on Foreign Policy (Paper No. F.P. (36) 10). It is suggested in this Paper that it should be made publicly plain that "any alteration of the status quo in the Western Mediterranean must be a matter of the closest concern to His Majesty's Government." We agree that Signor Mussolini should be under no misapprehension as to the possible consequences of any action that he may take to disturb the existing balance in the Western Mediterranean; and we, therefore, desire to endorse the Foreign Office suggestion.

**Summary of Conclusions.**

25.—(i) Our interests in the present Spanish crisis are the maintenance—

(a) of the territorial integrity of Spain and her possessions, and

(b) of such relations with any Spanish Government which may emerge from this conflict as will ensure benevolent neutrality in the event of our being engaged in a European war;

(ii) Open intervention by Italy in support of the insurgents in Spain would precipitate a major international crisis;
(iii) The occupation by Italy of any territory in Spain itself would be
  detrimental to British interests;

(iv) The Italian occupation of any part of Spanish Morocco, and particularly
  of Ceuta, would be a threat to vital British interests;

(v) The Italian occupation of any of the Balearic Islands, Canary Islands,
and/or Río de Oro, is highly undesirable from the point of view of British
interests, but cannot be regarded as a vital menace;

(vi) Any of the contingencies specified in (ii) to (v) above would be injurious
  in greater or lesser degree to French interests;

(vii) The conclusion of any Italo-Spanish alliance would constitute a threat
  to vital British interests;

(viii) The threat of effective action, other than action in a diplomatic sphere,
  to thwart Italian designs would involve a grave risk of war;

(ix) Italy is the only Power whose forces are mobilised and ready for
  immediate action. Her preparedness for the initial phase of hostilities, vis-à-vis
  Great Britain, is greater than it was nine months ago.

RECOMMENDATIONS.

26. Our recommendations may be summarised as follows:—

(i) The principle that should govern any action on the part of His
Majesty's Government should be that it is most important to avoid
any measures which, while failing to achieve our object, merely tend
further to alienate Italy;

(ii) We should press for the earliest possible conclusion of a non-inter-
ference pact in Spain, embracing France, Russia, Portugal, Germany,
Italy and the United Kingdom;

(iii) If no general agreement can be reached, we should impress on the
French the desirability of giving no cause for intervention by Italy;

(iv) We should maintain sufficient naval forces on the Western
Mediterranean and Spanish Atlantic coasts to ensure that we have
at least one ship at every port where the Italians have one, and that
at important ports the British S.N.O. is, if possible, senior to the
Italian;

(v) We should, if possible, get an agreement with the other Powers that any
landing or other action by armed forces to preserve order should be
not only international in character, but also, wherever this is possible,
preconcerted between the Powers affected;

(vi) Failing such agreement, every endeavour should be made locally for
concerted action to be taken when occasion arises;

(vii) We should make it known to Signor Mussolini that, in the words of
F.P. (36) 10, "any alteration of the status-quo in the Western
Mediterranean must be a matter of the closest concern to His Majesty's
Government" in order that he may be under no misapprehension as
to the consequences of any action that he may take to disturb the
existing balance.

(Signed)  E. L. ELLINGTON.
         C. J. DEVERELL.
         C. E. KENNEDY-PURVIS.
         (A.C.N.S. for C.N.S.)

2 Whitehall Gardens, S.W. 1,
August 24, 1936.
ANNEX I.

W. 8332/G.

Foreign Office, August 12, 1936.

Dear Colonel Ismay,

LORD HALIFAX has asked me to write to you to ask that the Chiefs of Staff should begin considering to what extent British interests would be affected, and what action they advise that His Majesty's Government should take in what is, of course, still regarded as the unlikely event of Italy taking some action which might upset the existing balance in the Western Mediterranean.

We do not wish to give the impression that the Foreign Office have any real fears on this point at the present time, but it seems important that we should be prepared to consider what should be the reaction and the reply of His Majesty's Government to any such step as the landing of Italian troops in Spanish territory, or the creation by Italy of some pretext to occupy territory in a less conspicuous way, or the grant by General Franco of the lease of some island to Italy. We should be grateful if you would kindly take the appropriate steps to have these possibilities examined.

Yours sincerely,

(Signed) ALEXANDER CADOGAN.

Colonel H. L. Ismay, C.B., D.S.O.,
Committee of Imperial Defence.

ANNEX II.

ITALY AND MOROCCO TREATY POSITION.

So far as can be gathered from a cursory examination of the treaties, the position as regards fortifications in Morocco is as follows:—

By Article 7 of the Declaration of the 8th April, 1904, between the United Kingdom and France, both Governments are bound not to permit the erection of any fortifications or strategic works on that portion of the coast of Morocco comprised between, but not including Melilla and the heights which command the right bank of the River Sebor. This condition does not apply to the places which were in the occupation of Spain on the Moorish Coast of the Mediterranean, i.e., Ceuta, Melilla and probably also the following islands:—

Penon de Velez;
Aliucemas; and
Zafrin.

Under Article 3 of the secret portion of the Declaration of the 8th April, 1904, the two Governments also agreed that on Spain acquiring a sphere of influence in Morocco she would have to undertake not to alienate any part of that sphere.

Both of these stipulations were reproduced in the Franco-Spanish Convention respecting Morocco, signed on the 3rd October, 1904, under Article 1 of which Spain adhered to the Anglo-French Declaration of the preceding April. Under Article 7 of this Convention, Spain undertook not to alienate or to cede in any form, even temporarily, the whole or any part of her sphere of influence in Morocco.

The relations between Spain and France in Morocco were again regulated in 1912 by the Convention dated the 27th November of that year (it does not appear, however, that the Convention of the 3rd October, 1904, was abrogated). Under Article 5 of this new Convention, Spain again engaged herself not to alienate, even temporarily, her rights in any part of the territory composing her zone of influence; and under Article 6 both Governments undertook not to permit fortifications or strategic works on the coast of Morocco above mentioned.
So far as can be traced, Italy is under no obligation not to fortify any part of the coast of Morocco except at Tangier, the statute of which she acceded to in 1928.

The position in brief, therefore, seems to be as follows:

1. France, Spain, and ourselves are all bound to prevent the erection of fortifications, &c., on the Spanish-Moroccan coast bordering on the Mediterranean, with the exception of certain ports and islands above mentioned which are under full Spanish sovereignty.

2. With the same exceptions, Spain is under an obligation not to cede any of her rights in her sphere of influence in Morocco to another Power.