CONCLUSIONS of a Meeting of the War Cabinet held in the Cabinet War Room, S.W. 1, on Wednesday, October 2, 1940, at 12 noon.

Present:

The Right Hon. W. S. CHURCHILL, M.P., Prime Minister (in the Chair).


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

The Right Hon. A. GREENWOOD, M.P., Minister without Portfolio.

The following were also present:

The Right Hon. Sir JOHN ANDERSON, M.P., Secretary of State for Home Department and Minister of Home Security.

The Right Hon. A. GREENWOOD, M.P., Minister without Portfolio.

The Right Hon. A. V. ALEXANDER, M.P., Secretary of State for War.

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

Air Chief Marshal Sir CYRIL L. N. NEWALL, Chief of the Air Staff.

Air Chief Marshal Sir CYRIL L. N. NEWALL, Chief of the Air Staff.

General Sir JOHN DILL, Chief of the Imperial General Staff.

Admiral of the Fleet Sir DUDLEY POUND, First Sea Lord and Chief of Naval Staff.

The Right Hon. LORD LLOYD, Secretary of State for the Colonies.

The Right Hon. HUGH DALTON, M.P., Minister of Economic Warfare.

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

Secretariat:

Sir EDWARD BRIDGES.

Major-General Sir HASTINGS ISMAY.

Mr. W. D. WILKINSON.

Mr. L. F. BURGIS.
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1. The Chief of the Air Staff reported that on the previous day 450 enemy aircraft had been over this country but had done practically no damage. There had been two attempts to attack Portsmouth which had been repulsed. The fact that these attacks had been driven off over the sea probably accounted for the equality of pilot casualties. The casualties had been as follows:—

**Our Own**—

- 5 machines (1 pilot safe)

**Enemy**—

- 4 certain
- 1 probable
- 5 damaged

On the previous night about 250 enemy aircraft had made raids. London being the main objective, although a number had penetrated to the Midlands and South Wales. The oil installation at Purfleet had been hit, but the fire had been put out immediately.

On the previous night 88 of our aircraft had attacked various targets in Germany, including gas plants in Berlin. Invasion ports had also been attacked. We had lost three machines, and two others had been lost on reconnaissance and photographic flights.

Tobruk Harbour had been attacked and large fires had been started. One of our fighters had attacked and destroyed an Italian machine on the ground west of Barrani. One of our aircraft had been lost.

During the last Italian attack on Haifa, four machines had been shot down by A.A. fire. One of these machines had contained a German pilot with an Italian crew.

Reference was made to recent reports from a number of sources that, although our bombs hit their targets, yet the weight of the bombs was not enough to cause considerable damage. The Secretary of State for Air said that he had discussed this question with the Commander-in-Chief, Bomber Command. The loading of aircraft with bombs was always very carefully calculated and the effect which could be obtained from different sizes of bombs, having regard to the nature of the target to be attacked, worked out in detail. When bigger bombers were available, it would be possible to carry a more effective load.

In answer to a further question, the Secretary of State for Air said that the Air Staff always regarded oil refineries and aircraft production factories as their main bombing objectives in Germany. It had been necessary during recent weeks to divert our attacks to the invasion ports, but on the last few nights it had been possible to resume, to a certain extent, our attacks on what the Air Staff regarded as our primary targets in Germany.

The First Sea Lord reported that King George V had been commissioned on the previous day.

Certain of our naval forces were in the vicinity of the Azores.

The War Cabinet:—

Invited the Chiefs of Staffs, together with a representative of the Foreign Office, to consider whether these movements should, or should not, be carried out in such a way as to avoid attracting notice to the presence of a British Naval force near the Azores.

Dakar.

An air reconnaissance had reported that Richelieu and three French cruisers were still at Dakar.

Force "M."

Certain movements of General de Gaulle's force were reported. H.M. Submarine Swordfish had reported that on the morning of the 1st October she had attacked four small destroyers east of Cherbourg and believed she had made one hit.
An Italian submarine had sunk a Spanish merchant ship in the Mediterranean.

The Chief of the Imperial General Staff reported that one of our patrols had observed only white troops at Sofafi East Camp (south of Buqbuq). Air reconnaissance had reported 30 motor-transport vehicles moving east into Barrani. Eighty motor-transports had been seen stationary halfway between Buqbuq and Sidi Barrani. Thirty motor-transports, with three tanks and guns, had been seen moving south from Tummar, 10 miles south of Sidi Barrani.

The War Cabinet took note of the above statements.

2. The Secretary of State for the Home Department and Minister of Home Security said that, outside London, the most serious attacks during the previous night had been directed against Manchester. Details of the damage were not yet available. It looked as though the enemy had scored a number of lucky hits on railway communications. Railway repair work was being rapidly carried out, but delays were still caused by unexploded bombs, although the position in this respect had improved.

The Prime Minister referred to a statement by the Editor of The New Statesman and Nation, which had been brought to his notice, giving an account of conditions in the large shelter at Stepney.

In parts of this building, which had not been thought suitable for a shelter, and had not therefore been recognised as such, and suitably equipped, indescribable conditions had prevailed. The Prime Minister urged the need for strong action to prevent large numbers of people crowding into this building until the necessary work had been done to make it safe. From all he learnt of the position, drastic action was called for, and the Air Raid Precautions Officer in Stepney should be immediately superseded.

The Home Secretary said that steps were being taken to deal with the Stepney shelter, and Admiral Evans, Regional Commissioner, had been given the fullest powers to deal with this matter, including supersession of this particular Air Raid Precautions Officer.

The War Cabinet took note of this statement.

3. The First Lord of the Admiralty said that a message had been received from the French Admiralty through our Naval Attaché in Madrid, reporting that the French merchant vessel Esperance, en route for Jibuti to embark French troops for Indo-China, had been taken to Aden. The message added that it was hoped we should not interfere with French troopships, especially the Esperance, for if these troops in Jibuti could not be evacuated with their arms, these arms would fall into Italian hands. The troops were intended to keep order in Indo-China, and it was therefore in British interests to allow their passage.

In discussion it was pointed out that the removal of these troops from Jibuti would have the effect of weakening French resistance to Italian demands, and would relieve their economic difficulties. Further, if these troops were removed, there was a great risk of the oil supplies in the neighbourhood of Jibuti falling into Italian hands. The Commander-in-Chief, Middle East, who had been consulted, was strongly opposed to allowing these troops to leave Jibuti. Further, their presence in Indo-China would not serve any useful purpose.
The War Cabinet:

(1) Agreed that the Esperance should not be allowed to proceed to Jibuti.

(2) Authorised the First Lord of the Admiralty, in consultation with the Foreign Office, to send a full reply to the French Admiralty through our Naval Attaché in Madrid, giving the reasons for our action.

Far East.

Policy towards Japan.

Appointment of Interdepartmental Committee.

(Previous References: W.M. (40) 217th Conclusions, Minute 4, and 261st Conclusions, Minute 4.)

The Pacific.

Anglo-American co-operation.

France.

Policy towards the Vichy Government.

(Previous Reference: W.M. (40) 263rd Conclusions, Minute 3)

The War Cabinet:

4. The Secretary of State for Foreign Affairs said that in the near future there might be several ways in which we should be able to cause inconvenience to the Japanese without ceasing to act politely. Already a number of steps had been taken to interfere with Japanese trading facilities. He suggested the appointment of an Interdepartmental Committee on Far Eastern Affairs, with the Parliamentary Under-Secretary of State for Foreign Affairs in the chair, to co-ordinate activities in this direction.

The War Cabinet—

Authorised the Foreign Secretary to set up an Interdepartmental Committee on Far Eastern matters, under the Chairmanship of the Parliamentary Under-Secretary of State for Foreign Affairs.

5. The Prime Minister referred to Foreign Office telegram No. 2406, dated the 29th September, to our Ambassador at Washington. He thought that there might be certain advantages in a proposal for parallel declarations by the United States, Australia, New Zealand, the Netherlands and ourselves, that we intended to maintain the status quo in the South Pacific. The Prime Minister also questioned the statement that it was not in our interests that the United States should be involved in war in the Pacific.

The Secretary of State for Foreign Affairs said that the argument was that, if the United States became involved in war in the Pacific, the result might be to shut off supplies of arms that we required to fight our principal enemy, Germany. He agreed, however, that the telegram was unduly compressed, and perhaps rather misleading, and he would send a further telegram in amplification.

The War Cabinet took note of this statement.

6. The War Cabinet had before them a draft telegram to our Ambassador at Madrid (W.P. (40) 397) prepared by the Secretary of State for Foreign Affairs in the light of the discussion at the Meeting of the War Cabinet on the previous day. The War Cabinet also had before them copies of telegrams Nos. 724, 725 and 726 from the United Kingdom High Commissioner in the Union of South Africa.

The following amendments to the draft telegram were approved:

Paragraph 1 (c): Should end "which rally to his cause."

Paragraph 2, line 3: For "two" read "three."

Paragraph 2 (a): The words in brackets should stand.

Paragraph 2 (b): For "prepared to receive" read "prepared to study."

Paragraph 2: Add at the end a new sub-paragraph (c): “How to ensure that ships of the French Government can in no circumstances fall into German or Italian hands.”
Paragraph 3, lines 8 and 9: For "to abandon the attitude of hostility which," read "to adopt a more co-operative attitude than."

Paragraph 4, line 1: Before "information" add "secret."

Paragraph 4: Add at the end of the first sentence, after "ports," "and to stop all unescorted merchant ships proceeding to French Metropolitan or African ports."

The War Cabinet:—

1. Approved the despatch of the draft telegram to Madrid, subject to the above amendments.

2. Agreed that a copy should be sent to General de Gaulle, but that the despatch of the telegram to Madrid need not await his reply.

3. With reference to telegram No. 726 from our High Commissioner in the Union of South Africa, authorised the Secretary of State for Dominion Affairs to send to General Smuts a copy of the letters between the Prime Minister and General de Gaulle, exchanged in connection with the Agreement reached with the General.

7. The War Cabinet had before them a Memorandum by the Secretary of State for Foreign Affairs (W.P. (40) 394), regarding methods of affording support to the Non-Interventionist Party in Spain. With the return of Senor Suner from Berlin, the struggle between the Interventionists (Senor Suner and the Falangist Party) and the Non-Interventionists (Colonel Beigbeder and the Army) might reach its climax. We might be able to make concessions to Spain in respect of—

(a) Certain blockade matters.
(b) Gibraltar.
(c) Morocco.

Attention was also drawn to Madrid Telegram No. 801, dated the 29th September, in which Sir Samuel Hoare submitted a tentative draft of a statement intended for publication, dealing with these three matters. He suggested that the statement should be discussed with Colonel Beigbeder, whose views would be referred to the Foreign Secretary before any commitments were entered into.

The Secretary of State for Foreign Affairs said that, as a result of a conversation with the Minister of Economic Warfare, he had found that action was being taken which it was hoped would meet many of Sir Samuel Hoare's difficulties on blockade matters. He would telegraph to Sir Samuel Hoare telling him what was being done at this end; and inviting him to report further on any matters in which the action which we were taking fell short of what he considered to be essential.

General agreement was expressed with the course of action proposed by the Foreign Secretary.

The Foreign Secretary said that he had now come to the conclusion that the best way of dealing with the Gibraltar issue would be to authorise Sir Samuel Hoare to repeat in public the assurance which he had been authorised in June last to give Colonel Beigbeder in private, namely:—

(a) That, for reasons which the Spanish Government would readily comprehend, we could not discuss the question of Gibraltar during the war.

(b) That we would be prepared to discuss any question of common interest to ourselves and Spain after the conclusion of hostilities.
We would regard this discussion and any settlement as matters primarily, if not exclusively, concerning ourselves and Spain.

He thought that a statement on these lines would help Colonel Beigbeder against Señor Suner, but would not involve us in any binding commitments.

The general view of the War Cabinet was against authorising any public statement on these lines. Such a statement would give an impression of weakness abroad. At home it would be strongly criticised, and would probably give rise to discussion in Parliament which would show how little this vague formula meant. It was possible to conceive a state of affairs in which fortresses now in the hands of different Powers might be neutralised and dismantled, but we were very far from such a position at the moment.

Morocco. It was pointed out that Colonel Beigbeder had said that Morocco was of more interest to him than the future of Gibraltar. It was also felt that Spanish aspirations in Morocco were well-founded, and that as France might well have to surrender some of her Moroccan territory to Spain in the Peace Treaty, it was foolish to resist these aspirations. Looking at the matter from this point of view, the Prime Minister thought that there would be no objection to making a statement, not merely in private, but also in public, on the lines of the last half of paragraph 11 of the Foreign Secretary's Memorandum.

On the other hand, it was argued that there might be some disadvantage in doing this at the same time as we were endeavouring to improve our relations with the Vichy Government, and that a statement on these lines might hamper General de Gaulle's movement.

The general conclusion reached was that a public statement on the Moroccan question should, if necessary, follow the lines of paragraph 4 of telegram No. 801 from Madrid.

In the course of discussion, reference was made to some mischievous articles in the News Chronicle on the Spanish question.

The War Cabinet—

(a) Invited the Foreign Secretary, in consultation with the Minister of Economic Warfare, to telegraph to His Majesty's Ambassador in Madrid on the lines proposed at "A."

(b) Invited the Foreign Secretary to inform Sir Samuel Hoare that the War Cabinet deprecated any public statement about Gibraltar at the present time. The Spanish Government should, if necessary, be told that publication at this juncture of the private assurance given in June last would create great difficulties in this country, and would be likely to lead to a definition of the word "discussion," which might be embarrassing to both parties.

(c) Agreed that Sir Samuel Hoare should be authorised to give a private assurance about Morocco on the lines suggested in paragraph 11 of the Foreign Secretary's Paper; and that any public statement should be on the lines suggested in paragraph 4 of Sir Samuel Hoare's telegram No. 801.

(d) Invited the Secretary of State for Air to use his influence with the proprietors of the News Chronicle to secure a cessation of the mischievous articles which had recently appeared in that Paper.

Richmond Terrace, S.W. 1.
October 2, 1940.