CONCLUSIONS of a Meeting of the War Cabinet held at 10 Downing Street, S.W. 1, on Saturday, October 14, 1939, at 11.30 A.M.

Present:

The Right Hon. NEVILLE CHAMBERLAIN, M.P., Prime Minister (in the Chair).


Admiral of the Fleet the Right Hon. LORD CHATFIELD, Minister for Co-ordination of Defence.

The Right Hon. L. HORSE-BELISHA, M.P., Secretary of State for War.

The Right Hon. Sir SAMUEL HOARE, Bt., M.P., Lord Privy Seal.

The Right Hon. VISCOUNT HALIFAX, Secretary of State for Foreign Affairs.

The Right Hon. WINSTON S. CHURCHILL, M.P., First Lord of the Admiralty.

The Right Hon. Sir KINGSLEY-WOOD, M.P., Secretary of State for Air.

The Right Hon. LORD HANKEY, Minister without Portfolio.

The following were also present:


The Most Hon. the MARQUESS OF ZETLAND, Secretary of State for India and Secretary of State for Burma (Item 12).

The Right Hon. EUAN WALLACE, M.P., Minister of Transport (Item 8).

The Right Hon. ANTHONY EDEN, M.P., Secretary of State for Dominion Affairs.

The Right Hon. OLIVER STANLEY, M.P., President of the Board of Trade (Item 6).

The Right Hon. Sir JOHN GILMOUR, Bt., M.P., Minister of Shipping (Item 6).

Air Chief Marshal Sir CYRIL L. N. NEWALL, Chief of the Air Staff (Items 1-6).

General Sir W. EDWARD IRONSIDE, Chief of the Imperial General Staff (Items 1-6).

Secretarial:

SIR EDWARD BRIDGES

Major-General H. L. ISMY

Colonel E. B. HOLLINS, R.A.

Captain A. D. NICHOLSON, R.N.

M. A. A. CLARK

M. W. D. CONWY

M. W. C. JONES
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1. The Secretary of State for War said that, apart from reconnaissance which had been carried out by aircraft from France over the Ruhr, there were no particular operations to report.

The War Cabinet took note of the above statement.

2. The First Lord of the Admiralty informed the War Cabinet that H.M.S. Royal Oak, a battleship of the 'R' class, had been sunk between 1 a.m. and 2 a.m. that morning. She was moored in Scapa Flow at the time, and it was believed that she had been attacked by a submarine, which, by some unknown means, had penetrated the defences. There was a report that two men in the gate of the anti-submarine boom had heard a propeller the night before. They had reported the fact, but investigation had not revealed anything to arouse suspicions.

The first sign of attack was an explosion forward, which at first was thought to have been the result of some internal cause. About 20 minutes later there were other explosions, and the ship sank. Admiral Blagrove, and about 800 officers and men were believed to have been drowned.

All ships in the Flow had immediately been ordered to raise steam, and put to see. This operation had been safely executed, and search was now being made for the submarine which it was thought might have been unable to make its way out of the Flow.

The loss of this ship, though an extremely regrettable disaster, did not materially affect the general naval position.

The enemy's submarine campaign against our shipping had been intensified, and two British merchant ships and one French had been torpedosed. In addition, the Stonepool had sustained a running fight for five hours with a submarine, and, though damaged, had made a successful escape. Most of these attacks had taken place just after the dispersal of convoys, and orders had now been issued for convoys to remain together for 48 hours longer.

Our attacks on U-boats had met with three successes. As reported the previous day, one submarine had struck a mine in the Dover barrage. A second had been sunk by H.M.S. Afridi, off Beachy Head. A third had been sunk by H.M.S. Imogen, while she was escorting the Stonepool, and the Office Commanding and 16 survivors had been picked up. Of these submarines, two were of the very latest type. It was hoped to send divers down to the one off Beachy Head, which lay in only 14 fathoms.

The Polish submarine Orzel had succeeded in escaping from the Baltic, and had arrived in the Forth.

The War Cabinet took note of the above statement.

3. The Secretary of State for War said that the centre of gravity of the enemy's concentration appeared to be in the Trier-Saarburg area. Thirteen bridges had now been built over the Saar. The number of Divisions identified on the Western front remained at 30.

During the move of the 1st contingent of the Field Force from ports of disembarkation to their forward concentration areas, a distance of 500 miles, only 27 first-line vehicles had broken down, and of these 12 were motor-cycles. This indicated a very satisfactory standard of maintenance in the Army.

In reply to an inquiry by the Prime Minister, the Chief of the Imperial General Staff said that an attack appeared to be imminent. It might even start as early as the following day.
4. The Minister for Co-ordination of Defence said that in accordance with the War Cabinet Conclusion referred to in the margin, a Meeting had been held to consider the employment of our Air Force in the event of certain courses of action being taken by Germany.

A note of the discussion and of the decisions reached is recorded in the Secretary's Standard File of War Cabinet Conclusions.

5. The Prime Minister gave the War Cabinet particulars regarding a conversation which he had had the previous day with the Belgian Ambassador regarding the attitude of the Belgian Government on the question of their neutrality. Details of the information so furnished are recorded in the Secretary's Standard File of War Cabinet Conclusions.

With reference to the discussion of the War Cabinet at the Meeting noted in the margin, the Prime Minister said that he had explained to the Belgian Ambassador the action which we proposed to take with our Air Force in the event of a German invasion of Belgium, and of the consequences which might arise from it. This information came as no surprise to the Belgian Ambassador, and he had raised no objection to it on the grounds of possible casualties among the civil population.

The War Cabinet took note of the information communicated in the discussion referred to above.

6. The War Cabinet had under consideration a Memorandum by the Minister of Transport (Paper W.P. (G.) (39) 35) in which an account was given of the manner in which his Department had carried out, since the 1st September, the policy for the diversion of shipping from East Coast to West Coast ports agreed upon by the Committee of Imperial Defence at their meetings on the 20th April (C.I.D. 353rd Meeting) and the 28th May (C.I.D. 363rd Meeting).

In the course of a statement explanatory of his Memorandum, the Minister of Transport drew attention to the following aspects of the situation:

(i) The average daily number of ships in foreign trade arriving at East Coast and West Coast ports respectively in normal times.

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<tr>
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<th>September, 1939</th>
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<td>No. of vessels arriving</td>
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</tr>
<tr>
<td>London</td>
<td>1,120,000</td>
<td>1,120,000</td>
</tr>
<tr>
<td>Hull</td>
<td>682,000</td>
<td>682,000</td>
</tr>
<tr>
<td>Liverpool</td>
<td>627,000</td>
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| Owing, however, to the number of big ships arriving at London, the East Coast accounted for slightly more than half of the 90 million tons of merchandise imported annually.

(ii) Arrivals of ships in the first month of war.

For a number of reasons, e.g., the closing of the Mediterranean and the preliminary delays in forming convoys, there had been, during September 1938, a falling away in the number of arrivals at the East Coast and, to a lesser extent on the West Coast. The following comparison with September 1938 illustrated what had resulted from diversion and the drop in arrivals:

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Expenditure on port improvements under the Civil Defence Act.

<p>| East Coast | ... | 504,000 |</p>
<table>
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<th>West Coast</th>
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<tr>
<td></td>
<td></td>
<td>1,205,000</td>
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This was in respect of measures to secure due functioning of ports and the provision of additional facilities. Major port improvements would take so long to complete that they could not be taken into account for present purposes.

Dock Labour.

One of the most satisfactory features of the situation was that the Minister of Labour had been able to make full arrangements for dock labour to be transferred from East to West on a large scale, if this should be required.

The Minister stated that the Admiralty had the previous day given instructions for full diversion to the West Coast. This meant that, of the larger British vessels coming in, only a few refrigerated ships bound for London would be allowed to put in on the East Coast. We had no power to order diversion in the case of neutral shipping. In consequence, it was now expected that the West Coast ports would be filled up with normal arrivals and diverted ships before the end of October.

The Minister said that the conclusion which he drew from the first month's experience of war conditions was that, while considerable diversion had been built up as an ad hoc measure, no continuous diversion of a large portion of East Coast shipping was practicable over a long period without serious congestion and dislocation of trade and industry. We should be under the necessity of reverting to the use of the East Coast ports as soon as it became possible to do so.

The following points were made in the course of discussion:

(1) The Secretary of State for Air said that the Air Staff were most anxious that the process of diversion to the West Coast should be carried further as soon as possible.

(2) The Prime Minister raised the question whether there were not facilities in the port of Liverpool which had not been fully utilised in recent years owing to the diversion of trade to Southampton, which could again be brought into service.

(3) Emphasis was laid on the various devices which might be adopted for unloading large ships at West Coast ports, e.g., by an increased use of lighters or by floating docks and similar devices.

(4) It was explained that it was difficult to divert the chilled and frozen meat trade from London to the West Coast owing to the shortage of refrigerated trains.

The War Cabinet:

(1) took note of the Minister of Transport's Memorandum;

(2) invited the Department concerned to investigate the possibility of increasing the facilities for unloading refrigerated meat by an increased use of floating docks and similar devices.
Conclusions (Minute 5)

The latter stages of the negotiations had been conducted with marked cordiality due to the fact shown by General Marshall-Cornwall, the help afforded by the three Fighting Services, and, finally, to the deep impression made on General Orbay at his being received by His Majesty the King. General Orbay had expressed himself as much impressed by our action in actually giving Turkey certain arms before the Treaty had been signed. He was deeply touched by this gesture, by which we had treated Turkey as an ally in advance of the Treaty. It had been possible to supply a large quantity of material selected from the general list submitted by General Orbay, though at a certain sacrifice to ourselves. There were, however, three important items asked for which neither the French nor ourselves had been able to give assistance:

- Anti-tank guns,
- Bofors guns,
- An oil tanker.

The Turks felt also that the rate of delivery of 3.7-inch A.A. guns proposed was very slow.

As regards anti-tank guns, the possibility of Turkey obtaining her requirements from Spain was being examined.

The position as regards Bofors guns was not altogether clear, but it would seem that, of the 250 which we had originally ordered from Bofors, 102 were to be manufactured in Sweden, and, of these, between 40 and 50 were now ready for delivery; the Swedish Government had refused to permit the export of these guns to us and had proposed that they should be sold to Finland. General Orbay had raised the question whether it would be possible for Sweden to permit some of these guns to be diverted to Turkey, and he had arranged that day to see M. Prytz, the Swedish Minister in London, to ascertain whether the Swedish Government would agree to the Turkish Government taking over our contract. He was also telegraphing to Ankara for instructions from his Government. He (the Minister for Co-ordination of Defence) had suggested that, if an arrangement on these lines were made, the Swedish Government should receive payment for these guns (about £650,000) from the £15 millions gold loan which we had promised to make to Turkey. General Orbay had doubted whether his Government would agree to this course, but had undertaken to put the question to them.

If the Turkish Government, while wanting the guns, refused nevertheless to finance their purchase in this way, it might be a matter for consideration whether we should ourselves find the sum involved, provided that the Swedish Government allowed the export of these guns to our ally Turkey. If the guns had been in this country already, and we had been willing to supply them to Turkey, they would have been financed from our export credit to Turkey.

The Secretary of State for Foreign Affairs enquired whether it would be possible for an arrangement to be made whereby the guns were supplied by Sweden to Turkey on a private venture with the idea that some of these guns would be sold to us. Again, even if the Turkish Government were not prepared to repay the whole cost from our gold loan, they might be willing to purchase the guns on ordinary terms, including the loan in due course.
in the light of the progress of the Turco-Soviet negotiations. A memorandum No. 298 dated the 20th October, 1938, from H.M. the Secretary of State for Foreign Affairs, to the effect that the Minister, Ambassadors, Ankara, on the subject of German trade, which was now being examined by the Ministry of Economic Warfare in conjunction with other Government Departments concerned, suggested that it might be desirable for us to devise some barter scheme on the German model.

'The Chancellor of the Exchequer said that he would not object to the purchase by Turkey of the Bofores guns being financed from the gold loan, although under the Treaty as it stood that loan would, under the Suspense Clause, not strictly be available until the Treaty came into full operation. He would, however, feel a very great reluctance to part with the sum of £850,000 in gold or the equivalent in addition to the gold loan. He would arrange for the possibility of a barter scheme to be examined in the Treasury.

'The Minister for Co-ordination of Defence said that he would make a further report to the War Cabinet on the 16th or 17th October, 1938, by which time General Orbay should be in possession of instructions from his Government.

The War Cabinet took note of the above discussion.

8. The Secretary of State for Foreign Affairs said that he was still without news as to the progress of the discussions in regard to the proposed Turco-Soviet pact between M.M. Stalin and Molotov and M. Sarajoglu, the Turkish Minister for Foreign Affairs. This was not surprising, since these discussions were only resumed at a meeting held the previous day and would probably not be completed at a single session. The following day was the earliest time when a report might be expected.

The War Cabinet took note of the above statement.

Germany.
(Previous Reference: W.M. (89) 42nd Conclusions, Minute 11.)

9. The Secretary of State for Foreign Affairs said that he was not in a position to make any definite report to the War Cabinet regarding the reception in Germany of the Prime Minister's speech. A discussion then took place regarding the probable next move of the German Government. The general feeling was that at the present time the German Government were probably considering what statement themselves to issue to the German people. Herr Hitler was confronted with the dilemma that, if he were not to take the offensive to the West, he ran the risk of severe loss of morale, while if he were to attack the Maginot Line, he would be taking a gamble which might lead to his destruction.

The Minister without Portfolio drew attention to a Press report that the four German airmen whose aircraft had been shot down over the North Sea at the beginning of the week had now been found by the French. The gallant officers of the Fourteenth Army Force, in the face from
The First Lord of the Admiralty said that these German airmen would have been picked up by the destroyer which had been sent out for the purpose, if it had not been necessary to divert these vessels to take part in the action in the North Sea which followed immediately afterwards.

The War Cabinet agreed—

that, unless the Secretary of State for Foreign Affairs were advised that there was substance in the claim that these airmen should not be interned in view of the fact that they had been picked up outside Danish territorial waters, he should send a telegram to His Majesty's Minister, Copenhagen, asking him to inform the Danish Government that we should regard the grant of permission to these men to return to Germany as inconsistent with Danish neutrality.

The Secretary of State for Foreign Affairs drew attention to Telegram No. 231, dated 13th October, 1938, received from His Majesty's Minister, Oslo, which gave good ground for hoping that a satisfactory agreement would shortly be reached for the chartering of Norwegian tonnage. The firm language which he had used at his recent interview with M. Colban, the Norwegian Minister, seemed to have had a good effect.

The War Cabinet took note of the above statement.

The Secretary of State for India said that the statement involved only two commitments, both of them previously authorised by the War Cabinet, namely, that a consultative body should be set up for consultation by the Government of India on issues concerned with the war, and that the British Government would be ready to consider changes in the Federal provisions of the Act of 1935 at the end of the war, if at that time there was sufficient agreement in India to justify this course of action. In the Viceroy's opinion, the statement would not satisfy the Left Wing of the Congress, and the Right Wing would probably, out of fear of the Left, be unwilling to agree to co-operate with the Government. It would, however, be welcomed by considerable political sections in India. In this country, the Secretary of State had been approached by several members of the Opposition Parties. They had suggested that we should go further to meet the wishes of Congress, but they did not appear to appreciate the practical difficulties of this course. He could only conclude that the proposed statement would be attacked by the Labour Opposition and by some of the Liberals. We had also to face the possibility of a critical propaganda campaign in the United States and elsewhere, but this could not be avoided.

In discussion it was generally agreed that there was no reason to question the above made in the earlier statement, and that it was desirable to take further steps by the means of constitutional means. The proposals would be made to the Viceroy, and the matter would be considered. The Viceroy's opinion was that a consultative body should be set up for consultation by the Government of India on issues concerned with the war, and that the British Government would be ready to consider changes in the Federal provisions of the Act of 1935 at the end of the war, if at that time there was sufficient agreement in India to justify this course of action. In the Viceroy's opinion, the statement would not satisfy the Left Wing of the Congress, and the Right Wing would probably, out of fear of the Left, be unwilling to agree to co-operate with the Government. It would, however, be welcomed by considerable political sections in India. In this country, the Secretary of State had been approached by several members of the Opposition Parties. They had suggested that we should go further to meet the wishes of Congress, but they did not appear to appreciate the practical difficulties of this course. He could only conclude that the proposed statement would be attacked by the Labour Opposition and by some of the Liberals. We had also to face the possibility of a critical propaganda campaign in the United States and elsewhere, but this could not be avoided.
have to give further consideration to the Federal provisions of the
Act after this way, we might as well see what would be
agreed that the drafting could be left to the Viceroy, the Secretary
of State for India was asked to convey to him certain proposals,
and to invite him to modify the statement accordingly.

It was suggested that he should in particular be asked to give
more consideration to the fact that the statement would be widely
read, not only in India, but also in the world at large; and also to
bear in mind the special risk that Indian readers might seize on
loosely worded offers to form the basis of precise claims hereafter.

Special attention was drawn to the following points:

Page 3, last sentence.—India could not properly be
described as "a great nation with a long and independent
tradition of its own" and some other phrase which would
appeal to Indian sentiment might be substituted.

Pages 3 and 4.—These passages might be further con-
sidered in the light of the Prime Minister's statements
of British policy, more particularly his statement in the House
of Commons on the 12th October. It was undesirable to attempt
to restate our policy in different terms. Was it
necessary to say
that it was difficult to define the objectives  before.

Page 9, line 19.—Reference should be made to "India's
due place amongst the Dominions"—the phrase which had
been used in the past in this connection.

Page 12, end of the first paragraph.—The last three lines,
including the reference to the Committee of Imperial Defence,
should be omitted as liable to lead to wrong inferences and
claims.

Page 12, last line but two.—The suggestion of selection "by
rotation or otherwise" had better be omitted from the
statement.

The War Cabinet accordingly agreed:

(i) to ask the Secretary of State for India to convey to the

Viceroy the points raised in the course of the discussion,
and to invite him to modify the draft accordingly;

(ii) subject to these modifications, to authorise the Secretary
of State for India to inform the Viceroy that he was free
to issue the statement as proposed in the Memorandum
(W.P. (G.) 3982);

(iii) to approve the issue of the statement, as modified, as a
White Paper on the afternoon of Tuesday, the 17th
October, 1939.

Richmond Terrace, S.W.1.

October 14, 1939.