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W.M. (41)

131st Conclusions.

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## WAR CABINET 131 (41).

*CONCLUSIONS of a Meeting of the War Cabinet held in the Prime Minister's Room, House of Commons, S.W. 1, on Friday, December 19, 1941, at 10.15 A.M.*

Present :

The Right Hon. C. R. ATTLEE, M.P., Lord Privy Seal (*in the Chair*).

The Right Hon. Sir JOHN ANDERSON, M.P., Lord President of the Council.

The Right Hon. ERNEST BEVIN, M.P., Minister of Labour and National Service.

The Right Hon. Sir KINGSLEY WOOD, M.P., Chancellor of the Exchequer.

The following were also present :

The Right Hon. VISCOUNT CRANBORNE, Secretary of State for Dominion Affairs.

The Right Hon. A. V. ALEXANDER, M.P., First Lord of the Admiralty.

Captain the Right Hon. H. D. MARGESSON, M.P., Secretary of State for War.

The Right Hon. Sir ARCHIBALD SINCLAIR, Bt., M.P., Secretary of State for Air.

Sir ORME SARGENT, Deputy Under-Secretary of State, Foreign Office.

Sir EDWARD BRIDGES, *Secretary*.

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**Naval, Military  
and Air  
Operations.**  
(Previous  
Reference:  
W.M. (41) 128th  
Conclusions,  
Minute 5.)  
Air Operations.

1. *The Service Ministers* gave the War Cabinet the latest operational information.

In the attack which had been carried out at Brest on the previous day photographs seemed to indicate that both the *Scharnhorst* and the *Gneisenau* had been hit. We had lost seven bombers, the crew of one being saved.

Naval  
Operations.

The Naval operations in the central Mediterranean against enemy convoys had resulted in two Cruisers and one Destroyer having been mined. The full extent of the damage was not yet known.

On the other hand, it seemed fairly clear that in the last two days at least four, or possibly five, U-boats had been destroyed in the area West of Cape St. Vincent, with the loss of one Destroyer.

Military  
Operations.

The situation at Hong Kong was very serious. The Japanese had effected a landing on the N.E. corner of the island, and had made a deep penetration. It looked as though the island could not hold out much longer.

The War Cabinet took note of these statements.

**U.S.S.R.**  
(Previous  
Reference:  
W.M. (41) 128th  
Conclusions,  
Minute 8.)

2. The War Cabinet considered two telegrams dealing with the discussions now proceeding with the Soviet Government.

A record of the discussion, and of the Conclusions reached, is contained in the Secretary's Standard File of War Cabinet Conclusions.

**Ireland.**  
(Previous  
Reference:  
W.M. (41) 126th  
Conclusions,  
Minute 6.)

3. *The Secretary of State for Dominion Affairs* reported to the War Cabinet on his talk the previous day with Mr. de Valera. The discussion had been friendly, but no progress had been made, though it was perhaps of some advantage to have re-established relations. A record of the discussion would be circulated to the War Cabinet.

The War Cabinet—

Invited the Secretary of State for Dominion Affairs, when reporting his discussion to the Prime Minister, to inform him that, in their view, the matter was not one which called for immediate action.

**India.**

4. *The Minister of Labour and National Service* said that he thought there was some anxiety in this country about the position in India, both from the point of view of defence and of the Constitutional issue. For example, was our policy calculated to get the fullest war effort from India? Ought we to be doing more to increase war production in India? He thought that the position might give rise to a demand for a discussion in Parliament at short notice, and that it might therefore be desirable that the War Cabinet should have a general discussion on the position at the first convenient opportunity.

The War Cabinet took note of this suggestion.

Timor.

5. *The Lord President of the Council* reported the position in regard to Portuguese Timor. Before Japan had entered the war we had had discussions with the Portuguese Government on the basis that, if an act of aggression was attempted against Portuguese Timor, the Portuguese Government would ask us to come in to give help in virtue of the alliance. Shortly after the outbreak of war with Japan we offered immediate assistance, it being understood that this would be furnished by Dutch and Australian troops, who would withdraw when the emergency was past. The hope was expressed that the Portuguese Government would accept and would instruct the Governor of Portuguese Timor to invite our assistance, or to acquiesce in its being sent if there was no time for an invitation. The Portuguese Government accepted the proposals and promised to send immediate instructions in this sense. At their request our proposals were recorded in writing in a memorandum to the Portuguese Ambassador on the 15th December. This emphasised the fundamental change in the situation brought about by the outbreak of war with Japan. The threat to Portuguese Timor must be regarded as imminent, and it was essential for the Governor to be given wide latitude to ensure that assistance was forthcoming in good time.

That was the position until the night of 15th December, when we heard that, in consequence of the activities of Japanese submarines in the vicinity of Timor, the authorities of the Netherlands East Indies and the Commonwealth Government had arranged to send officers to Portuguese Timor on the morning of the 17th, to be followed in two hours by a combined Australian and Dutch force.

It was difficult for us to disregard the views of those on the spot in the light of the great importance of Portuguese Timor, due to its precarious situation in the battle area and the presence of enemy submarines. We tried, however, to ensure that longer time should be allowed for consultation between the officers and the Governor, but owing to the difficulties of communication our action was not effective.

We had at once informed the Portuguese Government and the United States Government of the position. The Portuguese reaction was described by our Ambassador as "violently unfavourable." They contended that our arrangement with them only covered the case of "attack" and not "threat of attack"; and the Portuguese Prime Minister, in an interview with the Ambassador, demanded an explanation of the circumstances in which this "violation of Portuguese territory" had occurred. The Portuguese Ambassador in London had also asked to see the Prime Minister.

Continuing, the Lord President said that he thought the line that we had taken was the only possible one, namely, that we recognised that the Portuguese Government was entitled to protest vehemently against the action which had been taken. For our part, we regretted that it had been necessary to take this action, but we must face the realities of the position. Matters would have been different if Portugal had been able to put up an effective defence. We should, of course, be willing to withdraw at any time if Portugal was in a position to defend this territory adequately and we would withdraw our forces when the situation made this possible.

The War Cabinet—

Took note of this statement and agreed with the line of action taken.

*Great George Street, S.W. 1,  
December 19, 1941.*





