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W.M. (40)
199th Conclusions.

WAR CABINET 199 (40).

CONCLUSIONS of a Meeting of the War Cabinet held at 10 Downing Street, S.W. 1, on Wednesday, July 10, 1940, at 12 noon.

Present:
The Right Hon. Winston S. Churchill, M.P., Prime Minister (in the Chair).
The Right Hon. Viscount Halifax, Secretary of State for Foreign Affairs.
The Right Hon. A. Greenwood, M.P., Minister without Portfolio.
The Right Hon. Lord Simon, Lord Chancellor (item 3).
The Right Hon. Viscount Caldecote, Secretary of State for Dominion Affairs.
The Right Hon. A. Duff Cooper, M.P., Minister of Information.

The following were also present:
General Sir John Dill, Chief of the Imperial General Staff.

Secretariat.
Sir Edward Bridges.
Mr. W. D. Wilkinson.
Mr. L. F. Burgess.

[21524]
### WAR CABINET 199 (40).

**Contents.**

<table>
<thead>
<tr>
<th>Minute No.</th>
<th>Subject</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Evacuation of children from Great Britain</td>
<td>73</td>
</tr>
<tr>
<td>2</td>
<td>Home Defence ...</td>
<td>74</td>
</tr>
<tr>
<td></td>
<td>Function of the civil population.</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Emergency Powers (Defence) (No. 2) Bill</td>
<td>75</td>
</tr>
<tr>
<td>4</td>
<td>The Far East ...</td>
<td>76</td>
</tr>
<tr>
<td></td>
<td>Japanese demand for closing the Burma Road</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Foreign Information ...</td>
<td>77</td>
</tr>
<tr>
<td></td>
<td>Spain</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Germany: plans and intentions.</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Naval Operations ...</td>
<td>77</td>
</tr>
<tr>
<td></td>
<td>Engagements in the Mediterranean.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Attacks on shipping.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Munitions supplies from the United States of America.</td>
<td></td>
</tr>
</tbody>
</table>
1. The War Cabinet had before them a Note by the Minister of Home Security covering a Memorandum by the Parliamentary Under-Secretary of State for the Dominions, on the future of the Children’s Overseas Reception Scheme (W.P. (G.) (40) 179).

The Home Secretary said that there was general agreement that the Government’s scheme for sending children to the United States and Canada in escorted ships must now be held in abeyance. The more difficult question was whether, in order to avoid any suggestion of class distinction in the matter, if the Government scheme were put into abeyance, the grant of exit permits to enable children to be sent to the United States or Canada should also be suspended.

The following points emerged from the discussion:

(i) The proposal virtually to ban the sending abroad of any further children by private arrangements was considered unduly drastic. It would be sufficient if it was stated that it was hoped parents would not take advantage of the private facilities that existed for sending their children abroad.

(ii) Stress was laid on the blow that the decision would be to public opinion in the United States and Canada. Great preparations had been made to receive the children (Mrs. Roosevelt had made a personal broadcast appeal), and it would be said that every offer to help from America to this country was turned down. Further, the presence of our children in American households would be useful from a propaganda point of view.

(iii) The Secretary of State for the Dominions said that the High Commissioner for Canada had informed him that our decision to abandon the Government scheme on the ground that an escort for the ships could not be provided would cause consternation, shock and disgust in Canada. The Canadian Parliament had gone so far as to pass a law giving income tax relief to those who received these children in their households.

(iv) The War Cabinet adhered to the view (a) that we could not take warships off anti-invasion duties to provide escorts under the scheme, (b) that shiploads of children could not be sent across the Atlantic unescorted, under the Government scheme.

(v) The Lord President of the Council suggested that so far as the Government’s scheme was concerned, it should be stated that the sending of large numbers of children in special ships was not now possible, as escorts could not be provided. With regard to sending children privately, although the risks of the voyage should be emphasised, no absolute veto should be placed on their going. To overcome the difficulty of class distinction it should be announced that there would be a limited amount of accommodation for children to go to North America both 3rd class as well as 1st. In order to assist the children of poorer parents, advantage should be taken of the offers of various philanthropic organisations which were prepared to help in this matter.

(vi) It was suggested that, when the United States were informed that it was not possible to provide escorts for these ships, they might offer to convoy the ships themselves, or perhaps send over a special passenger ship to take the children, as they had done in the case of Americans in this country who desired to return to the States.
(vii) The passage in the draft reply suggesting that the situation had greatly deteriorated in the past three weeks should be omitted.

The War Cabinet:—

(a) Invited the Lord President of the Council, in consultation with the Departments concerned, to prepare a revised draft announcement on the lines of "A" above.

(b) Agreed that an opportunity should be afforded to the High Commissioner for Canada to see the announcement before it was made public.

Home Defence.

2. The War Cabinet had before them a Memorandum by the Secretary of State for War (W.P. (G.) (40) 177) relating to the leaflet "If the Invader Comes."

The Chief of the Imperial General Staff said that the leaflet gave general rules only. Since it had been issued, the War Office had had many enquiries how the rules should be carried out. Before giving the public guidance, it was essential to decide whether defence arrangements should include active resistance by the civil population, or whether the plans made should rely solely on the use of the military and Local Defence Volunteers. The Commander-in-Chief, Home Forces, was of the opinion that actual fighting should be restricted to the military and Local Defence Volunteers and that no civilian who was not a member of these forces, should be authorised to use lethal weapons.

The following points were made in discussion:

(a) Unless the armed bodies formed for the defence of factories and such-like places were enrolled in the Local Defence Volunteers, it would be impossible for the Military Commander to know what places were held or what forces were available. Such knowledge was essential.

(b) Armed civilians acting independently might well upset the plans of a Military Commander by their unexpected and unorganised activities.

(c) The Secretary of State for the Home Department and Minister for Home Security suggested that instructions might be drafted on the lines of those already issued to the Police, who had been informed that, until the enemy had obtained effective control of an area, it was their duty to fight and to treat the enemy as miscreants. Should the Police, however, find themselves behind enemy lines, they had orders to give up their arms and to look after the interests of the civil population.

(d) The Secretary of State for Dominion Affairs suggested that the position was that, if civilians used arms, the enemy would be entitled to treat all civilians as francs-tireurs. On the other hand it was suggested that, in view of the action already taken by the enemy in machine gunning refugees, this threat need not be regarded very seriously.

(e) A suggestion was made that the Local Defence Volunteers might be divided into two classes, the first class comprising those who would help in the defence of factories, &c., and the second class those who would use arms only in defence of their homes.

(f) The position of women was mentioned. It was urged that those who wished to do so should be provided with uniforms and allowed to use arms.
The War Cabinet—

(1) Agreed that the personnel of organisations formed for the defence of factories, &c., should be enrolled in the Local Defence Volunteers.

(2) Invited the Secretary of State for War, the Home Secretary and the Minister of Information in consultation, to prepare and submit to the War Cabinet, a revised draft statement for issue to the public, in the light of the discussion which had taken place as to the use of lethal weapons by "civilians." In this connection consideration should be given to the formation of two classes of Local Defence Volunteers and to the position of women.

3. The War Cabinet had before them:—

A Memorandum by the Home Secretary, covering a draft Bill (H.P.C. (40) 214).

Draft Minutes of the 26th Meeting of the Home Policy Committee.

In discussion the following points were made:—

(1) The machinery proposed to be established under the draft Bill was civil, not military, in character. It would, however, only operate in parts of the country, and during periods in which it was impossible for the ordinary processes of criminal justice to take place.

(2) The Bill should be introduced, read a first time and published that day, and the remaining stages taken the following week.

(3) The Lord Chancellor said that he was taking steps to choose the men whom he would appoint as chairmen of the Special Courts in the various districts, if the need arose.

(4) The Home Secretary said that further consideration had been given, since the meeting of the Home Policy Committee, to the composition and functions of the Special Courts. It was no longer certain that the final recommendation would be that the chairman of a Special Court should sit with two Justices of the Peace. It was proposed to consult with some of the judges on this point.

(5) The Chief of the Imperial General Staff said that the arrangements proposed would be entirely satisfactory to the War Office.

The War Cabinet—

(i) Approved the draft Emergency Powers (Defence) (No. 2) Bill in the form attached to Paper H.P.C. (40) 214, subject to the amendment recommended by the Home Policy Committee, and to any drafting or other minor amendments that might be found necessary or desirable.

(ii) Invited the Home Secretary to arrange for the introduction of the Bill in the House of Commons, with a view to its passage into law at an early date.
4. The Secretary of State for Foreign Affairs drew attention to the following telegrams:

Tokyo telegram No. 1196. Sir Robert Craigie said that there was a real danger of Japan joining the Axis Powers. Any remedy put forward must be immediate to be effective. In the Ambassador’s opinion, the best solution would be as follows:

Agreement on our part to suspend transit of war material through Burma for a period of three months (i.e. during the rainy season) on the understanding that during this time special efforts will be made to bring about a “just and equitable peace” in the Far East. Should these efforts fail, His Majesty's Government to remain free to permit transit trade to be resumed at the end of the three months period.

Tokyo telegram No. 1203, containing the text of a letter from Mr. Arita, dated the 9th July. In this letter Mr. Arita stated that the latest offer which we had put forward was unacceptable. The Japanese Government intended to insist on the closing of the Burma road, and further delay might have deplorable effects on Anglo-Japanese relations.

The Secretary of State for Dominion Affairs said that a telegram had been received from Mr. Menzies, taking the view that the danger in the Far East would be increased rather than diminished by any non-realistic approach to Japan. Mr. Bruce had suggested a settlement on broad lines, which would include financial and economic assistance to Japan, and also the cession to Japan of certain islands.

In discussion, the following points were made:

(1) We were running a grave risk of being involved in war with Japan, since the military element in that country might take matters into their own hands at any moment. The Japanese would be unlikely to become more accommodating as the days went by. An early decision was therefore necessary.

(2) We were unlikely to be able to obtain better terms than the solution recommended by Sir Robert Craigie. The period for which the Burma road would be closed under this solution was the rainy season.

(3) If, however, the Burma road were closed, it was not likely to be re-opened unless and until we were in a strong military position.

The Foreign Secretary said that he would like an opportunity of further examining the position, in the light of the view generally accepted by the War Cabinet that we should endorse the solution proposed by Sir Robert Craigie at “X” above. Subject to such further examination, he would telegraph to Sir Robert Craigie instructing him to negotiate a settlement on the lines suggested.

The War Cabinet—

Authorised the Foreign Secretary to proceed as proposed.
5. The Secretary of State for Foreign Affairs gave the War Cabinet the following information:

Sir Samuel Hoare had had a conversation with the Spanish Minister of Foreign Affairs (telegram No. 497 from Madrid). The latter had indicated that, later on, Franco might play the *role* of an intermediary between the belligerents. Sir Samuel had replied that if Franco was to play such a *role* he must not take any action which would make it impossible for him to claim to occupy an impartial position.

Telegrams had been received from Athens (Nos. 527 and 528) purporting to give details of Germany’s preparations for invasion of this country; e.g., that 16,000 small craft were being assembled at various ports in France and Norway, and that Germany had 31,000 aircraft, but only 10,000 pilots.

A telegram had been received from our Minister in Switzerland (No. 365) giving an account of a conversation which a traveller, recently returned from a visit to Berlin, had had with various personages in Germany.

The War Cabinet agreed with the Foreign Secretary’s view that no reply should be sent to this telegram.

6. The First Lord of the Admiralty gave the War Cabinet information in regard to the short action between British and Italian forces in the Mediterranean on the previous day. Italian Naval forces had been sighted eighty miles East of Cape Spartivento. The Commander-in-Chief had engaged the enemy, and H.M.S. *Warspite* had obtained a hit at extreme range. The enemy had turned quickly away, under cover of smoke, and made for Messina. It had been reported that a damaged enemy cruiser had been in tow about seventy miles from Messina at 7 P.M. the previous evening.

Force “H” had been bombed at intervals on the previous day by aircraft. Two enemy aircraft had been shot down by gunfire, and two by fighters, while seven others had been damaged.

Four of our convoys on the East Coast had been unsuccessfully attacked by aircraft on the previous day. It was believed that several of the enemy aircraft had been shot down.

A convoy with nearly 250,000 rifles and over 300 field guns had reached our ports and was now being unloaded.

The War Cabinet took note of the above statement.
Decypher.  Mr. Kelly, (Berner).  8th July, 1940.
D.  1.35 a.m.  9th July, 1940.
R.  7.25 a.m.  9th July, 1940.

No. 355.  ----

IMPORTANT.

Secret and Confidential.

M. Paravicini asked me today to meet Dr. Carl Burckhardt, Acting President of the Red Cross, who has just returned from a visit to Berlin on mission regarding Red Cross relief for refugees in France. Baron Weiszacker had sent aeroplane for him and he stayed three days.

After begging me to treat his communication with the utmost discretion Dr. Burckhardt said he was given opportunity for long individual conversations with Gauleiters, one General and Weiszacker himself. All four told the same story.

Hitler had returned to his old idea and hesitated before attacking England because he still clung to the hope of working arrangement with the British Empire as hinted at in his recent interview in Belgium with the American journalist Carl von Wiegand. He wanted a European Federation and felt this would be difficult without British co-operation. There were some "local demands" of Italy which he was bound to support but in general he wanted "a white peace like Sadowa" (two of the talkers used this formula). The General said that while they were confident of their ability to defeat England they realised that it might involve much greater sacrifices than had the defeat of the French army, most of whom had put up a very poor show and fought half-heartedly.

Each of the four had insisted that he was expressing his personal opinion but one of them had asked Doctor Burckhardt whether there was any chance of his having Red Cross business in England when he might see if there was any hope of a "reasonable arrangement." Doctor Burckhardt said he could not do so but would talk to an English friend in Switzerland.

The Doctor assured me that (a) his Red Cross mission was very important and not a cover for these conversations and (b) German Government really were hesitating with the preparations for an attack on England and they were willing to call it off if they could do so without the loss of face.

He said that he felt sure that this was not due to weakness but to a faint hope of avoiding further sacrifices involved although he also said that he had watched Hitler's triumphal entry into Berlin and felt that there was no spontaneous enthusiasm.
7. I told Dr. Burckhardt (as I already had on the previous occasion) that I thought that our distrust of Hitler, apart from anything else, was a fatal obstacle to any peace. He said that he fully appreciated this but had thought it his duty to Switzerland to inform me of his conversations. He had hesitated about telling me because it would be most disastrous for him personally if any of this obtained any sort of publicity. Whatever we might think he begged that his report should be treated as absolutely secret.

8. It is very important for our own position here that his wish should be respected as he is most influential here and if he were made to look foolish, my own position and reputation for discretion would be compromised. The situation is difficult enough.

9. Dr. Burckhardt mentioned casually that he would have to return to Berlin shortly about the refugee problem.

10. Presumably we shall have no thought of compromising on any such lines but if it is important for us to gain time I venture to suggest that it might be better to leave me without instructions rather than to return a flat negative. If then Dr. Burckhardt should again approach me before returning to Berlin it will show us that he was really being sounded while the Germans will be left guessing as to whether His Majesty's Government are taking their talk seriously or not. So long as secrecy is maintained complete silence on our part can in no way weaken our war effort while it may weaken that of the enemy by causing hesitation.