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TWO-HUNDRED-AND-TENTH BI-WEEKLY GUIDANCE NOTES ON THE WAR SITUATION,
DATED JULY 4, 1942.

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P O L I C Y

1. Publicise all points of Churchill's speech. Frank British attitude to bad news is clearly a source of national strength.
2. British powers of endurance and recovery were shown when she stood alone. Now adversity binds still closer together the United Nations.
3. Continue to stress importance of Russian front and Britain's faithful and substantial aid to Russia. Treat war as a strategic whole and show that Germany has not yet obtained any of her essential objectives but is using up her reserves of strength in her attempts to break through to them.
4. It is more important that 8th Army continues as a strong fighting force than that it holds any particular position.

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1. BRITAIN.(a) The Vote Of Confidence.

The debate on the first no-confidence motion since the fall of the Chamberlain government has resulted in a vote of confidence for Mr. Churchill of 475 to 25. Mr. Churchill's direction of the war has been vindicated and vindicated triumphantly. But the contrast between the two debates does not stop there; there are other significant features which underline the difference in the relative positions of the two statesmen. In fact, the only thing in common between the two debates is the circumstance that both were precipitated by military reverses.

(b) Comparison with May 1940.(i) The Critics.

In the debate of May 1940, the critics were the most distinguished private members in the House. Apart from the Labour leaders, they included such men as Sir Stafford Cripps, Mr. Amery, Mr. Duff Cooper and Mr. Lloyd George himself. This time the leader of the attack was a man who has never held major ministerial office, and his chief supporters included one ex-minister whose judgment was conspicuously at fault in the early days of the war and one who enjoyed a notable economy of success when entrusted with high office before the war.

(ii) Lack of Abstentions.

Another difference was the almost complete absence of abstentionists. In May 1940 over 100 members abstained from voting, and their abstention was decisive; on this occasion, 500 out of 615 members voted and nearly all the remainder were absent either on active service or on account of illness. The figures therefore mean what they appear to say.

(iii) Contradictory Criticisms.

A notable feature was the difference among the critics themselves about Mr. Churchill: some like Sir John Lardlaw-Milne criticising the Premier's dominance of the war direction; others, like Sir Roger Keyes, his undue deference to professional opinion.

(c) The Vindication Of Free Speech.

The debate may therefore be regarded as a vindication of the Premier, but it was more than this. It was a vindication of the democratic right of free discussion and free criticism. Responsibility and public spirit are the necessary corollaries of free speech, and here was a striking example of a right well used.

(d) Mr. Churchill's Speech.(i) Frankness A Sign Of Strength.

The speeches of Mr. Churchill and Mr. Lyttelton in the Commons, and of Lord Beaverbrook and Lord Cranborne in the Lords together constituted the most frank statements about the progress of the war yet made. Such frankness is a sign of strength; Hitler has never told his people the exact facts about the Russian war because he dare not risk its effect upon German public opinion.

(ii) The Military Situation.

Dealing with the military aspect, Mr. Churchill made it clear that it was the tank defeat of June 13 and the loss of Tobruk which caused the retreat to the present positions. The exact cause of both remains a mystery, but substantial reinforcements are now succouring the army in its defence of Egypt. "I do not consider the issue," said the Premier, "as in any way decided."



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(iii) Britain's Effort in the East.

The most impressive point of the Premier's speech was the revelation of the magnitude of Britain's effort in the East. In two years 950,000 men have been sent to the Middle East (this of course, includes Syria, Iraq and Iran, where the 9th and 10th Armies are stationed, as well as Libya and Egypt); 50,000 men have rounded the Cape each month during the past six. In addition 4,500 tanks, 6,000 aircraft, nearly 5,000 guns, 50,000 machine guns and over 100,000 motor vehicles have been sent.

(iv) The War As A Whole.

Turning to the war as a whole, Mr. Churchill said, "I affirm with confidence that the general strength and prospects of the United Nations have greatly improved since the turn of the year when I last visited President Roosevelt." Here are some of the reasons for that confidence.

Over 2,000 tanks have been sent to the Russians "who are using them with vigour and effect... All I know is that the Russians have surprised Hitler."

The growth of Allied air strength is proceeding with immense rapidity.

In the South West Pacific, as the result of the Coral Sea and Midway actions, and also of the arrival of reinforcements, the Allies had passed from defence to attack. These actions, he said, have "received less attention than they deserve in Britain."

In India there is a larger Indo-British army under General Wavell than ever before in the history of the British connection.

Behind these facts lies the immense progress of American armament including their great ship-building programme.

(e) Conclusion.

Thus a defeat in the field has been turned into an occasion, not of despondency or recrimination, but of reviewing the position and resources of the United Nations, for considering improvements in the methods of achieving victory, and for reaffirming the unshaken resolve of all the Allies to persevere, "whatever betide" until victory is secured.

2. NORTH AFRICA.

(a) The Battle of Egypt.

(i) Tobruk and After.

Tobruk fell on June 21, and without losing a moment Rommel turned east, towards the Egyptian frontier where the 8th Army at Sollum, Halfaya and Fort Capuzzo was waiting to receive reinforcements from the rear to replace its heavy losses, specially in tanks.

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Rommel reached the frontier before the British reinforcements could arrive, and the 8th Army had to carry out a 140-mile tactical withdrawal to Mersa Matruh. This was dictated by the open nature of the terrain between the frontier and Mersa Matruh which affords no natural defences.

(ii) Battle of Mersa Matruh.

On June 25, General Auchinleck assumed the command of the 8th Army and decided to hold Mersa Matruh. Given ten days to a fortnight, the enemy would have probably been held in this area. But on the fifth day (June 26) Rommel appeared with his armour and mechanised forces before the new positions. The Italians attacked the town from the west, and the Afrika Korps by-passed it from the south in an effort to encircle the Commonwealth garrison. But the Axis victory of Tobruk was not repeated. Rommel's manoeuvre failed, and the Indian and New Zealand troops, like the South Africans at Gazala, fought their way out of the encirclement and joined the main bulk of the 8th Army to the east. The enemy entered Mersa Matruh on June 28, and the British forces, owing to a further loss in armour, had to carry out a further withdrawal.

(iii) Battle of El Alamein.

It was probably at this stage that General Auchinleck redispersed his forces into "battle groups" which harassed the enemy's advance. On June 30 Rommel's forces entered El Daba between the sea and the narrowing Qattara salt depression. Beyond El Daba, the shrinking mouth of the gap between the sea and the depression has enabled General Auchinleck to achieve a greater concentration, and for the last three days Rommel has been held at El Alamein, on the coast road, 70 miles west of Alexandria.

(b) Conclusion.

The fate of Egypt is still in the balance, and it would be rash to assume that Rommel will not be able to make repeated attacks, perhaps in even greater force. He is at present able to reinforce more quickly than Auchinleck, and his Mediterranean supply-line is subject to less serious interruptions as he pushes eastwards.

But Egypt is far from lost, as the Axis propagandists would like the Egyptians and the world at large to believe. "We do not regard the campaign as in any way decided", said Mr. Churchill in the House of Commons on July 2nd, and authoritative circles in Cairo believe that at the present moment "we have held the enemy". Rommel's immediate objective is Alexandria and his armoured striking power at this juncture is formidable. But the Nile delta, with its network of canals and waterways, offers certain advantages to the defence. Alexandria is an important naval base, but it is not the only one which we still hold in the Eastern Mediterranean, nor does it stand in the same relation to Egypt as, for instance, Singapore did to Malaya and the whole Far Eastern defence.

There may be worse news to come. We have survived critical hours before and shall do so again if, as Mr. Churchill says, every one of us does his duty.

3. CHINA.

Five Years Of Warfare:

(a) Operational Phases.

July 7 will mark the fifth anniversary of Japan's wanton aggression on China. It was five years ago that an exchange of shots between stray Japanese and Chinese soldiers on the night of July 7, 1937, in the small town of Liukouchiao, was made the plausible cause by the Japanese for initiating their career of reckless brigandage in China. The campaign falls into four distinct stages.

(i) The First Phase.

The phase ends with the fall of Hankow in October 1939. The significant feature of this period is that, surprised by the Japanese, it was all that the Chinese could do to effect skilful withdrawals. The Japanese swiftly advanced along the North China railway routes, sacked Nanking, captured the vitally strategic point of Suchow, and advanced up the Yangtse until this move culminated in the fall of Hankow. During the first fifteen months of the war China suffered about 2 million casualties; enemy casualties were estimated at about 500,000.

(ii) The Second Phase.

The Chinese National Government now moved to Chungking. The face of China was badly mauled but her spirit remained undaunted. This was a period of check and counter-check; a period of deft chess-play. It resulted in victories for the Chinese. Though large campaigns were few, Tokyo's communiques specialised in referring to the movements of Japanese armies as composed of "voluntary withdrawals". In November 1938, Generalissimo Chiang Kai-shek told his people: "China is fighting a revolutionary war for national liberation and to prevent subjugation; and in a revolutionary war, there is no end until final victory is won."

(iii) The Third Phase.

This phase sees the beginning of an effective Chinese counter offensive. Early in 1941 the Japanese found their official communiques could no longer conceal from the world the "face" that was being lost by the reverses their armies suffered in Hupeh and Kiangsi. Chinese troops made some bold and spectacular advances in Shensi, and inflicted quite heavy losses on the enemy in Hopen. Places were recovered in Chekiang and Kwangtung. And in Hunan Changsha repelled three enemy advances with a tactical brilliance that still elicits admiration.

(iv) The Fourth Phase.

Shaken by Allied successes at the Coral Sea and Midway, and experiencing considerable shipping difficulties, Japan has now launched a fresh offensive in China for two important reasons. One is that she proposes to consolidate her hold on China communications and to use land transport to dispose of her large armies in S.E. Asia. The second factor is that she intends to seize as many air bases as possible in the coastal provinces of China and to destroy

them before they are employed by the Allies to bomb Japan itself. While the enemy has met with some success in destroying a few air bases, his offensive in Chekiang has been blunted by the amazing vitality of the Chinese. Neither the Chekiang-Kiangsi Railway nor the Canton-Hankow Railway is allowed to be a Japanese highway.

(b) The Secret Of Chinese Resistance.

(i) Leadership.

The quintessence of the secret lies in the personalities of Generalissimo and Madame Chiang Kai-shek. He fashioned, out of war-lords business bosses, Communists, and hardworking peasants an instrument of finely tempered steel, devoted only to one purpose, the eviction of the Japanese and the creation of a free China. The Sung Family helped in the process, but it is because the men of China found in Chiang Kai-shek the living embodiment of their fervent aspirations that the miracle of a Free China has been made possible in this short space of time. "You people," said the Generalissimo on June 1940, "are counting beads on a counting board. You count how many troops we have, how many rounds of ammunition -- I don't care. When I started 15 years ago I had only 2,000 cadets in a military school... I had no money. I marched north and licked the war lords. I united the country. Today I have 3 million men and half of China... Let them (the enemy) come... In five years I will be back here and I will conquer all China again."

(ii) The National Spirit.

The symbol of China's rebirth is the "New Life Movement" in which the spirit of Confucius has been made to serve modern urgencies. Civilized values are not rhetorical devices but the dynamics of everyday activity. With Japanese bombs raining senseless and indiscriminate destruction, with ancient universities closed and looted, wherever Japan advances, Chinese education is carried on in the hills and valleys. Industries have been shifted from battle zones to the mountain fastnesses, of Szechwan by "leap-frogging". An enlightened agricultural policy has helped to make Free China self-sufficient in food. Young men and women are trained to fight as soldiers only to establish as rapidly as possible the conditions of peace in which they may live as full and free civilians.

(iii) The Army.

China has about 200 divisions in all, organized into 50 armies. As Col. Tang said on May 8: "We produce plenty of light arms for ourselves and can carry on a war of attrition indefinitely." The reason for this inexhaustible vitality is to be found in the guerilla tactics of the Chinese. Lacking heavy artillery, they avoid pitched battles. With their hand grenades and automatic rifles, the Chinese soldiers specialize in cutting enemy supply lines, in robbing him of his food and in preventing him from exploiting the country. These trained men, believing in their cause, have made it possible for China to hold on so long against superior enemy odds in the mechanical sphere; and, by the sheer fact of mobility and numbers, have gained time by yielding the waste spaces to the enemy.

(c) The Present Position.

According to an experienced writer on the Far East, Guenther Stein, "no more than 10 per cent of China proper is within the Zone of Japanese expansion, while an additional four per cent is still more loosely under Japanese control by an occupational army of a million strong". Less than about 10 per cent of the Chinese are under the effective control of the enemy. Of China's 1,500 counties, in no more than 50 have the rightful magistrates been wheedled into submission by the Japanese.

In June 1942 Generalissimo Chiang said: "I am in a position to assure you that the enemy, after five years of failure to crush us, will never, whatever the desperate means he may adopt, be able to smash our armies in the field..... Henceforth our strategy and tactics will be designed with a view to coordinating operations in China with those on all other fronts and to winning a final victory that will be as much our Allies' as our own."

(d) China and Her Allies.

The United Nations are a single vigorous unity. It is not just the £125 million from the U.S. or the £70 million from Great Britain given to China; it is not merely the spreading of "the vast umbrella of the Lease-Lend" to China, or even the sending of aircraft and personnel to Chungking that manifests the Allied resolve to make the struggle of China a part of the world struggle against Axis hordes East or West. It is a matter of unity born out of faith in civilized ideals. It is a flickering recognition of this that made Prince Konoye lament in January 1941: "We are in the fifth year of our conflict with China. Millions of yen have been spent, millions of men have died, and yet we do not see the end of the China incident.... the responsibility for this step falls on me."

4. WAR AT SEA.

Shipbuilding -- Men o' War And Merchantmen.

(i) Churchill on Washington Talks.

Mr. Churchill told the Commons (July 2) that his conversations in Washington were concerned almost exclusively with movements of troops, ships, guns and aircraft, and with measures to be taken to combat the losses at sea and to replace, and more than replace, the sunken tonnage. Strenuous measures, he said, were being taken to curtail the shipping losses. These, combined with the great shipbuilding effort of the United States and the British Empire, should result in a substantial gain in tonnage at the end of 1943 and above that which we now possess.

(ii) American Output.

American shipyards, in the 31 days of May, put into service 58 new ships, totalling 632,000 tons. In the 30 days of June, American yards added 66 tankers and cargo boats to the United Nations' merchant fleet. If shipbuilding in America continues to progress at this steady rate, there need be no doubt that President Roosevelt's goal of 8,000,000 tons in 1942 will be achieved. At this moment the rate of building is in the region of 700,000 tons a month; twelve months ago it was less than one-seventh of that figure. A year ago the combined output of American and British shipyards was not more than 200,000 tons a month.

(iii) Warships Programme.

That the lessons of the past seven months have been well learned in Washington is evident in the Naval Expansion Bill of 8,500 million dollars which was sent to the White House a few days ago. The need for destroyers and escort vessels has been demonstrated in the Caribbean Sea, the Gulf of Mexico and off America's eastern seaboard; so Congress has asked for 900,000 tons of warships of these classes -- 47 per cent of the total bill. The value of aircraft carriers was never more heavily underlined than in recent actions in the Pacific. Cruisers, which have a wide radius of action and usually carry at least four aircraft each, are vital to successful operations in such a vast expanse of ocean as the Pacific (10 million square miles). Accordingly, Congress has recommended that the remaining 53 per cent of the bill shall be devoted to building 500,000 tons of aircraft carriers and an equal tonnage of cruisers.

(iv) Value of Battleships.

Japan's early success with air attack against the battleship Prince of Wales and the battle cruiser Repulse, as well as the havoc created at Pearl Harbour, led to a widespread feeling among laymen that the day of the battleship was past.

This view appeared to gain some official support when it was announced that the American Navy Board proposed to suspend work on the monster 60,000-ton battleships under construction for the U.S. Navy. But it is significant that work has not been suspended on 12 other American battleships, including at least two of 45,000 tons each.

It is reasonable to suppose that the Navy Board's decision with regard to the biggest ships is based solely on the fact that they can hardly be ready for service for another five years. The steel, the labour and the yard-space they would absorb in the interval can be more profitably devoted to smaller ships, which can be completed much faster and are more urgently needed.

In spite of dramatic successes achieved by naval air power, the value of the capital ship has not been seriously disputed. It has been proved that no battleship can operate effectively without air cover, just as previously battleships were protected by a destroyer screen. Air attack sank the battleship Prince of Wales; but a single salvo from the battleship Bismarck sank the battle cruiser Hood. While air bombing failed to destroy the aircraft carrier Illustrious, torpedoes launched from submarines sank the aircraft carrier Ark Royal and the battleship Barham. Air attack failed to sink the Scharnhorst; but shells from three small cruisers put the Graf Spee out of action.

With adequate air cover, the capital ship is still a formidable weapon. It remains the backbone of any battle fleet, while aircraft carriers are indispensable fins. When further heavy blows, on the model of the Midway action, have been dealt against Japanese naval air power, the battleship will return to the limelight. Wisely, America continues construction work on her 12 new iron-clads, most, if not all of which will be commissioned within the next two years.

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POLICY

1. Play up all evidence of fighting spirit and ability of Eighth Army, but beware of making too much of better news. Danger to Egypt remains grave, and Allied war-potential is a factor of more enduring importance than present fluctuations of battle.
2. Point to American air activity from British home bases as well as in Middle East as showing practical reality of United Nations co-operation, but avoid giving impression of one Ally rescuing another. Britain is senior partner in war against aggression, and her cause has become the world's cause.
3. Japan's invincibility-myth has been proved as false as Hitler's. But danger to India can only be removed by total Axis defeat.

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1. <u>NORTH AFRICA.</u>	
(a) <u>Battle of El Alamein.</u>	

It is now a week since Rommel with all the momentum of his armoured forces, surged against El Alamein, south of the Arab's Gulf, some 70 miles west of Alexandria. He immediately launched a three-pronged attack from the North, West and South.

The southern thrust was the most dangerous, because it gave the enemy control of a ridge, running east and west, from where he could cut off the Commonwealth garrison and push on towards Alexandria.

Concentrating his forces in the south, therefore, General Auchinleck first held the Axis forces, and then counter-attacked, and finally forced off the ridge what is probably the German 90th division. Six hundred German prisoners were taken.

But it must be emphasised that this check does not completely remove the danger to the Nile Delta. Rommel is still attacking to recover lost ground. The situation has, however, improved since last week, and is described in Cairo as not unfavourable to the 8th Army.

(b) Prospects.

That the strength of Rommel's armoured forces has been weakened seems certain. The R.A.F. has destroyed a very large number motorised vehicles out of a concentration of 5,500, parked south of El Alamein. Moreover, Benghazi and Tobruk, the two Axis supply ports are being heavily bombed.

These considerations suggest that the immediate threat to Alexandria has been halted, though not removed surprises in the desert are not uncommon, especially when the extreme mobility of modern desert warfare is taken into consideration, and there can be no justification for complacency until the Afrika Korps definitely begins a westward movement.

2. RUSSIA.

(a) Winter's aid.

During their winter assaults the Russians, apart from permanently weakening the enemy, accumulated a substantial credit balance in strategic advantage. Although as previously pointed out, they did not succeed in getting possession of the railway network represented by such towns as Vitebsk, Vlasna, Bryansk, Kursk and Kharkov, which might have made a major German offensive so difficult as to be almost impossible, they did drive into the German positions wedges of strategic importance. The Germans are spending precious weeks and irreplaceable man power in removing these wedges. In other words, the Russians are drawing on their credit balance in order to buy time. For Hitler time is absolutely vital, for, unless he can break up the Russian armies before winter 1942, he never will; that means ruin.

(b) German Offensive.

(i) Kharkov.

During the last week the Red Army has been obliged to use up its credit balance so far as the Kharkov sector is concerned. The Krasnograd bulge to the south-west of Kharkov, which threatens the left flank of any German advance via the Donetz basin, has been eliminated, and the battle zone runs in an approximately straight line on the Oskol River. The German capture of Kupiansk deprives the Red Army of an important railway junction connecting with Moscow, but German attempt to trap large Russian forces in the Krasnograd salient failed, and the removal of the salient proved a very costly business. It is interesting to note that the Germans speak of the action which enabled them to capture I-yum and Kupiansk as though it were concluded. This is in marked contrast to their boastful reports last year about the irresistible onward urge of the German armies.

(ii) Kursk.

In the Kursk Sector the Russians report that heavy massed assaults, accompanied by concentrations of tanks and dive bombers, have been held and thrown back with very heavy losses. The Germans to begin with preserved complete silence about this sector. Then they asserted that their advanced forces had reached the Don, and though they have not repeated this, they now claim that West of the Don a considerable Russian army has been encircled. We do not know whether the attacks were delivered south or north of Kursk, but it seems probable that the German plan is to strike due east towards Voronezh railway junction on the Don as a parallel complementary thrust to that against Kupiansk,

(iii) The North.

Further north in the Leningrad and Orel regions there are reports of very heavy concentrations on both sides. As soon as the muddy ground becomes firm major operations may be expected.

(iv) Sebastopol.

In the extreme south the Sebastopol garrison withstood for 26 days the most terrific concentration of assault troops and fire power that any fortress has ever endured not excluding Verdun in the last war. It is difficult to speak without enthusiasm of the heroic endurance and fighting spirit of the Russian garrison. The defenders took a fearful toll of German-Rumanian man power. The prolonged defence of Sebastopol has caused a serious drain of troops and equipment intended for offensive action elsewhere. The defence of Sebastopol held up for several weeks any German plans for a sea borne attack on the Caucasian Coast-line.

(c) The General Picture.

Thus the general picture of the Russian front is that of a seasoned and immensely strengthened Red Army which is compelling the enemy to engage in attacks, at once limited and costly in order to build a platform for the general offensive upon which his fate depends. The amount of time lost, the quantity of man and equipment expended, in establishing that platform, are factors of the utmost importance in this titanic trial of strength. Winter fighting in the mountains of the Caucasus would be an even more terrible experience for the invader than on the plains in front of Leningrad and Moscow.

(d) Moscow and Tokyo.

Meanwhile the Japanese are closely watching Rommel in Egypt and the German armies in Russia. If they attack the Soviet Union in the Far East (and there are signs that this is a possibility that now needs to be reckoned with) it will be at a time of their own choosing. For some time the Chungking Press has been prophesying an early Japanese attack; but recently (and for the first time) neutral observers are sending reports from Berlin that the Germans are counting on an almost immediate Japanese declaration of war on Russia. Many of them add that great importance is attached in Berlin to Japanese landings on the Aleutian islands, as a means of interrupting the flow of American aid to Russia, as soon as war flares up in Eastern Siberia. The Russo-Japanese pact of friendship and non aggression will certainly not be an obstacle if Tokyo decides that the time has come to attack the Red Army of the Far East; but it may well be that the Japanese before committing themselves will decide to wait and see how the German off offensives in Russia and Egypt develop.

(e) The Crisis of the War.

It is just because the United Nations would have preferred the crisis to have come in the plenitude of their power next spring that the Germans are forcing the issue now from Murmansk to the Caucasus and from Iran to Egypt. The next few months are going to witness a most bloody and critical struggle.

The decisions which President Roosevelt and Mr. Churchill took last week in Washington (in full consultation with the Soviet Ambassador) were designed to meet that situation. The peoples of the Soviet Union are well aware that heavy sacrifices of lives and territory will be necessary, but they are supremely confident of final victory, and are reinforced by complete confidence in their friends and allies.

3. FAR EAST - JAPAN'S GROWING DIFFICULTIES.

(a) Japanese Difficulties.

Lt. Col. J.R. Kennedy, in a B.B.C. talk on July 3, said: "Since the sensational naval battles in the Pacific, there have been no events in that area which have attracted great publicity, but underneath a surface apparently quiet, a good deal has been going on. While none of the events has been of the clear-cut definite nature of the naval battles, the meaning of which can be immediately seen, all have nevertheless been building up the pattern of the war. Unfortunately, they do not show us what the final pattern is to be, yet taken together, they give some indications of it, and Japanese difficulties and dilemmas are beginning to show very markedly, as was to be expected after the first rush.

(b) Yunnan.

(i) Japanese Progress Checked.

"Let us look, first of all, at the war in China, and let us start in the south-westerly Province of Yunnan, into which the Japanese penetrated so rapidly after their conquest of Burma. They were checked, you will remember, when they reached the River Salween, and their main force still has not crossed it. Yet it was mid-May when they reached it. The other advance into Yunnan from Indo-China which had penetrated some 50 miles by the 20th June, has apparently made no great progress since. At least we hear nothing of it. The position in Yunnan accordingly, appears satisfactory, and it has a wider significance, because until the Burma force can link up with the other Japanese Forces, it must remain isolated in a precarious position, between the Chinese forces in Yunnan and the British on the Indian Frontier."

(ii) Supply Difficulties.

"As the Japanese had dispersed their forces over such a wide area, it was advisable, if not essential, for them to avoid a naval defeat. It is very probable that the strain on, and the risk to, their shipping, have become almost too great to permit the adequate reinforcing and the suitable re-equipping of this Burma Expeditionary Force, which, now that it faces Yunnan, requires different equipment, for Yunnan is a mountainous theatre.

Our submarines have had successes in the Malacca Straits through which Japanese shipping passes on its way to Rangoon, and there are increasing raids from India-based aircraft on Japanese communications in Burma. These considerations in themselves have contributed, and will contribute to the hold-up in Yunnan. But the main cause is the very effective resistance put up by the Chinese troops, who have been helped by the weather. The Chinese intention is, I believe, to confine the Japanese to the Burma road, where they can do little harm and make little progress."

(c) Canton.

"Now let us move a little south-east, from Yunnan to the south-eastern coastal Province of Kwantung, in which Canton is situated. The offensive up the railway-line from Canton, which connects with the inland city of Changsha, is making no sensational progress. On the other hand, the Chinese claim that they have broken into the out-skirts of Canton itself. That means the Chinese are able to penetrate, perhaps only temporarily, behind this Japanese force, and between it and the sea port, and that must be an unhappy position for the Japanese."

(d) Chekiang.

(i) The Railway Offensive.

"Further north, there is the main Japanese offensive launched from coastal Chekiang westwards, and from inland Kiangsi eastwards, to capture the railway-line running through these provinces. These two forces had approached to within 80 miles of each other by about June 19. Chinese reports of the last few days show that the gap had been increased to over 70 miles, but Tokyo is now claiming the capture of the complete railway. At the same time, however, they say that the Chinese have launched a new offensive."

(ii) "Southward Advance."

The Japanese are also pushing southwards in this region, in order presumably to capture roads. The Chekiang offensive was launched in mid-May also, and, although it has achieved some success, its purpose of capturing the railway and the road has not yet been fully accomplished, and cannot be until these are in working order. The forces used by Japan are not so numerous as might be thought, judging by European standards. In the Chekiang offensive, for instance, the Chinese themselves do not estimate Japanese strength at more than 100,000."

(iii) Depleted Armies.

"A conquest of railways and roads, without the annihilation of the Chinese Armies, which can subsequently attack them, would require their policing by Japanese garrisons. Thus, as the forces advance, they would have to be leaving garrisons behind, and so their penetrating power would become increasingly weaker. This would mean that, if it were intended that the drive should go on, reinforcements would be necessary. Yet we hear -- and it is from Chinese sources -- that the Japanese are withdrawing forces, not re-inforcing them."

(iv) Indecisive Prospects.

"The Chinese War Minister is reported to have said that the Chinese main forces in Chekiang are not yet engaged, and that even if the Japanese captured the whole railway, they would be unable to hold it. It does not look, accordingly, as if the Japanese plan to conquer Chinese communications by ambitious concentric attacks, can succeed quickly. Similarly, it does not look as if they were going to be able to capture all the potential sites for aerodromes, within bombing-range of Japan."

(e) Mongolia.

"In the North of China the Japanese are taking steps which are regarded as a sign of coming operations directed at severing China from Outer Mongolia. More reports continue to come from China to the effect that Japanese forces are being withdrawn from China, and moved northwards along the railways. This may mean that Japan has decided to abandon her attempt to complete the subjugation of China, in order to undertake operations of more direct help to the main Axis plan."

(f) The Aleutians.

"Japan may have been frightened into her unfortunate naval operations by the fear of the repetition of the American bombing of her towns but her seizure of some of the Aleutian Islands, which involved her in one of these defeats, may have had more than a defensive purpose. For the Aleutian Islands will provide a base for offensive operations against the supply line between the United States and Russia, which, already important, will become much more so with the completion of the great road now being rapidly constructed from the United States to Alaska."

(g) The Japanese Dilemma.

"Japan's problems are not easy at the moment. Her own interest would surely be to complete the conquest of communications in China, and to conserve her conquests, which are all in the south, not to take on new enemies in the north of this vast expanse. The isolated force left in Burma, the attack on Wake Island by the United States Fleet, and the beginning of offensive measures by General MacArthur, must place Japan on the horns of a dilemma."

4. FRANCE.

THE FOOD SITUATION.

(a) The German Plan.

One of the main features of German economic strategy in Europe today is that the Reich should fulfil the functions of a "town" surrounded by concentric belts of raw material production and agriculture, exploiting these natural regions for the welfare of the German people. (See Guidance Notes No. 191 2(b)). Recent news shows one of the many methods by which Germany hopes to reduce France into an agricultural serf-state and to make her impotent in the industrial and military sphere for the future.

(i) Laval's Complicity.

In his broadcast on June 22, Laval made a belated attempt to explain away the large-scale Nazi conscription of French industrial workers. He announced that Germany had agreed to release French agricultural prisoners-of-war in exchange for French workers to work in German factories, and that about four trains were already leaving for Germany every week. He tried to sugar the pill by saying that arrangements were being made to see that the French worker would work with his wife in the same factory in Germany. Other inducements were also offered to the workers to leave their country and work on a foreign soil.

(ii) What it Means.

It is not difficult to see through this new Nazi device. While on the one hand France is to be drained of her last industrial resources -- both in men and in material -- she is to be encouraged to produce more food which will ultimately find its way to Germany. By this arrangement Germany also hopes to assuage the wrath of the French people for she undertakes to release the French prisoners who have languished in German camps for two years and more. But it is to be noted that these prisoners are to be exchanged, not to be set at liberty completely. Germany will still hold the same number of Frenchmen, if not more, as hostages to serve as a counter in any future bargain she might wish to make.

(b) French Rations.

That this latest arrangement is due to no altruistic motives on the part of the Nazis is evident from the food situation in France itself. France, one of the richest agricultural countries in Europe, is denuded of its food and agricultural produce, and the released French agricultural labourers will only be working in their country for the benefit of Germany. In fact, one of the conditions of their release is that they shall 'collaborate' with Germany.

The food rations for last November as published in the Vichy Official Journal did not represent even three-fifths of the English rations. The present food ration is equivalent to an average of 1,200 calories a head per day, while the strict minimum necessary for health is 2,500. And even then French housewives have to queue on an average for seven hours a day to obtain but a small part of the rations to which they are entitled according to the letter of the law. A ten cent American hamburger sandwich is calculated to have as much bread as the French get in a day, more meat than they get in a week, and more butter than they get in a year. Consequently, the Black Market flourishes in France -- but only for those who can afford it. In addition to the official rations which cost five francs per person daily, it

necessary to spend, roughly, 35 francs per day in order to obtain a proper diet. And many workers do not earn more than 35 francs a day.

French food flows to Berlin. Eighty per cent of the traffic through the port of Marseilles is for German consumption. Rubber and fruit from West Africa travel north with Algerian wheat and mutton and Tunisian olive oil.

" 350 - 7.7.42."

TWO-HUNDRED-AND-TWELFTH BI-WEEKLY GUIDANCE NOTES ON THE WAR SITUATION,
DATED JULY 11, 1942.

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POLICY

1. Further heavy fighting must be expected in Egypt, but always look at Egypt against the picture of the war as a whole and Russia in particular.
2. Emphasise heavy cost to Germany of advances in Russia, and show that main offensive has been delayed by aggressive Russian strategy (helped by Britain) in winter and spring. Last year enforced delay of German attack on Russia was fatal to success.
3. Keep R.A.F.'s western offensive constantly in the picture. Thousand-bomber raids will not happen every night but thousand is not limit of possibilities and meanwhile in many raids several hundreds are used. Significantly German propaganda to Britain urges diversion of British aircraft to Mid-East.
4. Quote Tojo's declaration that Japan has right to send emigrants to any parts of occupied territory. This is essential feature of Japanese Imperialism.

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1. EGYPT.

- (a) Axis Propaganda. ...
 - (i) A Blunt Weapon. ...

While Rommel's Armies were advancing along the southern rim of the Mediterranean into Egypt the Axis radio stations around the northern rim of the Mediterranean were directing a propaganda blitz upon the inhabitants of Egypt. The object was obvious: The enemy knew perfectly well that Auchinleck was not beaten, so they brought into action their biggest propaganda guns in the hope of harassing him in his rear.

The Axis propaganda weapon, however, has been blunted with long use. The Egyptians remembered that the same tactics were employed, and with equal hypercity, at the time of Graziani's abortive invasion attempt nearly two years ago. And it is significant that with the stand made by the Eighth Army at Al Alamein there has been for the time being a slackening also in the Axis attempts to defeat Egypt by psychological warfare.

(ii) Blandishments and Threats:

As always in this type of warfare, the Axis radios began by offering alternative promises and threats to the Egyptian people. They also followed their usual technique in representing what they wished to occur as having actually occurred. Thus at the same time they were claiming that the wildest confusion prevailed in Egypt and that the inhabitants were fleeing in disorder in fear of Axis forces, and that a wave of enthusiasm had swept the country, whose citizens were waiting only to welcome the victorious invaders.

The same absurdity is seen in their announcements that, on the one hand, the Egyptian Police had been reinforced by British Police who were terrorising the population, and on the other (Berlin in German, July 3rd) "the British Military Police helplessly face the plundering mob."

(iii) The Refugee Racket.

To drive the civilian population on to the roads, where they not only afford an easy target for Axis airmen, but also hamper military transport, has since the beginning of the war been an essential feature of Axis tactics. Axis broadcasts have unsuccessfully attempted to achieve this object, and at the same time their broadcasts to India show their complete irresponsibility.

Thus on July the 6th, the fake German Station Azad Hind, broadcasting in Tamil, stated that "the British atrocities in Egypt have increased. Large numbers of people are being asked to evacuate from Cairo and Alexandria." But four hours earlier the Japanese Station at Batavia had told us in English that the British Army in Egypt had requisitioned all rolling-stock "thus depriving the citizens of their only means of transport." The British were also said to have prohibited refugees from entering Cairo and to have closed the road for this purpose. On July the 2nd the very same transmitter announced that "refugees from Alexandria are continually arriving at Port-Said and Cairo" and on the following day Tokyo said that "all trains leaving Cairo and Alexandria were fully packed with refugees."

These broadcasts not only contradict each other but are completely contradicted by the facts. The Egyptian population has remained in the circumstances remarkably calm.

On July 2nd a German broadcast in English announced that "the catch-word, EGYPT FOR EGYPTIANS, has been greeted enthusiastically." "Catch-Word" is the exact term, and the Egyptians have recognised it. On the following day, the Germans and Italians issued a joint declaration promising, not for the first time, to give Egypt "independence". The Italian radio quaintly pointed

out that since the Germans were now advancing with the Italians this declaration had considerably more significance than the previous Italian offer.

This piece of effrontery has fallen completely flat, and the Axis radio, which had already announced that, it did not really expect an answer from the Egyptian Government, is gradually dropping this line of appeal.

(v) Independence, Axis Version.

Hastening to the support of the German and Italian broadcasters, Tokyo has made some remarkable statements. After prophesying (July the 2nd) that "the next 48 hours' developments of the battle of Egypt are believed to settle the fate of Alexandria of which the fall precipitates the powerful national rising in Egypt", Tokyo went on to say that the Axis were not only about to secure "complete control of Egypt" but also "the oil resources of Iraq and Iran". Next day the Japanese dropped the talk of Axis control and slipped in the word "freedom", excitedly announcing that "all Mohammedan countries in the Middle East, including Iran, Iraq, Syria and Afghanistan as well as Egypt, are sure to rise up in arms against Britain so as to regain their freedom."

The countries in question (in particular Afghanistan) would not be flattered by these words from Tokyo, but it is interesting at this point to note what independence means when offered to various countries by the Axis radio. The enemy broadcasts make it clear that "Egypt for the Egyptians" means simply the withdrawal of the British defending forces so that Rommel's invasion may be unhampered. The offer to Iraq and Iran specifically means that the Axis is to seize their oil resources. The offer to Afghanistan is completely meaningless and indeed insulting. Meanwhile Tokyo has obligingly told us what independence means in the Far East. "As soon as Manchukuo became independent of China", said a Tokyo broadcast in Japanese on June 29, "a flood of Japanese immigrants crossed over to Manchuria." (see also Section 4 of this issue).

(b) Arab Reactions.

(i) Political Confidence.

The course of Anglo-Egyptian collaboration was examined in some detail in Guidance Notes No. 208 of June the 27th, 1942 (Section 3). On June the 5th the attitude of representative Egyptians was confirmed by Shazli Pasha, ex-Cabinet-Minister and an opposition member in the present Parliament, who wrote in the paper Al Nassawir: "The Anglo-Egyptian treaty registered Egypt's rights and recognised her independence, giving

her a respectable international status besides outlining her relations with Britain as a free sovereign country and friend. The fruits of the treaty are strikingly apparent in the present war, as evidenced by our free management of our own affairs and the non-employment of our institutions and people in any manner against the treaty."

Al Taft writes that "All reports indicate that conditions continue to be normal in Egypt. Calm and confidence prevail everywhere and morale among all classes is of the highest."

(ii) Popular Opinion.

Arab response to Axis propaganda is sufficiently indicated in the following quotations:

"The Germans allowed refugees from France to return home except the Jews, Arabs and the Negroes. Such a treatment is quite sufficient to let any Oriental understand the sort of treatment which can be expected from the Germans, if they became masters and conquered his fatherland. They would not give him anything, but would rob him of his freedom, rights and honour. None can forget that it is solely self-interest which is dictating their propaganda in the Near East." -- Al Masri.

"The false German propaganda deceives none but the ignorant and the potential slave" -- Al Iraq.

"The Axis friendship and goodwill towards the Arabs are demonstrated in bombing the Egyptian cities." -- Al Azam.

(iii) The Question of Air Raids.

The Axis has been urging, among other things, that Cairo should be declared an open town, and representing this as a unanimous demand of the Egyptians themselves. To declare Cairo an open town would of course mean the removal of all defences from the city, and it is easy to see to whose advantage that would be. The Axis policy in regard to open towns has been demonstrated to all the world by the horrors of Rotterdam and Belgrade, to take but two instances; and it is also remembered that the Japanese rained indiscriminate death on Manila after the American forces had in good faith removed their troops and anti-aircraft from the town.

A year ago Britain answered the previous Axis demands that Cairo should be left defenceless by giving to the Egyptian Government a free donation of one million pounds for A.R.P. as well as the services of experts who had had experience under bombing in Britain. "The pleasure produced by this generous gift," wrote Al Masri "is heightened by the fact that the Germans and Italians at the same time gave their friends, the Egyptian Muslims, the gift of death, destruction, ruin, bereavement and dispersal as a result of indiscriminate air raids on civilians far from any military objectives."

2. RUSSIA.

(a) The Great Offensive.

The great German offensive on the Kursk-Kharkov line has now been in progress for more than 10 days. The fighting has been of unparalleled ferocity, considerable advances have been made, and it is clear that the Russians are hard-pressed. With their usual frankness they have admitted it themselves; the Russian Press is as frank as the Russian communiques. Pravda, for example, tells its readers that Russia is still in mortal danger, that the fight ahead will be bitter, and that there is no place for complacency behind the front. It is this spirit of realism united to an unconquerable determination to win through which is one of the best grounds for confidence in the Russian achievement.

(b) German Spearheads.

The main operations of the last ten days may be described as the thrust of a heavily armoured spearhead from the Bielgorod-Volchansk area towards Voronezh. This spearhead has reached the Don, and has thrown some bridge-heads across the river, but there seems to be no reason to accept the German claim to have occupied Voronezh itself, which lies five miles east of the river bank. Because of the progress of this spearhead, the Russian forces which were successfully resisting near Kursk and Staryi Oskol were withdrawn from the latter town. The German position up to July 9 could be described as that of an isosceles triangle whose base was the line Bielgorod-Volchansk, and its apex the Don near Voronezh. Since then a fresh spearhead has been thrust to the neighbourhood of Rossish, about 130 miles due south of Voronezh on the Voronezh-Rostov trunk line.

(c) German Objectives.

(i) Strategy.

The main German aim would seem, in a word, to be to divide the Russian central and southern armies by seizing the rail-river line Voronezh-Rossish and pushing further east, towards Saratov and Stalingrad. A force might then be left to contain the central armies while the Wehrmacht wheeled south for its Caucasian dash.

(ii) Tactics.

The tactics of the German armies are the familiar pincer movements, aiming at destroying the Russian armies rather than seizing particular places. The Germans no doubt hope to enclose the Russian forces west of the Don, and later, the forces round Rostov. These tactics are the justification of the Russian retirements, for their counter-object is clearly to evade encirclement by timely retreats.

(d) Voronezh and the Whole Campaign.

The capture of Voronezh would certainly be a serious reverse for the Russians, but it should not be regarded as in any way fatal or irremediable. Behind the Rostov-Voronezh-Moscow line, there are other lines of communication such as the Moscow-Stalingrad line and the river Don itself. It is unlikely that oil has been sent to the north via Voronezh for a long time. Oil from the Caucasus can be shipped up the Volga to Stalingrad, or to the pipeline at Gurev in the Northern Caspian, which leads to the Urals. Whatever happens therefore, in the immediate future, the struggle will go on. The Germans are throwing everything into the struggle, regardless of losses, because they are in a desperate hurry. Less than three months of good campaigning weather is left them in which to achieve their prime purpose-- the smashing of the Russian army. And if they fail in this, they fail in everything.

(e) The Meaning of the Initiative.

It may be asked why in spite of Russian reinforcements and British supplies, are the Germans always in superior force at the chosen points of attack? The answer is that through the German army is weaker and the Russian stronger than last year, the German army is still very strong and holds the initiative. The side which holds the initiative, can, as a result of the development of modern transport, always concentrate superior force on a chosen spot. Witness the British armoured attack on Sidi Barani in 1940 when their total force was greatly outnumbered. Initial advance must be expected while the defence is bringing up its reserves to the threatened points. Some results of this process can already be seen in Russian counter-attacks on the Don, and north of Stary Oskol. Defence in depth in a campaign on the Russian scale is not to be measured in yards or miles, nor can reserves be grouped in a matter of minutes. We have been well warned to expect large movements and changes, and we must not be surprised if at first the changes are eastward. The supreme consideration from the Allied point of view is that the Russians should maintain their army in being as a fighting entity, and this they show every sign of doing.

3. TURKEY.

(a) Turkey's Faith in the Allies.

(1) U.S. Bombers Episode.

Five days after the forced landing of U.S. Army Corps bombers on Turkish soil, Dr. Paul Schmidt of the German Foreign Office at a Press Conference, described the incident as "a deliberate violation of Turkish neutrality". This statement was the beginning of another round of intense German propaganda designed to undermine Turkey's neutrality. The German Press and radio took up the theme and pointed out that the Allies were trying by pressure to force Turkey into war.

The government promptly issued a statement. "The Turkish Government," said the declaration, "is convinced that the U.S. bombers did not intend to fly over Turkish territory, and their landings are by nature forced landings, the planes having sought refuge in Turkey."

(ii) Anglo-Soviet Pact.

Ever since the signing of the Anglo-Turkish Pact in 1939, the Turks have never failed to declare their friendship towards Britain, and it was not merely an accident that the most significant reaction, among the neutral countries, to the recent Anglo-Soviet Pact, came from Turkey.

The semi-official Ulus of Ankara, discussing the speeches of Mr. Sumner Welles on this subject, wrote: "If the present struggle results in the creation of the world foreshadowed by Mr. Welles, it will be a source of consolation for future generations to think that the blood which flowed in this war was not shed in vain." And the paper Vatan went so far as to emphasise the part which could be played by Turkey after the war in close collaboration with the Allies.

(iii) Turkish Satisfaction.

The conclusion of the Anglo-Soviet Pact has further clarified the hard-set principles of Turkish foreign policy. Informed by Britain and Russia of the progress of the negotiations Turkey received the Pact with satisfaction. Those Turkish official circles who were rightly or wrongly conscious of the so-called "Russian menace" admitted that it had now disappeared. The main reason for this is that Russia has declared her adhesion to the principles of the Atlantic Charter, and given the lie to German propaganda of "Bolshevisation of Europe" which was being insistently whispered into anxious Turkish ears.

(iv) End of Bolshevik Bogey.

Turkey's anxiety was largely based on the fact that hitherto Russia had been silent on every thing but her immediate war aim of expelling of the Nazi invader from Russian soil. Now not Russia alone but Russia jointly with Britain and America, will be responsible for reorganising Europe after the war. This declaration of joint responsibility has removed the Turkish fears of the division of the continent into "spheres of influence" in which the Balkans would have probably come under Russian influence. This point is of special importance to Turkey because one of the main trends of Turkish foreign policy has been towards a Federation of Balkan States in south-eastern Europe.

At a private meeting of the Republican Peoples' Party held in the Medilis on June 16, M. Sarajoglu, the Foreign Minister, is reported to have stressed that the Pact contained no secret clauses and that everything was clear and above board. The Government too told the Medilis, through its Foreign Minister, that it had full confidence in the Anglo-Soviet Pact.

Thus one of the most powerful arms in the arsenal of German propaganda, that of Russia's alleged intentions towards Turkey, has been neutralised at a moment when Germany needed it most. It remains to be seen with what other means the Germans will replace this weapon.

(v) Turkey and the Battle of Egypt.

The latest indication of Turkey's faith in the ultimate Allied victory is to be found, paradoxically enough, in the present Allied reverse in the Western Desert. Commenting on it, Falih Rifki Atay, the famous Turkish journalist, wrote: "One of the finest traditions of the British people consists in the teaching: never to hide a set-back, and however grave the hour never to lose courage." And M. Yalcin, the well-known journalist Deputy says in the Yeni Sabah "Whatever the trend of the Egyptian events may be, Turkey will never deviate an inch from the course she has hitherto followed. She will uphold her honour and her independence above all considerations."

(b) Conclusion

The course which Turkey has hitherto followed was stressed by the late Dr. Saydam, the Prime Minister, in a speech of last February. "Our foreign policy", he declared, "decided at the beginning of the world crisis, has lost nothing of its character..... We stand by what we said and what we decided."

Turkey remained loyal to her treaty with Britain at the time of Britain's darkest hour-- when she stood alone after the collapse of France and Russia was still a neutral Power. There is therefore no reason to presume that today when the allies are immeasurably stronger, the Turks, despite their repeated declarations, will abandon their three-year-old policy in the face of temporary Nazi success in Russia and Egypt.

In the meantime, Axis attempts to make capital out of the departure from Ankara of the Russian ambassador have not been particularly impressive. What is of far more importance is the appointment of Mr. Acikalin as the new Turkish Ambassador in Russia. He is a high official in the Turkish foreign Ministry and his appointment gives the lie to enemy stories of ruptured relations between the two countries.

4. JAPANESE EMIGRATION POLICY.

No single item throws such a lurid light on the cynical exploitation policy of Japan as Tokyo's declarations and actions in the matter of emigration of Nippon subjects to the conquered countries.

(a) Broadcasts

May and June have been full of appeals to the Japanese to go out and settle in "Occupied Asia" and exploit it to their hearts' content. "Occupation" of the enemy countries in the South has been completed..... we earnestly hope that the people in Japan will come to the South" ran a broadcast talk on June 9. On June 22 an appeal went out from Tokyo in English..... they desire to see the arrival of more Japanese into the East Indies to develop the islands. The pride of those susceptible to words was touched in a Japanese talk in Japanese on May 21.: "Here is the question -- of encouraging the immigration of Japanese people to occupied countries and of tightening up the solidarity of the Japanese people and the people in the occupied countries will be studied." Greed, the constant inspiration of Japanese activity, cannot but be operative in this sorry scheme of things. Another talk in Japanese on May 31 revealed: "To establish the New Order throughout, several tens of thousands of Japanese officials must be sent out."

(b) Official Figures.

The Far East Year Book of 1941, a Tokyo official publication, has some figures which explain the true significance of Japan's emigration schemes.

(i) Korea.

In Korea the Japanese population increased from a little over 170,000 in 1910 to over 600,000 in 1938. In manufacturing industries the number of Japanese increased from 70,000 to over 100,000 between 1931 and 1938. In the same period an increase of 50,000 Japanese was registered in occupations under the Commerce and Transport portfolios, while in civilian ports over 60,000 more Japanese have been employed in the same seven years.

(ii) Formosa & Manchuria.

Between the year 1910 and 1938 the number of Japanese increased from a little under 100,000 to over 300,000. Between 1932 and 1937 a similar rise in the Japanese population was recorded for Manchuria.

(c) Facts About Exploitation

Here are a few facts about Japanese exploitation in different areas chosen from a large number of instances.

(i) N.E. China.

Between 1938 and 1941, 80,000 families have moved into this region. Over 200,000 fertile acres have been taken by them; the average acreage of land owned per Japanese family is about six acres.

(ii) Shanghai.

As soon as the Japanese came there they seized all the shops dealing with electrical appliances, hardware, and bicycles. Factories were taken possession of by a species of looters euphemistically called "observers", "leaders" and "confiscators".

(iii) China Proper.

The Peking Hotel mysteriously changed hands overnight and became a Japanese official nest. The Capitol Theatre was far too lucrative a concern to remain in Chinese hands. So the Japanese obligingly took it over. The flour-mill at Pongpu at Anhwei, the Tobacco Company at Taiyuan in Shensi, the Canton Restaurant at Nanchang, all these were flourishing concerns and so their owners were told that for their better management and continued success they should now be handed over to the Japanese. This has accordingly been done.

(d) General Tojo Sums Up.

It is therefore illuminating that on what he calls the "double seventh anniversary of the China War" Tojo should set his imprimatur to this unashamed brigandage with the remark: "We now have the right to send emigrants to any part of these regions....."

CONFIDENTIAL

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TWO-HUNDRED-AND-THIRTEENTH BI-WEEKLY GUIDANCE NOTES ON THE WAR SITUATION,
DATED JULY 14, 1942.

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POLICY

(1) Continue to treat fighting in Egypt objectively, but quietly show that once more pessimists have been confounded and sober confidence in final outcome is justified. Note that premature enemy boasts have been far more extravagant than those of which Britain has been accused.

(2) Scale and intensity of critical struggle in Russia is measure of German need to destroy Soviet armies this summer. Failing that, all successes will be barren.

(3) Serious shipping losses are due rather to increased commitments and more numerous targets of Allied marine than to any important development in enemy strength or methods. Such situations have been met before and will be overcome.

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EGYPT.

(a) The Invasion of Egypt.

(i) A Critical Week.

For a week Rommel has been held in front of El Alamein. It has been the most critical week in the Middle East since the war began. Any attempt to forecast impending events would obviously be futile and would probably be overtaken by events themselves. All that can usefully be done is to set down the pros and cons of the present situation so far as they are known. Rommel evidently decided to try to take Egypt by a rush on the calculation that his four panzer divisions, though not up to full strength but supported by a strong force of artillery and picked German infantry, could keep a defeated Eighth Army rapidly on the move and that, if and when the latter attempted to make a stand, his own superiority in armour could envelop and destroy it before substantial reinforcements could arrive from the Nile Delta.

(ii) An Improvisation.

The invasion of Egypt seems to have been a sudden improvisation. In Rommel's mind the determining factor of the war is probably that of morale. On the one hand, it was to be expected that the morale of the 8th Army would increasingly deteriorate under the depressing effects of defeat and continuous retreat and the sense of impotence which a serious weakness in tanks is apt to induce, particularly in desert warfare. On the other hand the Axis forces could be whipped up to a final tremendous effort by the exhilarating prospect of a dazzling victory and the hope of rest and refreshment in Alexandria and Cairo.

(iii) A Skilful Retreat. - 3 -

Until we know the full facts, it is not possible to form a judgment on the decision to hold Tobruk and why we failed to do so. But the elusive and yet fighting retreat into Egypt was a master-piece of military manoeuvre. Disaster was averted by the skill and cool-headedness of Auchinleck and his commanders and by the nerve and "cuts" of the ordinary British soldier. Wellington, recalling his own retreat to the lines of Torres Vedras, would have nodded his recognition of the type and smiled his approval of the operation. Then began the decisive clash in front of El Alamein.

(b) The Battle of El Alamein.

(i) The Stand.

Desperately weak in tanks and no doubt seriously depleted in field and anti-tank guns, the Eighth Army dug its toes in along a "front" of some 35 miles between the sea and the edge of the Qattara depression, holding a network of defence points and emplacements. The situation was -- and still is -- one of deadly peril. There was the hourly danger of a sudden enveloping movement by tank formations which our own guns and tank units would be too weak to fend off. At least one such all-out thrust was made by Rommel towards the coast behind El Alamein which, after penetrating some distance, was thrown back. A similar curving thrust to the south-east was defeated and our forces seized an important ridge a few miles to the west of their original positions. Meantime strong, mobile columns constantly harried the Axis front and flank.

(ii) Reinforcements.

With the arrival of New Zealand and other troops, together with fresh tanks and 25-pounder batteries, Auchinleck began a series of limited, but hard-punching, counter-attacks which inflicted considerable punishment upon the enemy. After a week of it, Rommel has narrowed his front to a stretch of 20 miles extending due south from a point on the coast a few miles west of El Alamein. At the southern extremity and at right angles to it he has formed a strongly defended flank running for some 30 miles back.

(iii) Restoring the Balance.

What does this move portend? Initially it is a defensive measure, a protection against British attacks upon his vulnerable stretched-out lines of communication. As such, it is a significant indication of the change in the situation which the fighting of the past week has produced. A confidently victorious commander, with the immediate intention of swinging forward and enveloping his opponent, would hardly have regrouped on that pattern. On the other hand, Rommel is still formidable and still stronger in guns and armour than we are, although the margin of difference has been narrowed by his relatively heavier losses during the recent fighting.

(iv) Counter-Attack.

As expected, artillery duels have been followed by a fresh flare up. But it was not Rommel who launched the first attack. On July 10, in the early hours of the morning Auchinleck delivered a hard punch in the northern sector and advanced about six miles west of El Alamein; took more than 2,000 Axis prisoners at Tel El Lisa and destroyed several enemy tanks.

It would be premature, however, to regard this success as the beginning of the Allied counter-offensive or as changing the main position in Egypt. The limited nature of the advance stamps it as a local attack only, designed to inflict the maximum punishment on the enemy's striking power.

Almost simultaneously Rommel began a move towards the east in the central sector. But he appears, so far, to have made little or no progress. That his effort is not merely a diversion is obvious from his use of large numbers of dive-bombers which he has hitherto employed sparingly. The outcome of further operations would seem to depend chiefly on the relative strength of reinforcements which the British and Axis armies can muster. In the long run, the R.A.F., who with their Australian, South African and American colleagues have already rendered brilliant and most effective support to the army, may be a determining factor. While heavy raids on Benghazi and Tripoli have been a part of the general plan for disrupting the enemy's supply lines and preventing a substantial flow of reinforcements, their attacks on the enemy's motor transport, supply dumps and concentrations have been devastating. "Rarely or never", reports the Times Cairo correspondent, "has any army in the field taken such a beating from the air as has been the lot of the Afrika Korps during this past week.....The moral effect has been shattering."

(c) Conclusion.

The enemy is still dangerously near the Nile Delta and their strong concentrations of airborne troops in Crete are ready, no doubt, to descend on Auchinleck's rear if a favourable moment occurred; but if we can keep the enemy where he is there is a dawning hope (it is no more than that as yet) that we may be able presently to drive him back.

2. RUSSIA.

(a) Latest Developments.

Since the last Guidance Notes were written, a further development has taken place in the Russian situation. At Voronezh itself it appears that the Germans have been held in the course of very fierce fighting, though they have now succeeded in getting large forces across the Don at this point. Lower down however, the Germans have followed the occupation of Kantaminovka by an advance to the neighbourhood of Boguchar, 40 miles to the north-east. They have also occupied Lisichansk.

(b) The Don Loop.

The notable feature of these latest moves is that Boguchar is nearly equidistant from Kantaminovka and Rossish. It is east of both and stands close to the southern bank of the Don after it has begun its great easterly sweep. The Don in its lower reaches has a course almost parallel and curiously similar to that of the Dneiper. It would be possible here for the Germans to advance a long way eastward towards Stalingrad without encountering any serious river obstacle. And since the Russians would hold the outside of the bend the Germans would find it easier to concentrate forces at any spot selected for crossing. This latest German move therefore suggests that they are, as usual, looking for a weak spot. The Don being strongly held by the Russians they are feeling their way into the great loop in the hope of dividing the Russian forces at this point instead of further north.

(c) The Defence of Voronezh.

The importance of the defence of Voronezh is this; as long as it is held it constitutes a threat to any such German advance in the Don loop. Forces in the Voronezh region would threaten the German flank, just as previously forces in the Kharkov area threatened the flank of German forces on the Azov shore. It would seem to be Marshal Timoshenko's policy - first to avoid envelopment, then to hold certain strong points whose possession would prevent an excessive advance by German forces in between for fear of a counterstroke against their rear.

(d) The German War Machine.

In considering reports of German superiority in men, material and aircraft, it should first be remembered that they have the resources of all occupied Europe behind them. Secondly, the Russians never claimed that they were stronger than they were last year. The position is admittedly serious, but it is not nearly so grave as it was this time last year after only three weeks of campaigning. The Russians are defending all their territory as strongly as possible as long as possible, and meanwhile the German Colossus, now at the peak of its strength, is losing, as it lurches furiously forward, an ever greater flow of its life-blood of men and machines.

3. EUROPE: BEHIND THE BATTLE-FRONT.

(a) Germany.

(i) Reactions to Success.

The long-awaited reduction of Sevastopol, Rommel's advance into Egypt and the progress of the German offensive on the Don have combined to give an upward swing to German morale. An examination of German domestic propaganda during the past week, together with other evidence, indicates a wave of relief in the minds of the German people, which in itself betrays the anxiety which the gathering power behind Anglo-American co-operation and the delay in the promised offensive against Russia had inspired.

Even so, rejoicing in Germany today is much more cautious than it was in 1941 or 1940, for the people have been allowed by their leaders to realise the grave situation which exists as regards man-power, agriculture and transport. Public attention has been directed to these deficiencies in order to whip up the last reserves of national energy for the supreme effort this summer.

(ii) Food and Man-power.

At an important peasant rally in Hanover on June 27 Backe warned his audience that we would have to make still heavier demands on the German peasants than hitherto. "The last winter," he said, "has dealt us hard blows and the deficiency of the winter grain and oilseed crops must be made up." At a recent conference of heads of the Agricultural Administration in the eastern territories held in Berlin at which Backe was present, it was announced that the

reports presented "gave an impressive picture of the great difficulties which have to be overcome." As regards man-power, there is abundant evidence to show that the shortage is such that, unless a decisive victory on the Russian front is secured this year, Germany's war production must inevitably slow down disastrously in 1943.

(iii) Transport Difficulties.

The German transport situation is causing similar concern. The shortage of locomotives and rolling stock is acute --- so much so that the Germans are pressing the Vichy Government for supplies, despite the fact that the shortage in France is even more stringent than in Germany. Several independent reports state that the Germans have recently demanded between 30,000 and 40,000 trucks and many miles of rails with ties complete. Demands of this sort, which the Vichy Government is not in a position to reject out of hand, are not likely to enhance Laval's popularity or prestige with the industrial population of France who are aware that shortage of transport has been one of the causes of Vichy's inability to keep towns adequately provisioned.

(iv) Warning and Encouragement.

The numerous signs of acute strain on the German railway system, which (with diminishing man-power and equipment) is being called on to cope with a colossal task, are symptomatic of the situation in general as regards the German military machine. Incipient weaknesses such as these are, however, a warning to the United Nations of the immediate and deadly peril to themselves as well as an encouragement in respect of the future.

(b) Czechoslovakia.

(i) Brutocracy At Bay

The bloodhounds of Prague show no signs of calling off their daily measures, despite their promise that the capture of the alleged criminals would end the matter. Executions of men, women and children in all walks of life continue. Refusal to glorify the memory of Butcher Heydrich may at any moment bring death and the confiscation of all property to the most harmless man in the street. It is dangerous not to attend public meetings of sympathy with the deceased slaughterer of Czechs or, in the case of an official, not to sign a resolution put before him by his chiefs. It is only too evident that the Germans are engaged in a sustained, completely ruthless campaign to stamp out every kind of underground opposition and, if possible, to reduce the Czechs to a state of prostration and paralysis before the day of vengeance can arrive.

(ii) Staunch Resistance.

Terrible as the ordeal is, however, the proud spirit of the Czechs remains unbroken. The Czech Quisling, Moravec, is treated as a leper by his fellow-countrymen. Those who recorded his long (and frantic) speech outside the Town Hall of Prague noted that for the whole hour there was no applause and that, when he ended with the words "Heil Hitler", not a single voice responded from the crowd.

(c) Denmark.

In Denmark pro-Nazi papers continue to proclaim the unpopularity of their cause -- possibly by way of excusing themselves to their German masters. The National Socialist of June 25 reported that the following notice had been posted up in railway workshops: "As the following persons in this establishment (a list was given) are members of the Danish Nazi Party, it is the duty of every worker to see that such persons are daily brought home in an ambulance."

(d) Poland.

To the German crimes in Poland -- which include the execution of over 140,000 men and women; the torturing of many more in prisons and concentration camps; the massacre of at least 200,000 Jews and the death through overcrowding and lack of food of approximately 500,000 more in ghettos; the deportation of 1,500,000 people to slave labour in Germany; and the expulsion to Central Poland of over 2,000,000 inhabitants of the Western Polish provinces -- must now be added the forcible enrolment in the German army of Poles from Pomerania and Silesia and the introduction of compulsory labour service for all male Poles in the General Government between the ages 18 and 60.

The policy of informing groups of Polish inhabitants of Pomerania and Silesia that they were German citizens and therefore entitled to the honour of serving in the German army (and of snatching out of hand those who hesitated to accept the compliment) appears to have begun about the time of the German invasion of Russia. Now these unfortunates are called up by their years like ordinary military recruits, and sent to the Reich for training. They are then carefully dispersed among German units so that there are never more than a few Poles together.

(e) Conclusions.

With the possible exception of the Japanese no people have ever incurred so terrible of widespread a flame of hatred as have the Germans of our time. The awareness of that fact and the fear of the vengeance that awaits them in the hour of defeat are inducing a state of mind bordering on frenzy among the Nazi bosses who control the enslaved countries where organised resistance, though driven underground, ominously persists. It is very significant that all the information about the destruction of the Czech villages of Lidice and Lezaky and of the shooting of the adult male inhabitants has been withheld from the German public -- not, it may be assumed, because they might be shocked, but because they might be afraid.

In short the present crisis on the battlefields is matched by the situation behind fronts, where a nation mightily armed is aware of the approaching decline of its powers, sees decisive victory close to the tips of its grasping fingers and is kicking the bodies of its fallen victims in hysterical rage and fear lest they rise up implacable for retribution when the armies of liberation begin to close in upon the scene.

4. THE FAR EAST. Labour in Occupied China

(a) Japanese Exploitation

Guidance Notes No. 212, dated July 11, 1942, dealt with the manner in which the middle classes were expropriated by the Japanese, and an attempt was made to show how subtly in some cases, crudely in others, their economic condition was reduced to mere slavery. It is now proposed to show how even the indigenous labourers of a country under Japanese dominion suffer morally and economically. The following information has been compiled from the reports of the Chinese Association of Labour, Chungking.

- (i) Peking and Tientsin: In these two places the quarters of labourers are cordoned off, so that their awareness of their servile status should not be diminished in any way. Spies and informers are encouraged to spread terror.
- (ii) Taiyuan: The workers are made to live in the factory so that they should not have any freedom of movement. Pro-Japanese are organized into a secret service corps of spies. Unions of labourers are strictly forbidden.
- (iii) Tientsin, Kaifong: Wages are meagre. Prices are uncontrolled. Men get two pice a day, women less. The hours of work are between 14 to 18 per day.
- (iv) Smaller cities Soldiers stand guard over workers as if they were prisoners. Those in the Kowchwan Coal Mine in Shansi, and another near Taiyuan get only small rations of rice for their work. No wages are paid. The death rate is high.

As a result of this kind of general treatment in June 1942 more than 30,000 labourers participated in a strike in Eastern Hopei. 7,000 workers revolted with weapons in Tongshan. Many of them transformed themselves into guerilla units. Taiyuan is full of these units. When the Chinese were fighting the Japanese here, the labourers set the coal mine afire.

(b) What the Japanese Immigrants Do.

The Japanese send their emigrants only to lucrative posts. The dirty and hard work has still to be done by the local inhabitants. The Japanese act only as "supervisors" and "soldiers". The output of these industries is meant only for Japanese consumption. Hence the sullen resistance of these hardworked men. Added to all this is the grim fact, that they are neither paid adequately nor given any measure of social security and amenity to enjoy the things that their scant means can buy.

CONFIDENTIAL

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TWO-HUNDRED-AND-FOURTEENTH BI-WEEKLY GUIDANCE NOTES ON THE WAR SITUATION,
DATED JULY 18, 1942

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It is recommended that these notes be filed for record, as reference to previous notes saves time, paper and repetition.

P O L I C Y

1. Stress that Britain offers India full independence or Dominion Status at her own choice, the only condition being victory first.
2. Military defence of India has been greatly strengthened, but any administrative uncertainty or serious civil disturbances would be open invitation to Japan which must strike somewhere and is looking for such opportunities.
3. German pressure regardless of huge losses threatens communications between northern and southern Russian armies, but Russia's fighting spirit and capacity remain unshaken.

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1. INDIA.

(a) Axis Pincers Towards India.

(i) Military.

In German propaganda during the late summer of 1941, there was clear evidence of the desire to bring Japan's military and naval power to bear upon her enemies at the most suitable moment. When Japan did at length choose her hour to strike, winter had already come down over the Russian campaign and Hitler had not got Moscow. Throughout that bitter winter and the spring that followed it, the only good news which reached the German High Command and the German people was the news of the swift Japanese advances in the other hemisphere, and it was obvious that the coming Axis campaign would be so planned as to derive the maximum benefits from these Japanese successes.

There thus emerged what military commentators (not excluding the propagandists in Berlin and Tokyo) began to describe as the great Pincer Movement of the Tripartite Powers, of which the grand object was the junction of the forces of Germany and Japan, with the consequent cutting of Allied communications and the virtual establishment of a vast Axis land-mass comprising Europe, North Africa, the Middle East countries and the great part of Asia, including India.

Colossal as this project might appear, it would be foolhardy indeed to set any limits to the ambitions of the military leaders of the Tripartite Powers. Moreover, the inexorably mounting strength of the United Nations makes it imperative for the enemy to consolidate his land supremacy at the earliest possible moment and to eliminate the bases from which a counter-offensive could develop.

(ii) Political.

In a project so immense as this, involving the invasion of great areas and the subjugation of vast and varied populations, the political weapon of total warfare becomes enormously important. Its complete failure in Russia was certainly not expected by the Germans, but it is evident that the propaganda experts of the Tripartite Powers consider the countries of Asia and the Middle East to be more suitable ground for this type of warfare.

Since the beginning of the war, both Germany and Italy have ceaselessly bombarded India and the countries of the Middle East with their propaganda, but it is noticeable that their most prodigious efforts in this line have usually been exerted in conjunction with military operations. Japan has followed the same principle, and her military activities in China during the last two months have been accompanied by a very definite intensification of hypocritical peace propaganda towards Chungking. Again, although German agents had been busy in the Far East since last autumn, their joint efforts with the Japanese to undermine the defences of India by propaganda did not reach their full power until mid-June when the German summer offensive was under way.

(iii) Variations in the Plan.

Schemes so thoroughly organised as this are naturally subject to modification or variation to suit events. A useful example of this was provided at the time of the Cripps Mission to India last April. From the very day on which the mission of Sir Stafford Cripps was announced, the radios of Berlin, Tokyo, Rome and their satellites endeavoured by every kind of subterfuge and by the sheer weight of words to place obstacles in the way of a successful agreement for the defence of their chosen prey, for the fulfilment of those political aspirations of India which ran counter to the whole theory and practice of Fascism East and West. It did not matter what sort of proposals might have been brought by Sir Stafford. Axis propaganda was turned on at full pressure in order to prevent a settlement of any kind being reached. No broadcast controlled by Japan or Germany or Italy dared to publish the Cripps proposals as they stood. Nevertheless, when the mission failed Germany hailed it as her own victory while Japan hinted that the presence of the Japanese fleet in the Indian Ocean had secured this result.

(iv) The Main Offensive.

There followed the disgraceful interlude in which Germany by spreading the false rumour of the death of Subhas Chandra Bose, only to deny it later, endeavoured to play upon the political and private feelings of Indian leaders. This was a skirmish, similar to the military tactics of probing for soft spots. The main offensive both in the field and on the ether opened towards the end of May.

At the time Timoshenko's attacks in the Kharkov area were still delaying the development of the German plan in Russia, but on May the 27th Rommel began in Libya the operations that were designed to take him swiftly to the Suez Canal.

On May the 30th, the Berlin representative of the Japanese Newspaper Nichi Nichi cabled to Tokyo the following message which was intercepted:

PRESS NICHINICHI TOKYO

29233 ADD 29231 WELL-INFORMED HERE KNEW THAT CHANDRA BOSE WAS SOJOURNING IN GERMANY LONG TIME BUT IT IS REMARKABLE THAT BOSE HAS NOW BEEN RECEIVED BY MUSOLINI AND HITLER STOP THIS SHOWS BOSE NO LONGER INCOGNITO BUT OFFICIALLY RECOGNISED WHICH SEEMS TO INDICATE THAT GERMANY AND ITALY THINK TIME APPROPRIATE TO MAKE FIRST MOVE TOWARDS INDIA -- KATO

On May 28th Berlin indicated from her fake Azad Hind station the development which she hoped and expected on India's eastern frontier after the Japanese occupation of Burma. "It is certain", said the broadcaster, "that the Japanese target will be Bengal. Therefore the Bengalis should form an association for joining and aiding the Japanese in the event of an invasion. We feel happy and jubilant over the attitude of Mahatma Gandhi as expressed in his recent articles."

(b) The Object of it All.

(i) Political Uncertainty.

Mingling threats and promises the Axis radio has made it clear that it would regard any settlement achieved between India and Britain as a gesture unfriendly to the Axis. Even now Berlin fears that a fresh set of proposals might be put forward by the British Government. "These proposals", said the Azad Hind radio in Tamil (July 13), "will only serve the object of strengthening the British war effort. Reject such offers in toto as they are not in the best interests of India."

What perturbs the Axis powers is that Britain has in fact offered India independence, the only condition being the accomplishment of victory first and the removal thereby of the present physical danger in which India stands.

Short of violent disorder, therefore, which both Tokyo and Berlin have repeatedly urged upon India, their impending operations could be assisted by a state of general political uncertainty.

(ii) Weakening the United Nations.

Explaining to the Japanese people in their own language the significance of the political development which Japan hoped would arise in India, Tokyo said on June the 18th that an immediate Indian movement to secure independence "will greatly weaken not only England but also America and Chungking". All Tokyo's cynical "benevolence" poured over the ether to India in vernacular languages is therefore seen to be directed towards the military object of staving off the coming retribution from Britain and America and accomplishing the complete enslavement of China.

(iii) Japan's Dilemma.

Japan's military position at present is such that she has failed to secure a decision against any of her major opponents, whose strength on the other hand is steadily being gathered and whose bases are being prepared for the eventual counter-attack. Japanese strategy will have to decide in the course of the next two or three months whether to attempt the projected junction with their German allies by attacking Russia from Manchuria through Siberia, or by attacking India in coincidence with an Axis drive on the Middle Eastern countries.

There is abundant evidence that Japan is closely watching the political situation in India and endeavouring to judge accurately the effects of the strenuous Tripartite propaganda campaign designed to unsettle the minds of the Indian people and to compromise the defence of the country. On Tokyo's judgment, as to the likelihood, either of a period of administrative interregnum in Delhi or of widespread civil disturbances, will probably depend to a great extent her decision as to where the next military blow should fall.

2. THE WESTERN DESERT.

(a) The 20-Mile Front.

When the Allied desert forces faced Rommel at El Alamein early this month, he drew up his front line along the 20-mile gap between the sea and the salt depression of Qattara, with his left flank in occupation of the coastal ridge in the north, and his right flank resting on the ridge running east and west between El Alamein and the depression.

Adopting masterly tactics, Auchinleck, within a week, drove him off the southern ridge, and at the same time held his positions at El Alamein in the centre. During the last few days an Allied counter-attack in the north carried them 5 miles to Tel El Eisa, west of El Alamein, and another thrust in the central sector drove the enemy back some 7 miles. In the north, centre and south, therefore, Rommel's line has been dented.

(b) The Three Sectors.

These allied counter-attacks at chosen spots, though limited by the amount of armour available, have had the effect of dividing the narrow 20-mile front into three distinct sectors, and have moreover prevented Rommel from carrying out his favourite manoeuvre -- that of massing a numerically superior force at a given point and following it up with a swift enveloping movement. Being forced to fight as Auchinleck wants him, he has during the last three days counter-attacked in each of the three sectors separately. But as expected, the results have been meagre. In the north, after heavy fighting he has gained a foothold at the western end of the Tel El Eisa ridge. In the south also he is reported to be in possession of the western extremity of the El Alamein ridge. But in the centre, where the Allies have advanced some 7 miles, a heavy tank battle is now said to be in progress.

It is this armoured battle in the central sector which is perhaps the most important of the three, for on its outcome will depend the subsequent disposition of our forces in the Western Desert.

(c) Conclusion.

It is however, worth emphasising that all these attacks and counter-attacks -- both Allied and enemy -- are only limited thrusts, designed to gain local advantage preparatory to embarking on a major offensive. This phase, by its very nature, is purely temporary, for neither Auchinleck nor Rommel can afford to leave the troop dispositions as they are at present.

From the Allied point of view the Germans are dangerously close to the Delta area, and on Rommel's side the temptation to cover the short last lap to Alexandria must be great. But, as yet, neither side feels itself strong enough to launch an immediate all-out offensive. Both are waiting for more reinforcements. If, therefore, we can keep the enemy where he is, there is every hope of an effective counterstroke.

3. RUSSIA.

(a) Nerves and News

In the last few days there appears to have been a slight improvement in the Russian situation, though it continues to be critical. If such a statement is taken at its face value, it should enable us to avoid both a too depressing pessimism and the over-optimism which an intense anxiety for good news tends to promote the moment that any encouraging word is uttered. This tendency is a natural reflex of the strain engendered by three years of war. To avoid the deep disappointment which is apt to succeed it, the only specific is sobriety of statement and level-headed judgement. A constant endeavour should be made to see the war steadily and to see it whole.

(b) The German Offensive.

(i) Voronezh

In the last few days Voronezh has continued to hold in spite of German claims to have taken it ten days ago. At the base of the Don loop the Russians have lost Boguchar, near the river itself, and Millerovo further south. The holding of Voronezh may have the same significance in this campaign as the defence of Smolensk had in 1941. Here the massed German armoured thrust, more powerful than any of last year, has been held at a critical point. If the Russians can hold them in strength here, it will be difficult for the Germans to send such large forces into the Don loop as might achieve decisive success. In any case, the Russian defence has been given valuable time for the concentration of reserves.

(ii) The Don Loop

The southward move in the Don loop seems to have slowed down, possibly because of the Russian defence of Voronezh. A Soviet tank commander has claimed that the German advance does not exceed three to six miles a day. Nevertheless the position here is fraught with grave possibilities, for the German advance threatens both the whole Russian position in the south-east Ukraine and also the city of Stalingrad on the Volga.

(iii) Pointers to Russian strength.

Two pointers to Russian resilience and increased strength may be noted. One is the increased reports of Russian attacks and counter-attacks. German claims to have repulsed such attacks north west of Voronezh, near Orel, and on the Volkhov are good evidence of this. There is no doubt that Russian counter action north west of Voronezh has been an important factor in the fighting there. The other pointer is the fact that the great German armoured thrust has been single, not triple as last year. At this time last year three great armoured thrusts, towards Leningrad, Moscow and Kiev, were simultaneously in progress.

(c) Tell-tale Propaganda.

An encouraging feature of the situation is the similarity of German propaganda last year and this. Large claims are repeated almost word for word. On July 13, 1942, for example, the Nazi Radio said "Timoshenko's army is in disorderly retreat along the whole line." On July 13, 1941, the Nazi radio said "Pursuit of the beaten army has been started along the whole line". On July 13, a Nazi broadcast to South Africa said "Stalin's army is being broken to pieces all along the Don." A year ago, a Nazi broadcast to North America said, "Stalin's broken armies are retreating from the Arctic to the Black Sea." There is only one significant difference. So far the Germans have only officially claimed 90,000 prisoners in the Don battle against their claim on July 6, 1941, of 895,000 prisoners.

(d) Losses.

The Russian announcement of German losses of 900,000 in the last two months is an index of the price the Germans are paying. It may be noted that the correct relation of the Russian to German casualties is far more probable in the Russian than in the German estimates of the joint losses. The ratio of two to one in the case of a recklessly attacking party is not excessive; and the Russian claims have kept pretty consistently in this proportion. But a ratio of 1 to 10, which the Germans claim, is obviously fantastic for any army which is not in complete rout. The smaller figure is still more absurd for an army which has in the main been attacking. The Russians have been shaken, not broken; driven back, but not defeated.

4. WAR AT SEA ---- MERCHANT SHIPPING.

(a) Losses: The Need for Secrecy.

(i) Secret Session of the Commons.

After the secret debate on shipping in the House of Commons the following brief formal announcement was issued (July 16) on the Speaker's authority:-

"The House considered the shipping situation and heard a statement from the Government."

That announcement helps the enemy no more than it helps us. While critics have suggested that this precaution is unnecessarily exaggerated, the Government has a good case to support its reticence. In the House of Lords Viscount Cranborne has said the enemy is not at all sure that his information is accurate, and the most guarded official statement of truth might provide him with just the confirmation he is seeking.

(ii) Why the Enemy Is Not Sure.

Historical records show that the sinkings claimed (perhaps in all sincerity) by U-boat commanders of World War I were far in excess of the truth. There is an excellent reason for this. The only situation in which a U-boat commander can be 100 per cent sure of his success is when he attacks an unarmed, unescorted, vessel in good visibility (either in daylight or moonlight). Then a ship is thus placed at his mercy he can afford to take his time, even coming to the surface and sinking his prey by gunfire. He can stay in the vicinity long enough to observe the result of the attack.

But what is the situation (so common these days) when a U-boat attacks armed merchantmen in convoy? Aboard every warship in the convoy escort there is a "magic ear" -- submarine detector apparatus. Directly a U-boat approaches within striking distance the sound of its engines is heard, the direction of its approach is located; and immediately the hunter becomes the hunted. The water around the U-boat is churned into a heaving, turbulent mass as depth-charges explode in quick succession. A thousand pairs of eyes scan the surface for a glimpse of the periscope's wake. In these circumstances, a U-boat cannot afford to loiter; it must fire its torpedoes and crash-dive immediately.

Now, it is most uncommon for a ship to sink in less than five minutes; sometimes it will linger for hours, partly submerged. What chance, then, has the U-boat commander of declaring with complete assurance that he has sunk such-and-such a vessel?

(iii) Enemy Claims.

With an air of finality enemy radio announcements declare that so many thousand tons of Allied shipping have been sunk, e.g., a German Home Front broadcast on July 11 said:-

"In the battle against British and American merchant shipping the following were the sinkings:

In January	..	..	460,000 tons
In February	..	..	525,400 tons
In March	..	..	646,900 tons
In April	..	..	over 585,000 tons
In May	..	..	924,000 tons
In June	..	..	886,000 tons."

But what chance is there that these figures are accurate? Even ignoring Goebbels' ingrained habit of exaggeration, the reports of the U-boat commanders are open to serious question. It is also worth remembering that, in the last six months of 1941, when Allied losses averaged 180,000 tons a month, the Axis claims averaged 550,000 tons.

Several official statements in recent weeks have suggested that we have just reached, or are about to reach, the stage where we are replacing losses ship for ship and ton for ton. It is reasonable to suppose that, in the first six months of 1942, British and U.S. shipyards turned out close on 3,000,000 tons. Our losses in that period would, therefore, seem to have averaged approximately 500,000 tons a month -- about the same as at the peak period of the U-boat offensive in the spring of 1941. This is serious -- more serious than similar figures were a year ago. We will attempt to explain why.

(b) Four Factors To Be Considered.

The May 1942 issue of the American magazine Fortune carries an important article headed: "The No.1 Bottleneck Now Is Lack of

Ships". "In deciding where we stand in the war at sea," says Fortune, "four factors must be measured."

- "First: the available pool of shipping.
- "Second: the tonnage to be moved and where.
- "Third: the rate of sinkings.
- "Fourth: the rate of replacement."

Fortune calculates that, at the end of 1941, the United Nations' pool of ocean-going shipping probably totalled about 25,000,000 tons. This figure is arrived at after deducting war losses of 8,300,000 tons and adding purchases, new building and captures, which total 3,300,000 tons.

(i) Effectiveness Between 30 and 75 Per Cent.

"Convoys reduce the usefulness of merchantmen by at least 25 per cent. The long hauls that must be made, the conversion of commercial ships into transports and armed cruisers, the inefficiency of passenger ships as cargo haulers, the further drain made by lay-ups for repairs... all these cut deep into the worth of peacetime shipping, reducing its usefulness in war anywhere from 30 to 75 per cent.

"In other words, the effective shipping that the United Nations could count upon as we entered the war (December 1941) was somewhere between 6,250,000 and 17,500,000 tons, depending upon what we shipped, where we shipped it, and what happened to the ships. That was our variable net position on the oceans... with England to be fed and armed, with Soviet Russia and China to be supplied; with India, Australia, Iceland and Ulster to be reinforced, with Hawaii to be rearmoured and Alaska to be saved..."

In 1941 (with the exception of the Britain-Middle East route, which employed 300 ships continuously, each making about three round trips a year) the majority of Allied shipping was engaged on comparatively short routes by which a single ship could make as many as eight, or even twelve round trips a year. But in 1942, the principal routes from factories to war fronts vary between 10,000 and 30,000 miles in length and the majority of Allied ships can make only three trips a year. In other words, our situation from December 1941 has been that we needed three, or four times the shipping to deliver the same volume of supplies to the new battle fronts at the same speed as before. If, as the available facts suggest, we have barely replaced our subsequent losses, the situation now is exactly the same as it was six months ago. Meanwhile, production is outstripping carrying capacity and we are faced with the problem of supplies piling up on wharves faster than ships can move them.

(ii) The Other Side of the Picture.

"The immediate task," says Fortune, "is to make the most of the shipping that remains to us -- by protecting it better, by manning ships with efficient crews, by stowing cargoes properly so as to utilize every fraction of the available cubage and every fraction of the ship's lifting capacity, by rationalizing the supply lines so as to eliminate duplicate hauling by U.S. and Allied ships, by cutting out non-strategic cargoes, by speeding up the repair yards, and, finally, by quickening the turnarounds."

Most important of these measures is better protection. For two months now ships moving along America's 2,000-mile eastern seaboard, between Florida and Maine, have been protected by convoy escorts and anti-submarine patrols. On July 14 Col. Knox (U.S. Navy Secretary) announced that convoys had been extended to the Caribbean Sea, and would soon be operating in the Gulf of Mexico.

In the past 30 months the British Empire alone has brought into service at least 160 new destroyers (against a loss of 78) and, in addition, 180 corvettes (which type did not exist at all in 1939) are now protecting Allied shipping.

U-boat bases and building yards are placed high on the priority list of R.A.F. targets in Europe.

Next in importance comes new building. Fortune, assuming that 8,000,000 tons will be sunk in 1942 and 1943, and that 18,400,000 tons will be built in the same period, estimates that the United Nations Merchant Fleet will aggregate to 35,400,000 tons at the end of 1943 -- a net gain of 10,400,000 tons (more than 40 per cent) in two years.

(iii) Conclusion.

To sum up, the present situation is grave. Only by the utmost exertion will the storm be weathered. But, with increased shipbuilding and improved measure of protection, there are signs that the menace will grow progressively weaker as the months pass. This year, with the urgent need to transport complete armies and vast accumulations of equipment to every quarter of the globe, is inevitably the crisis year of the war at sea. In 1940 the most urgent need was aircraft; in 1941 it was tanks; in 1942 it is ships. Britain has shown herself able to "ride out the storm, to outlive the menace." America has now joined forces with her to fight the biggest storm of all.

"350 - 18.7.42."

CONFIDENTIAL

TWO-HUNDRED-AND-FIFTEENTH BI-WEEKLY GUIDANCE NOTES ON THE WAR SITUATION,
DATED JULY 21, 1942

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P O L I C Y

1. Exaggeration and over-confidence of German communiques about Russia show German anxiety for quick decisions which can only be reached by destruction of Russian Army. Britain is sending material through to Russia at any cost.
2. In Egypt show that the main armoured battle, which must come, has not yet been joined, but the 8th Army has made a great recovery. While issue remains in balance do not dilate on enemy's strategic aims in Middle East.
3. Axis welcome to prospects of internal confusion in India underlines danger in which India lies at war's most critical period.

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1. INDIA.

(a) The Axis Shows Its Hand.

(i) Topical Reactions.

Axis reactions to the Congress Party Resolution of July the 14th, and in particular its broadcasts under Japanese control, bear out the analysis of the Axis political and military pincer movements given in Guidance Notes No. 214. Without exception enemy broadcasts have welcomed the Congress Resolution, which offers to them a prospect so long hoped for of a weakening of the United Nations capacity of resistance at a critical stage in the war. "Such noble activities", said Saigon Radio in Hindustani on July the 17th, "will adversely effect the British war effort". On the previous day, Rome radio welcomed "the fact that Gandhi adopted an intransigent attitude at the moment when the Allies are fighting against Axis invasion", and quoted a New York paper as writing that "just at the moment when India is exposed to the greatest danger, the leaders of the Indian parties are hampering the defence efforts which are of vital importance."

(ii) What the Enemy Wants.

At the same time, no secret has been made by the Tripartite powers of their expectations that the results of political confusion in India would be very much more damaging to the defence of India, and to the allied cause in general, than the wording of the Congress Resolution suggests. It is clear that for the purposes of Japan and her partners any kind of commotion or uncertainty in India would be better than none. The demand, as originally published, for the withdrawal of British and American forces from India is heavily played up, and the possibility of "mass civil disobedience" is interpreted by the Axis as offering opportunities for violence of every kind. "The Congress", says the German Azad Hind broadcast in Tamil (July the 17th), "should now organise an armed Satyagraha.... such a move will always have the sympathy and ready support of the Axis powers.... Impede the British war effort in every way".

(iii) The Threat of Force.

The argument of force is very heavily used by the enemy to promote unrest in India. "The gigantic Axis victories will exert their influence on the political development", says Germany in Hindustani, on July the 9th. Tokyo recalls her bombing of Vizagapatam and Cocanada which, she claims, influenced the political situation in India, and threatens that she cannot wait longer. In Tamil, the German Azad Hind station (July the 18th) warns India that "the Axis powers will watch the developments", adding that "no one need be surprised at the danger of the consequences ahead."

While all Axis radios are doing their utmost to bully and black mail India by representing the Tripartite powers as possessed of tremendous striking force, Rome gives away the Axis game of how they would use the force if they had the chance by explaining (in French on July the 15th) that independence which is unbacked by military power "is doomed to fail". "But who possesses the force" says Rome, "possesses also the power." Thus the whole thing, becomes clear. The so called Indian "independence" would be "backed" by Axis force, and the Axis would "possess also the power." In fact how the Axis powers would actually implement the independence of which they speak so glibly, is sufficiently suggested by a Japanese broadcast of July the 8th referring to the East Indies. "The Japanese military administration", we were told, "is taking drastic steps to stamp out the political parties still remaining."

(b) India and China.

The present situation has also been seized upon by Axis propaganda in the hope of weakening China's stubborn resistance. As shown in Guidance Notes No. 214, Tokyo has always regarded the development in India of a movement for immediate independence as a useful weapon against effective allied support to Chungking. The Axis is now attempting to sever the ties which bind India to China and to sow in Indian minds suspicion of Generalissimo Chiang Kai-shek.

The Italian broadcast of July 16 accuses Chiang Kai-shek of having tried to persuade the Indians "to give up all their aspirations for independence". In point of fact it is remembered in India that in Chiang Kai-shek's farewell message before returning to Chungking last February, he expressed his confident belief that his British Ally would "as speedily as possible give the people of India real political power". At the same time he said, "there is no middle course and there is no time to wait for development. Now is the crucial moment for the whole future of mankind." The issue before us does not concern the dispute of any one man or country, nor does it concern any specific question between any one people or another; but any people therefore which join the anti-aggression front may be said not to cooperate with any particular country, but with the entire front."

2. RUSSIA.

(a) Between the Don and the Volga.

The words "gravity" and "grave" are being overworked these days, perhaps because they convey an impression of danger without giving any precise idea of its form or degree. All military situations are grave because the margin between victory and defeat for either side is usually narrow -- and that has never been truer than in the mechanised warfare of today.

(b) Russia's Danger.

(i) The Voronezh Thrust.

What is the degree and form of Russia's danger in the face of the present German offensive? Von Bock took a big risk when he drove forward on a narrow front towards Voronezh. A powerful Russian counter-attack against either the northern or southern side of a German arm almost 150 miles long would have been well-positioned to threaten it with amputation. The tremendous weight -- and in consequence the speed -- of the German advance evidently forced Timoshenko to concentrate his main effort against the frontal assault.

During the past few days there have been reports of Russian counter-attacks north-west of Voronezh, but they do not appear as yet to have affected operations to any material extent. The reason for this may be the new tactical device which the German command is said to be using of "lining" the flanks of an offensive thrust with heavy concentration of field and anti-tank batteries.

(ii) The Upper Don.

While the Russians have been putting up a furious resistance against the German attempts to cross the Don in front of Voronezh, Bock has successfully widened the front of his offensive southward and so consolidated his position. The Red Army appears to have withdrawn rapidly, though in good order, from the Oskol river and evidently lacked the necessary weight to hold the west bank of the Upper Don.

The position at the moment is that the Germans hold the line of the Don for about 100 miles between Voronezh and Boguchar, where the river takes a sharp turn eastwards. Along this front the Germans appear to have established several bridgeheads, notably at Rossosh, and they are thus astride the river. If they are able to establish strong forces on the east as well as on the west bank, a southward move against Timoshenko's rear would be all the more dangerous.

(iii) The South.

The weight of the German assault continues to shift South. While Voronezh is the northern hinge of the Upper Don sector, Boguchar is the southern hinge. From Boguchar to Taganrog on the Sea of Azov the battle zone stretches in a south-westerly direction for some 250 miles covering the industrial area of the Lower Donetz.

It is along this front that the Germans are now concentrating the full force of their attack. It appears to consist of three major thrusts, one of which is pressing forward south-east of Boguchar (and thus following the Don in its eastward course) and another, further south, which has engulfed the important industrial town of Voroshilovgrad, already evacuated by the Russians. There is now confirmation of a third German drive along the coast from Taganrog towards Rostov.

(iv) German Objectives.

There can be little doubt that this new series of attacks represents the core of the present German offensive. The apparent objectives (in order) are -- the eastern portion of the Donetz basin, Stalingrad on the Volga, and Astrakhan, which is a reception port on the Volga estuary for Caucasian and Persian oil and Anglo-American war supplies coming by way of the Caspian Sea.

It is understood that both sides have immense forces arrayed along this southern front, and a struggle, as ferocious and as critical as that in front of Moscow last October, has evidently begun.

(c) The Situation Reviewed.

(i) The German Strategic Plan.

It is not easy to discern the framework of the German strategic plan, but on the whole it seems probable that the recent slackening of their effort along the Upper Don indicates that the Kursk-Kharkov drive was intended in the first place to establish a broad bastion for the protection of their left flank. That they have achieved the second objective seems to be to seize control of the great "elbow" of the Don eastwards of Boguchar in order to curve in behind Timoshenko's forces while the frontal assault is proceeding.

(ii) The Danger Point.

Here, then, is the chief danger point, and the outcome of this particular drive can only be awaited with acute anxiety. On the one hand, it seems probable that Timoshenko's plan is to fall back to strongly prepared positions along the Lower Don held by fresh troops and tank formations. On the other hand, strong as that defence zone is likely to be, the rapid progress of the German advance in the neighbourhood of Boguchar directly threatens these positions with an enfilading movement.

(iii) German Gains.

(1) The Rostov-Voronezh Railway.

The German gains up-to-date may be summarised as follows. They have cut the Moscow-Voronezh-Rostov railway line. That deprives Timoshenko of an important means of lateral communication which is all the more valuable to a commander who is on the defensive and therefore obliged to switch reinforcements, not in pursuance of his own prearranged plans, but in response to the enemy's initiative. The Germans, however, have not yet acquired the use of it for themselves. Its loss also affects the Russian armies of the centre and north, for they will now have to draw their southern oil supplies by more devious routes instead of by the direct line from Rostov.

2. Upper Don Cornfields

Another serious Russian loss is the rich corn-growing area of some 2,000 square miles lying westwards of the Upper Don, while the German advance into the remainder of the Donetz basin threatens a valuable industrial and coal-mining district.

(iv) Germany's Supreme Effort.

All these strategic and economic considerations must be faced with the stern realism that characterises the Russians themselves. They have never been under any illusions that the German military machine (which they came so near to breaking last winter) could not be refurbished by the drastic combing-out of German man-power, by the coercion of Balkan satellites and by speeding up armament production of the Reich and of German-occupied Europe for a supreme effort this summer. That supreme effort is now being made. If it is to succeed (and Germany's fate hangs on that) Timoshenko's army must be completely disintegrated, the Caucasus and Volga basin must be conquered, and the armies of the north and centre must be isolated from Archangel and supply routes from the Urals -- all before the advent of winter.

(v) No Encirclements.

The initial impact of their onslaught has carried the Germans forward at a surprisingly rapid pace, and has established them in strategic positions which put the army under Timoshenko at a dangerous disadvantage but there have been no encirclements of large Russian forces, and the Red Army of the south has not been detached from the centre. The German offensive is conditioned by time; the Russian defence is conditioned by space.

(vi) Space and Time.

German time and Russian space are both contra-acting. It all depends on the relative speed of these two contra-actions; and that is primarily governed by the skill of the Soviet command in avoiding a decisive fracture in their system of mobile defence and by the reser of equipment at their disposal.

(vii) Anglo American Supplies.

That is why Anglo-American supplies are vitally important in this momentous struggle and why they will be maintained at all hazards, even though that involves a sacrifice in the shipping urgently needed for other enterprises.

3. EGYPT.

(a) "So Far, So Good".

The feat of Auchinleck and the Eighth Army in turning at bay and pinning down the Axis forces in front of El Alamein after a heavy defeat and a long and exhausting retreat, has thrilled the world, and in some quarters has given rise to a wave of excessive optimism. The most that one can justifiably say at the moment is "So far so good".

A very ugly corner has been turned at a time when a defeat of the first magnitude appeared to be imminent. A methodical and limited counter-attack by the British forces has resulted in a five-mile advance along the coast to Tel El Eisa and the creation of a very useful salient. The new position has been consolidated and a series of Axis attacks upon it has been decisively repulsed.

(b) The Battle to Come

(i) The Danger of Premature Action

A premature attack (by either side) at the present juncture might easily develop into a disaster for the attacker. On the edge of the Quattara depression to the south Rommel has abandoned his defensive device of a retracted flank and has swung it forward again, and we, on our side, evidently withdrew as he advanced. British mobile columns continue to harry the Axis right, flank night and day.

The decisive clash has not yet come; the main armoured formations have not been engaged. It seems that both Auchinleck and Rommel are watching for the other to make a mistake which would be instantly exploited.

(ii) The Question of Reinforcements.

On the vital question of reinforcements, it seems probable that the Eighth Army has been able to bring up reserves of troops, tanks and guns more rapidly and in greater number than Rommel. On the other hand, the Axis forces have their central reservoir of supplies within a few hundred miles of the battlefield, whereas the sea route between Britain and Suez (by way of the Cape) is 11,000 miles long.

(iii) Time Versus Mass

A press correspondent has aptly illustrated the supply position by a metaphor. As he put it, the German "retail shop" (in Libya) was probably not so well stocked as ours on the Nile Delta, and was further away, but his wholesale depot was so much more close than ours that as soon as both sides exhausted their retail stores the advantage would lie with him. Auchinleck's task is to avoid stripping the shelves of his retail shop until they can be abundantly replenished -- and with superior goods.

(c) Conclusion

The Nile Delta is still in danger, and there is no doubt that Rommel is receiving substantial reinforcements. Whether he decides to strike in the near future -- putting all his gains to the hazard -- or to wait until he has built up his reserves, he can in either case be assured of a very warm reception. All war correspondents on the spot agree in their reports that the Eighth Army has its tail right up.

C O N F I D E N T I A L .

TWO-HUNDRED-AND-SIXTEENTH BI-WEEKLY GUIDANCE NOTES ON THE WAR SITUATION,
DATED JULY 25, 1942

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P O L I C Y

1. Without disguising that the months immediately ahead are critical, emphasise that German and Japanese invincibility is an exploded myth. Enemy anxiety to take advantage of political conditions in India shows that military means are insufficient to achieve their purpose of world-conquest.

2. In Russia despite severity of fighting the main battle has yet to come, and Russia's reserve powers are not inferior to Germany's. German advance is serious in Don loop, but limited as compared with last year's long front. German failure to turn Russian withdrawals into disaster by encirclement shows maintenance of high standard of Russian generalship and steadiness of fighting men.

3. Show that war has already precipitated historic changes such as Anglo-Russian Alliance, and keep plugging that direct road to India's autonomy lies through Allied victory. That task calls for utmost and united efforts.

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1. INDIA.

Reactions to the Congress Working Committee's Resolution.

(a) Sympathetic Criticism.

Press reactions in Britain and America to the Congress Working Committee's Wardha Resolution are now available. They all, while recognizing the greatness of Mahatma Gandhi and other Congress leaders, utter a word of warning and point out in strong and unequivocal language the dangers that would arise for India as well as the United Nations, if the Congress carries out its threat of launching Civil Disobedience at the most critical stage of the war. These criticisms are strong and even denunciatory -- in some cases there is accusation of betrayal -- but while appraising them, it should be remembered that they come from democratic countries which have often criticised their own administrations and policies in even more trenchant terms. They come from countries which have pioneered and cherished for centuries the same ideals as are today entertained by India and her political parties, including the Congress. Some of the words are bitter, but many of them come from those who have in the past advocated India's cause, and whose friendship for this country is unquestionable.

(b) British Reactions.

(i) The Times.

The leading British newspaper, the Times which published the Congress Resolution, word for word, was among the first to have a leading article on it. "This country", said the Times, "is already fully and wholeheartedly committed to a policy and procedure by which Indian independence can be attained.... The calamity is that Congress leaders, by the tactics they have adopted, are themselves delaying the day of supreme constitutional advance". The paper goes on to assert: "Nevertheless, what Britain can do will be done. There is a strong and convinced body of opinion in this country which is determined to see the Indian issue through once and for all to a successful conclusion".

(ii) Conservative.

The Conservative Daily Telegraph is very critical of the Congress move, saying that "Congress is not interested in independence as such, which Sir Stafford Cripps went to offer, but only in the entrenchment of its own dictatorship which he demonstrated that Britain cannot and will not accede". It adds: "There is little reason to question that they, despite their protestations of anxiety not to embarrass the United Nations, are fairly conscious of the aid and comfort which it will give to the common enemies of them all." Likewise, the Yorkshire Post points out: "The resolution suggests that the Congress leaders are completely out of touch with political realities... A ruthless predatory Power would like to invade India and this moment is chosen by the Congress to propose drastic constitutional changes which would threaten communal strife and could not but divert the attention of Indian leaders and British officials from the supreme task in hand, which is the task of India's defence." The Scotsman thinks that "if the Congress is so sure of opinion, there is no reason why it should not consult with other communities, draw up an agreed scheme and demand independence. The principle of independence has already been conceded; it only remains for Indians to show they are in agreement about the future form of Government".

(iii) Liberal.

Among the Liberal papers, the Manchester Guardian, to whose sanity and balanced outlook Mahatma Gandhi himself recently testified, says: "The Congress is threatening an open rebellion in order to obtain independence, which in any case will be India's within a very few years. The right line of advance which seemed at one time during the Cripps discussions to promise success, is to set up an Indian Government by representative leaders, on the assumption that the Viceroy would in general follow their advice." In another article the same newspaper, pointing out the difference between Mr. Gandhi's conception of resistance on the one hand, and Pandit Nehru's on the other, asks: "How is Britain to know what sort of resistance the proposed Indian Government would organize?"

Another Liberal paper, the Star comments: "Neither a watering-down process nor washing of hands in such phrases as that of protesting reluctance to embarrass the United Nations can alter the fact that we are back to the days of Mahatma Gandhi's romantic crusading. In the present circumstances his sublime disregard of realities and consequences is a grave menace to India's future."

(iv) The Daily Herald.

Specially significant is the criticism of the important Labour paper, the Daily Herald, which, having in the past often spoken to the British nation on behalf of the Congress Party, now speaks to the Congress in the spirit of the British nation and of the United Nations. It says: "What are we to make of all this -- we of the British Labour Party, we who are friends of the Indian people, we who fought with Gandhi and Nehru. We who expect them to fight with us for the defence of all civilised freedom?... We assert the right to say to these friends of ours: 'We ask you to reflect upon the attitude of the British working class and its political representatives towards this war'. British workers have suffered also. They too have grievances. They are keenly opposed, as you, to conservatism and privilege. They, however, believe that the war now being fought is the final war between international conservatism -- the bloody conservatism of Hitler, Tojo and Mussolini -- and all democratic forces everywhere. Compared to the purpose of these men, British conservatism is a trivial and fast-fading threat. Believing that, we have joined with our own conservatives, who are democrats anyway, to combat a vaster threat: can you stand aside? Can you justify your attitude by principle or even expediency?"

(c) American Reactions.

(i) India's Danger.

American editorials as a whole, while sympathetic towards India's aspirations to complete self-government, lament an unrealistic outlook on the part of the Congress leaders. A second theme in many of the editorials is grave concern for the fate of China.

The Baltimore Sun states: "With the Japanese armies already in Burma and the Germans moving towards India's middle eastern flanks it is hard to see how a policy of non-cooperation or the threatened mass movement against Britain could fail to encourage the Nazi and Japanese enemies of independence". The Philadelphia Inquirer calls on Mr. Gandhi "to forget his feud with Great Britain and pass the word along for whole-hearted cooperation with the United Nations for the defence of India." The New York Times, expressing concern over the position of Mr. Gandhi says: "Mahatma Gandhi is one of the great souls of his generation. If mankind adopted the spiritual essence of his teachings there would be no more wars. Yet, the effect of Gandhi's saying and doing that he is now saying and doing may mean the defeat of everything for which he stands."

(ii) An Opposition Comment.

The most recent comment of the New York Herald-Tribune, the most influential opposition paper in the U.S.A. is this: "It is unlikely that Washington will make any official comment on the threat to India's peace that Gandhi has just inspired. But since Maulana Azad, a learned Arab theologian and revolutionary, says that the Indians are looking to this country for moral support, it seems important to us that India be assured through every possible unofficial medium that no class of Americans, except Axis sympathisers and professional Anglophobes, will have the slightest sympathy with the promotion of civil disorder in India at this critical hour."

2. RUSSIA

(a) New Developments.

(i) The Lower Don

The new development in Russia in the past few days has been the arrival of the Germans on the Don in its lower reaches, in the neighbourhood of Tsamlyanskaya, and their approach to Rostov at Novocherkassk. Against this is to be set the successful Russian resistance at Voronezh. German claims here have dwindled to reporting the repulse of Russian counter-attacks -- a well-known method of telling the world that they are in difficulties.

(ii) Southward Ho!

It would seem that the German advance east of Boguchar along the northern arm of the Don loop has slowed down; at any rate nothing more has been heard of it. The latest advance is apparently an extension of the southernmost German thrust to Millerovo. Having seized this point, the German forces have fanned out, one part moving south-east to Tsamlyanskaya, the other due south through Kamensk towards Rostov. This move cut off the remainder of the Donetz industrial area and explains the evacuation of Voroshilovgrad.

(b) The Present Position

(i) Anxious Moments

The position is now that the Germans are being pressed at Voronezh, that they are pressing on the lower Don, while the situation in the Don loop is indeterminate. It is a grave and anxious position, but it is worth while noting that neither side has so far got all they want.

(ii) Sour Grapes

The Russians have been unable to hold the Germans on the Kharkov front and have had to retire to the Don. They have lost the rest of the Donetz industrial basin and some rich corn lands along the Don Banks.

The Germans have failed to take the key point of Voronezh; they have failed to encircle any large Russian forces; and have not succeeded in their first strategical purpose, the cutting of the Russian armies in two.

(c) The Future

(i) Relevant Factors

It is thus clear that, for all the heavy fighting which has occurred, the main struggle has yet to come. What form it will take it would be unwise to speculate. But one or two facts may be noted. First, the bastion of Voronezh, while strongly held by the Russians, constitutes a serious threat to the German flank and rear in the Don loop. Secondly, a strong Russian force west of the Volga in the Stalingrad region would threaten the flank and rear of German forces moving on the

(ii) Skilful Generalship.

It is clear that Marshal Timoshenko has so far done the best possible in existing circumstances. Given the original break -- through on the Kharkov-Kursk front, it is difficult to see how any general could have acted more wisely or skilfully. If the Russians are clearly not acting according to their original plan, they are equally clearly acting according to a plan. Their armies are not fighting inspired but isolated battles as they were doing at this time last year: they are acting together in unison and confidence. There the situation must rest, for beyond it, comment becomes guess work.

3. NORTH AFRICA.

(a) Battle of the Ridges.

(i) Allied Attack.

General Auchinleck's defensive tactics so admirably displayed in the earlier days of the battle of El Alamein have now assumed larger proportions. Small counter-attacks in separated areas gave place on July 21, to a larger thrust directed along the entire 20-mile enemy front.

Indian troops in the centre led the attack following a two-hour heavy artillery barrage. Commonwealth and British forces then moved forward on the two flanks. Behind them came tanks. Despite fierce enemy resistance and counter-attacks Allied forces continued to advance at a steady pace. By July 23, they were in possession of the first line of the German defences, and had wrested from the enemy all the strategic ridges in the battle area. According to the latest reports our troops are now engaged in consolidating and strengthening the positions they have won.

(ii) Nature of Allied Advance.

The slow and limited nature of the Allied advance stamps it as a defensive, rather than an offensive, operation. It was not designed to proceed as a whirlwind offensive. The narrow, confined space between the sea and the Qattara depression precludes the adoption of wide, sweeping, mechanised movements, such as were witnessed in the open desert in Cyrenaica in the earlier days of the present phase. Besides, for over three weeks now, Rommel has been digging in and laying extensive minefields in this comparatively narrow gap immediately in front of his forward positions.

These defensive enemy tactics, it will be noticed, induced General Auchinleck to lead the attack with infantry rather than with tanks, which at the best of times find it difficult to operate in minefields.

(iii) Axis Losses.

It would be premature, therefore, to regard our enlarged operations as the beginning of an Allied counter-offensive. More than anything else, they are designed to hamper the enemy, give him no rest, and inflict the largest possible damage on his resources and striking power. That all this has been to a very large extent achieved, is evident from some official figures recently released. Since the battle of Egypt began on May 26, no fewer than 800 Axis transport vehicles have definitely been destroyed, and over 1,500 have been damaged with high casualties to Axis personnel.

It is moreover estimated that, in the fierce air attacks against Axis landing grounds in the last four days, the Allied air forces have destroyed as many as 100 bombers and fighters. And the desert is strewn with the wreckage of Axis armour. The bombardment of Mersa Matruh and Tobruk has resulted in the destruction of substantial amounts of Rommel's supplies and petrol. These operations are to some extent responsible for pinning down the enemy -- and even pushing him back somewhat from where he was 25 days ago.

(b) Conclusion.

But it would be an error to imagine that Rommel's striking power has been crippled or damaged beyond repair. He is very much closer to his home centre of reinforcements than the Allies are to theirs, and anything short of complete annihilation leaves a modern desert force still potentially dangerous.

That Rommel is not having an easy time in Egypt is made clear by contradictory Axis broadcasts. On July 21 Berlin confirmed itself to the statement, "In North Africa there was fighting of local significance". But on the same day Rome in Hindustani said: "The Axis forces had to retreat only a few miles west of El Alamein." And in the next sentence we were told: "The Allied forces tried their utmost to dislodge the Axis units....but failed."

4. FAR EAST.

Wang -- China's Wei Japan's Puppet in China.

(a) His Career.

(i) Mr. Wang, like most Chinese who have become prominent in modern China, was educated in Tokyo. In 1910 he was a red hot revolutionary, who achieved notoriety by attempting to blow up a bridge, when the Prince Regent was passing over it. It was only the collapse of the Chinese monarchy that enabled him to survive in 1911. Very soon he joined the Father of Free China, Sun-Yat-Sen, as his zealous lieutenant until his death.

1927 - 1938

(ii) From now on, Wang's views alternated between extreme right and extreme left. In 1927, he was the Chairman of a leftist government established in Hankow. Suddenly and unaccountably he disappeared to France. He came back to China, became a rightist and joined up with Generalissimo Chiang Kai-shek. Hardly a couple of years had passed, when Wang went over to the Northern Coalition Government and opposed Chiang fiercely. The Generalissimo had his own estimate of his opponent. He bided his time. Wang once again disappeared, but soon came back into the political scene, made peace with Chiang, and became Prime Minister. He appears to have exasperated some people by his vagaries, for he was shot at during this period and received serious wounds, but managed to recover and get back into official harness. Right up to 1937 he was Deputy Leader of the Kuomintang under Generalissimo Chiang.

In December 1938 Canton fell. For reasons that still remain unsolved, Wang, escaped into Indo-China and most unaccountably began to make "peace moves" with the enemy. The Kuomintang officially expelled Wang, but Chiang merely disavowed this inexplicable traitor, and requested him to return to China after his "fit of illness".

Since 1938

(iii) Wang's career from now on has been in the approved Quisling manner. In 1938, he instigated a "mysterious fire" in Changsha and tried to make trouble between the parties in China, by allocating the responsibility for this disaster to the Communists and Kuomintang, in turn. But the men of China by now had the full measure of Wang, and knew the value they could set on his explanations. They have nothing but unmeasured contempt for him and his ways.

Hedged round by Jap "Advisers" Mr. Wang now declares that his government is "independent" and offers as his "explanation", that "Japan came to rescue China from her internal rivalries."

(b) His Words.

1937

(i) A review of Mr. Wang's words is revealing. In 1937 as head of the Executive Yuan, Mr. Wang told an American Reporter, "China is only an incident in the progress of Japan's vast imperialistic designs. She wants to make quick work of her conquest of China, and then turn her attention to other territories....her desire for conquest is insatiable and the time has arrived to check her imperialistic ambitions....we know we are fighting a war waged in the cause of universal peace, and for such a noble cause China offers herself as a sacrificial victim."

1938

(ii) And in 1938, Mr. Wang held the same firm indignant views. At an emergency Conference held at Hankow, Mr. Wang, as Deputy of the Executive Party, drafted a resolution condemning Japanese aggression. He condemned "the ruthless aggression of Japanese Imperialism.....more than 500,000 military casualties have occurred....a countless number of unarmed Chinese civilians have been cruelly massacred by the enemy, unspeakable crimes have been committed against Chinese women, and much of what has been built with pride and care by both our Government and people has been reduced to ashes

Today.

-9-

(iii) But these firm views were not maintained for long. Mr. Wang soon went to Tokyo to "express his gratitude for the assistance rendered to China by friendly neighbours." He now asks Chiang to "make peace because Japan has nothing but friendly intentions towards China."

(c) The Explanation.

Mr. Wang's oscillations have never been logically explained. That he is fond of power is admitted. That he felt over-shadowed by Chiang is probable. But a more subtle explanation is also provided. Madame Wang, a kinswoman of the Sung Sisters is known as the "Ugly Duchess". She is known to be an able but a bitterly disappointed woman. It is said that she would rather reign in hell than serve in Heaven, and has persuaded her husband into the belief that it is worth his while to be a sovereign in the "Tokyo-hell".

"350 - 25.7.42".

CONFIDENTIAL

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TWO-HUNDRED-AND-SEVENTEENTH BI-WEEKLY GUIDANCE NOTES ON THE WAR SITUATION,
DATED JULY 28, 1942

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It is recommended that these notes be filed for record, as reference to previous notes saves time, paper and repetition.

P O L I C Y

1. In Cripps broadcast to America, publicise his reaffirmation of Britain's offer of Indian independence after victory. Stress also Anglo-American recognition of danger to United Nations (including China and India) implicit in Indian interregnum or disturbance, and note that Britain will do her duty fearlessly.

Use Eden's Nottingham speech to show progressive outlook dominant in Britain today. Sacrifice must be brought to bear in peace and Allies reject economic exploitation of victory.

3. Continue to present war as a strategic whole without letting Russia and Egypt dominate news completely, but do not minimise importance of Germany's supreme effort to break out.

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1. INDIA.

Sir Stafford Cripps' Broadcast.

(i) Freedom Offer Reaffirmed.

"Once victory is gained" said Sir Stafford Cripps in a broadcast to America on July 26th, "India has been offered complete freedom to provide in whatever way she chooses for her own self-government."

This statement clears up a point which would never, but for malicious rumour, have become obscure. As the B.B.C. commentator J.B. McGeachy said in a broadcast on July 18th:

"All the political parties in Britain, all the private citizens I've ever talked to, are agreed that when the war is won British authority in India ends. The Indians may make their own political future. They can have what's called 'Dominion Status' if they like; they can be completely independent if they like, which is for all practical purposes the same thing -- I speak as a Canadian.... Remember that the Cripps proposals to India weren't conditional in any sense. They weren't withdrawn when the Indian leaders didn't accept them. British public opinion wouldn't allow them to be withdrawn. This is one of the least Imperialist countries in the world at the present time, and this is also a democracy, a country where public opinion makes policy. The British, then, will clear out of India when the war ends, wishing the Indians good luck as they bid them good-bye, but while the war lasts this country proposes to keep the job of defending India with whatever help the Indians choose to give."

(ii) Victory First.

So much for the B.B.C. commentator. In his own way Sir Stafford has just said the same thing. "Victory", he declares, "must first be gained. We cannot allow the actions of a visionary, however, distinguished in his fight for freedom in the past, to thwart the United Nations' drive for victory in the East. The issues are too grave for the whole world. American, Chinese, Indian and British soldiers must not be sacrificed in their gallant struggle for the liberty of the world by a political party manoeuvring in India or any other country. It is the interests of India that are at stake as well as that of China, Britain and the United States. I am sure that we in this country can rely on you to give us your understanding, your help and your support in doing whatever is necessary to maintain intact the front of the United Nations in India and reopen the lifeline of our gallant Allies -- the Chinese."

(iii) Cripps on his Mission.

"I have always been a firm friend of India," said Sir Stafford, "and I have done my best in the past to work for the freedom of India. When I joined the British War Cabinet and found the British Government anxious and willing to put forward a proposal for India's Self-Government, I volunteered to travel 20,000 miles to India and back to put the case directly to Indian political leaders on behalf of the British Government and people. We offered the Indian people complete liberty, the moment the war was over, to devise and set up their own form of Government. We suggested the broad outlines of how they should proceed, but there was no rigidity in these suggestions. It was left open to the various religions and races to agree upon some other method. But to my regret they neither accepted nor put forward any agreed alternative. It was not this future arrangement, however, but the immediate situation, which caused the Congress Party in India to reject the proposals. We offered representative Indian political leaders immediate office in the Viceroy's Executive Council -- a body of ministers like those who advise the (American) President."

(iv) Danger of Anarchy.

"Mr. Gandhi" continued Sir Stafford, "has demanded that we should walk out of India leaving the country with its deep-rooted religious division without any constitutional form of Government and with no organized administration. No responsible Government could take such a step, least of all in the midst of war. The Muslims of whom there are at least eighty millions are deeply opposed to Hindu domination as are also tens of millions of depressed classes. To have agreed to the Congress Party's or to Mr. Gandhi's demands would have meant inevitable chaos and disorder."

"This is not merely my assertion; it is stated by Mr. Gandhi himself. Quite recently he said, 'Anarchy is the only way'. India is now an essential part of the world front against the Axis powers. There are British, American and Chinese forces as well as Indians fighting side by side to defend India against Japan, and if the obligations of the British Government to their American and Chinese Allies are to be observed, we must ensure that India remains a safe base in and from which we cannot allow conditions to be created by any political party or leader in India which will jeopardise the safety of the United Nations' armies and air forces. This is an obligation not only to the British and American forces in India, it is an obligation to the Indian peoples themselves."

(v) Mr. Gandhi's Proposal.

Repeating that he had always regarded Mr. Gandhi "with respect as a great nationalist and religious leader", Sir Stafford Cripps went on: "But I am bound to say that in the present circumstances he is not allowing himself to be practical and realistic. Certainly the action which he is now threatening -- mass civil disobedience by his followers -- is calculated to endanger both your war effort and our own and bring the greatest aid and comfort to our common enemies."

"Mr. Gandhi's views are not always easily defined or always consistent but let me read a few of his recent statements:-

"We do not want these Allied troops for our defence or protection. If luck favours us the Japanese may see no reason to hold the country after the Allies have withdrawn".

"China perhaps would hardly appreciate this".

Again Mr. Gandhi said: 'American aid amounts in the end to the American influence, if not American rule added to the British. If British left India to her fate....probably the Japanese would leave India alone'.

"These are solemn words and what do all of them amount to? Mr. Gandhi is not prepared to wait. He would rather jeopardise freedom's cause of the United Nations. He threatens the extremes of pressure in this most difficult hour to win political power for his own party. There is not the slightest doubt that other large and powerful political parties are opposed to Mr. Gandhi's demands".

(vi) Britain's Duty.

"I regret profoundly that he has taken this attitude and I know that the Indian people as a whole do not support it. He may gain a measure of support for mass disobedience, but for the sake of India as well as for the cause of the United Nations it will be our duty to insist keeping India as a safe and orderly base for our joint operations against the Japanese. Whatever steps are necessary to that end we must take fearlessly".

2. BRITAIN -- WAR AIMS.

(a) Main Points of Mr. Eden's Speech.

One of the most precise statements of Allied war aims ever made by a British statesman was given to an audience at Nottingham on July 23 by the Foreign Secretary, Mr. Anthony Eden.

Mr. Eden's main points were:-

1. The winning of the peace will require the same spirit of self-denial and sacrifice which is helping the United Nations to win the war.

2. Disarmament of the aggressor powers must be complete.

3. The starving populations must be fed and steps have already been taken to provide facilities.

4. The receipt of financial and economic aid must not result in a loss of independence for any country. (Compare the Axis method of using trade agreements as stepping stones to conquest).

5. A task to be tackled in Britain is the removal of all the things that disfigured national life in the past -- unemployment, extremes of wealth and poverty, slums, etc.

(b) Verbatim Extracts.

Extracts from Mr. Eden's speech were recorded by the B.B.C. and broadcast in all transmissions on July 24. They are reproduced here:-

(i) Winning the Peace.

"We must have no illusion about the future, even after this war is won. To win the peace will be as hard a task as to win the war. We shall need the same national unity at home. We shall need, I have no doubt, something of the same spirit of self-denial and sacrifice. We shall need true friendship between the nations who have fought as allies, if we are to win through. We are pledged to play our full part in the building of a peaceful, active, international society; therefore we are most encouraged to note, that in the United States of America the President -- that great man -- the President himself, and a number of leading statesmen have repeatedly expressed a determination to work for a world in which each country shall be given an opportunity to develop its own rights and its own resources to the benefit of all."

"Well, ladies and gentlemen, on your behalf, I say that in this task our American friends can be sure that we shall be ready to meet and work with them all the time and all the way. After this war the problems of peace will be urgent. We lost the peace last time because the nations failed to work for it with the same energy and the same unity as they displayed in war. We dare not make the same mistakes again, nor dare we take the same risks with Germany again."

(ii) Complete Disarmament of Aggressors.

"Disarmament of the aggressor powers must be complete. That is the first condition, and then the task will be to feed the starving population. You may have read, certain steps have already been taken to provide facilities. For instance, there is a wheat agreement, concluded between the United States, Canada and Australia, the Argentine and ourselves, and by that the plan has already been agreed on to store and distribute wheat fairly, so that the interests of the farmers, in producing countries, and of the consumers, shall both be protected during an interim reconstruction period. That agreement also provides for a more permanent arrangement to include other countries when once they are free and able to voice their own needs. I gave you that example, though of course it's only a small part of the problem of the revival of international trade. But there's another problem too -- that of enabling devastated

impoverished, or economically undeveloped countries, to restart their industry and agriculture, for until people can produce they cannot purchase what they need, and this involves the type of relationship which ought to exist between highly developed powerful countries, and those who have not attained the same level of economic activity, or have had little experience in self-government.

(iii) Two Governing Principles.

"That's one of the problems which will face us after the war, and I feel that there are two principles which should govern these relations, not only because they are just principles, but also because they're in accord with the best interests of all.

"The first is this, that the receipt of financial and economic aid must not result in a loss of independence for any country. Secondly, that any form of assistance or guidance given to a country unpractised in the art of self-government, must be such as to help it to achieve its own development.

"Ladies and gentlemen, there are many complicated and difficult matters to be worked out after the war. They will call for not only hard work and much goodwill, but also political invention of a very high order, for when new political relationships develop, novel forms of political instruments or working arrangements are required to give expression to them.

(iv) The Task at Home.

"Ladies and gentlemen, today the United Nations are working with all their strength for victory, and never before in the whole story of the world have independent nations co-operated so closely and so effectively for a common end. The purpose for which they are fighting is that each and every country shall be able to improve its own life in peace. This is a task which will call for all our energies at home. Never again must we tolerate the chronic unemployment, the extremes of wealth and poverty, the slums that mar the opportunities for so many, all these things which disfigured our national life in the past. It will take years of hard work before we have remade our country to our liking, although the Government has already begun, as they should begin, to lay plans for the future, both at home and in international spheres. Together with the United States, Soviet Union, China and other nations, we shall take our part in working for the development of a great worldwide civilisation.

(v) A New Essay in Friendship.

"Since 1939 it has been our good fortune to welcome men with splendid hearts from many different countries, and the friendships we have been proud to make have proved that we can be good neighbours and good comrades. However, there's a still greater opportunity. With the arrival of American armed forces in large numbers in this country,

we are entering upon a new essay in friendship."

3. RUSSIA.

(a) The Limits of the Offensive.

(i) The Question of Communications.

Within the next few days the German drive to the Volga may be expected to reach its climax. In the case of military offensives in general and an offensive on the Russian plains in particular, the law of diminishing returns tends to operate with peculiar force. The meagre communications and long Russian distances make it abnormally difficult to maintain the necessary flow of supplies, weapons and fresh troops to the advancing army. Primarily for this reason the German offensives against the Red Army last year all tended to run down after about three weeks.

(ii) The Defenders' Opportunity.

Such a moment is the defenders' opportunity. If they have avoided disintegration and have not exhausted their reserves, they are well placed to impose a halt by concentrated resistance to a distended and weary advance. It is of course impossible to say how far we are justified in anticipating the application of this general rule to the present situation, but an examination of the strategical picture does enable us to form a provisional judgment. It is frequently possible to detect the trend of German plans by noting in what directions they show a disposition to exaggerate their gains. During the long assault on Sebastopol they revealed their disappointment and impatience at the unexpected postponement of their major offensive by making claims which were consistently ahead of the event.

(b) The Importance of Voronezh.

(i) Premature German Claims.

The capture of Voronezh was announced on the German radio on July 7. It had in fact never been in German hands, although at one time there seems to have been fighting in the suburbs. But so confident and determined were they that the event should conform to plan that they have pretended ever since that the city was theirs. On July 18 the German news agency Trans-ocean announced that "Voronezh is still firmly in German hands". Now that strong Soviet forces have recrossed the Don north-west and south-west of the city and are threatening the flanks of the German assault, the picture becomes more difficult to maintain.

(ii) A Railway Keypoint.

Why is the German Command prepared to pay apparently any price in lives and weapons for Voronezh? At first sight its capture seems to have little bearing on the tremendous struggle which is now proceeding for Rostov and the Lower Don country. It is however of vital importance as a keypoint in the railway network. When Timoshenko lost his principal means of lateral communication with the cutting of the Moscow-Voronezh-Rostov railway he was obliged to rely on the more easterly lateral line which links Stalingrad with Moscow by way of Yelets -- 100 miles east of Orel. This lateral artery feeds the Don basin by three main east-west lines: One from Stalingrad to the Donetz region, another 200 miles further north which crosses the Upper Don at Svoboda and the third further north still which runs from Grayazi on the main line to Voronezh.

(iii) Results of Its Capture.

If the Germans could capture Voronezh and strike north-east to Grayazi they would drive a wedge between Zukhov's army of the centre and Timoshenko's army of the south and, by the same stroke, they would sever what has now become the principal oil supply route for the northern and central armies from Stalingrad. Furthermore, control of the Voronezh-Grayazi line would offer the Germans the alternative of attempting a wide enveloping movement southwards or a north-eastwards drive against Zukhov's forces in conjunction with a similar thrust against Moscow from the Kalinin sector. In either case the general effect would be to split up the Red Army and induce a progressive weakening by cutting off their source of supplies from the south.

(iv) German Plans.

All this sounds very grandiose, but the German mind is very susceptible to the grandiose. The tendency to attempt too much is a potential weakness which is more likely to become actual at the present stage when the Germans are throwing all they have into the scales in a supreme effort to destroy the Soviet Union as an effective military power before winter. The Greeks had a word for it -- hubris -- which connotes a sort of overweening confidence which provokes the Wrath of the gods. However that may be, the insistence that Voronezh is already in German hands, together with von Bock's desperate efforts to hammer a way through regardless of terrible casualties, are pretty clear indications that the Russian resistance -- and an aggressive resistance at that -- is thwarting the execution of a very far-reaching plan.

(c) The Donetz Basin and Rostov.

(i) Material Losses.

Further south in the great elbow of the Don the Russians have lost important industrial centres (such as Voroshilovgrad) as well as one of the best corn-growing regions in the Soviet Union. The resulting deficiencies in armament, transport vehicles and foodstuffs will have to be made good by increased supplies from Britain, Canada and the United States.

(ii) The Threat to Rostov.

The general German advance on the Lower Don via Millerovo to Kamensk and Tsymlyanskaya, made the Russian salient east and north of Rostov very dangerous. With the only railroad connecting the Donetz with Stalingrad imminently threatened, Timoshenko has been obliged to extricate himself at speed. It seems very doubtful whether there has been time to do more than destroy the industrial plant at Voroshilovgrad and other towns in that area. It is not clear how far southward the push to Rostov and the Don estuary has gone, but the position of Rostov itself, threatened as it now is from every side except the south, is most precarious.

(d) Stalingrad.

(i) A Decisive Battle.

It would be folly to minimise the very serious strategic and economic assets which the Red Army is losing in this region, but the essential fact is that Timoshenko has successfully evaded one German trap after another. His right flank along the Upper Don has stiffened and his left flank south of Rostov -- fronting the Crimea and Kerch Strait -- is no doubt strongly held -- and in country which is unfavourable for tanks. The crucial area is the centre, that is to say the wide plain enclosed by the great bend of the Lower Don covering the approach to Stalingrad. It is here that one of the decisive battles of the war will almost certainly be fought in the near future. On their side the Germans are throwing into the struggle great concentrations of aircraft, armoured formations and large contingents of Hungarian, Italian and Rumanian infantry. This massive concentration of resources raises the stakes. It increases the chances of victory; it equally increases the risks of disaster if the enterprise fails to win decisive results.

(ii) Russian Reserves.

On the Russian side the indications are that Timoshenko's weary but still unbroken troops are falling back on massed reserves. "It is", writes the Pravda, "a battle for life or death". "The Russian people," the editorial goes on, "must work and fight as never before for the accursed Germans are pushing towards Stalingrad.. the solar plexus of our country".

(iii) Stalingrad's importance.

Stalingrad, like Rostov, is important in itself as a nodal point on the railway system which connects Leningrad and Moscow with Baku in the Caucasus. Moreover, standing as it does on the bank of the Middle Volga, it controls the navigation of that river, which in 1937 carried over thirty million tons of cargo.

(iv) German Change of Propaganda Front.

Timoshenko's swift retreat has disappointed German hopes of encirclement and annihilation -- so much so indeed that Berlin is now carefully explaining that there had been no such intention. The paper Dienst aus Deutschland contrasts last year's campaign with this. "Then the chief aim was to destroy the Russian army...the aim of this year's offensive is to win certain strategically important areas." Similarly the Berlin correspondent of the Stockholms Tidningen (July 17) wrote: "In connection with the changed tactics of the German it is stated in Berlin that the intention is not to destroy the Russian army but to deprive them of their most important territorial bases, such as the Ukraine and the Caucasus. This new method is also the explanation of the small number of Russian prisoners taken...the literal annihilation of the enemy by pursuing him into the endless Asiatic spaces is hardly possible." Such explanations are in flat contradiction to the line officially stated in Berlin only a few weeks ago.

(e) Conclusion.

Timoshenko's skill in retreat has again avoided disaster but the area for manoeuvre now at his disposal is strictly limited if he is to prevent the Axis forces from depriving the Red Army of resources and strategic points without which it would be difficult, if not impossible, to return to the offensive. Stubborn resistance along the bend of the Don, similar to that put up in front of Voronezh and in defence of Moscow and Leningrad last year, can save Stalingrad and the rail and river communications which it commands.

WAR ~~CONFIDENTIAL~~

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TWO-HUNDRED-AND-EIGHTEENTH BI-WEEKLY GUIDANCE NOTES ON THE WAR
SITUATION, DATED AUGUST 1, 1942

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P O L I C Y

1. Britain stands by her resolve to give India fullest opportunity for attainment of complete self-government. Threat of mass movement has support only in Tokyo, Berlin and Rome.
2. Show that as external danger approaches India, Government's responsibility to maintain order and promote defence grows greater, and the impossibility of government's agreeing to changes which imperil the discharge of these responsibilities increases.
3. Germany cannot win even by blunting Russian offensive power. Show that Russian withdrawal in Don region remains orderly, as witness relatively few prisoners claimed by Germans. Russia is defending herself doggedly and counts on all her allies to stand firm.
4. Play up big R.A.F. raids on Germany as token of growing offensive power.

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1. INDIA.

(a) The Parliamentary Statement.

(i) Complete Self-Government.

After the failure of the Cripps Mission there was much speculation about the "withdrawal" of the proposals which Sir Stafford had brought to India on behalf of the British Government. In this speculation the fact that the proposals had in fact been rejected by the Congress Party, and consequently by the Muslim League also, was almost lost to sight. Questioned on the subject in the House of Commons on April 28, the Secretary of State for India said: "It has been asked what is precisely meant by the withdrawal of the Draft Declaration. What we have certainly not withdrawn is our main object and purpose, namely, that India should as soon as possible obtain full freedom under a constitutional arrangement of her own devising and suited to her own peculiar conditions."

The recent statement of the Congress Working Committee caused the question to be raised once again in the House of Commons on July 30, and the British Government through the Secretary of State solemnly reiterated "the resolve to give the fullest opportunity for the attainment by India of complete self-government."

It might have been thought, and indeed the enemy radio has been busy hinting as much, that the threat of mass civil disobedience by the Congress Working Committee would have caused the British Government to modify or withdraw their offer to the Indian nation. To all such questions Mr. Amery gave the following important reply: "the broad intentions of the British Government remain the same irrespective of the immediate conduct of the Congress Party."

(ii) No Guarantee of British Interests.

To a further question seeking assurance of a guarantee of British commercial interests in India, the Secretary of State replied categorically: "the British Government has made it clear in connection with the recent offer that a guarantee of special protection for British commercial interests in India would not be a condition for the acceptance of whatever constitution Indians

might evolve after the war, and that any such provisions would more appropriately be a matter for negotiations with the future Government of India."

In the House of Lords the Duke of Devonshire, who incidentally paid a high tribute to the proud record of the Indian Army, said on the same subject: "In India, we have passed from the conception of tutelage to that of free and frank partnership. Guarantees and safeguards are incompatible with equal partnership."

It is interesting to note that at almost the same time as one of the highest figures in the British Peerage was making this statement, the Japanese, broadcasting in English from Saigon, were noisily denouncing the British "multi-millionaires, dukes, earls, and viscounts" as "a handful of privileged people, reluctant to give up their jewels and their life of luxury, who must continue to rule the destiny of four hundred millions against the wishes of 90 per cent of the population," and representing that it was this hypothetical situation against which the Congress Party proposed to take action.

(iii) The Government's Duty.

Enemy broadcasts, while enthusiastically supporting the Wardha resolution, have in the last few days been urging the Congress Party to persist in their demands on the pretext that Axis victories will cause Britain to yield more than she would be prepared to do in other circumstances. "A kick to Sir Stafford Cripps for his promise of self-government after the war, and a kick to Amery is all that is needed", said the Saigon radio gracefully on Thursday night (July 30) and added: "Stalingrad is threatened and so is Alexandria. More concessions will, therefore, come."

The facts of the case are precisely opposite. It is because, and only because the soil of India and all her prospects of independence are gravely threatened by the most ruthless aggressors of modern times, that no concessions can be made while the war lasts which would endanger or interrupt the functioning of the Government of India, and the defence of the country which depends for its supplies and organisation upon that Government. It is the danger in which India and China now stand that has prompted opinion in America and Britain to criticise the Wardha proposal as utterly inexpedient. On the principle of Indian independence there has been no faltering or change of front, either in popular opinion as expressed in the press or in the policy of the British Government.

That is the meaning of the statement in the House of Commons that "the Government of India will not flinch from their duty to take every possible step to meet the situation."

(b) The Cripps Proposals.

(i) Axis Welcome Failure.

The failure to reach agreement over the draft declaration brought to India by Sir Stafford Cripps was hailed with relief by the Axis Powers, whose propaganda had made such strenuous efforts to sabotage the bid for complete Indian freedom at the conclusion of the war.

It is significant that none of the Axis radios, though they had pretended to know the terms of the declaration in advance, dared to publish the text of the proposals when Sir Stafford issued them. But the typical enemy reaction to the failure of his mission was expressed by the satellite Helsinki radio on April 13: "Cripps's disappointment in India is as great a success to the Tripartite powers as a major military victory." Two days later Tokyo was rejoicing at what it admitted was the bitter disappointment in Chungking at the breakdown of the negotiations.

(ii) India's Disappointment.

Three and a half eventful months have passed since then, during which enemy propaganda has encouraged Indians to turn the deep disappointment which they shared with all their friends in Britain and America over the breakdown, into resentment towards the British Government and even distrust of Cripps himself. It has been the enemy's endeavour to make us forget how nearly the negotiations succeeded, why they finally broke down, and above all the whole exhilarating experience, charged with so much real hope on all sides, of the "breath of fresh air in Delhi" on which India's Pressmen commented.

(iii) Professor Coupland's Record.

The broad principle behind the draft declaration (and it was this broad principle of complete Indian freedom to choose a form of government and its relations with Great Britain that so deeply stirred opinion at the end of March) has been, as recorded above, officially endorsed, despite the present political situation, by His Majesty's Government. For a straightforward unofficial account of the Cripps Mission, its purpose, its failure and the good that may nevertheless have been derived from it, Professor Coupland's pamphlet "The Cripps Mission," newly published in India at Rs. 12/- by the Oxford University Press, (Bombay), is strongly recommended.

(iv) Sir Stafford's Words.

Professor Coupland, who was in India in the entirely unofficial and non-partisan capacity of a research-worker on constitutional problems for Nuffield College, joined the Cripps staff by personal invitation and thus observed the work of the Mission at close quarters. The following extracts from his verbatim notes on Sir Stafford's answers to questions in press conferences illustrate what is meant by the reaffirmation of the principle of "the fullest opportunity for the attainment by India of complete self-government."

- Q. Will the Indian Union be entitled to disown its allegiance to the Crown?
 - A. Yes.
- Q. Will the Indian Union have the right to enter into a treaty with any other nation in the world?
 - A. Yes.
- Q. What about the Governor-General?

- A. The constitution-making body will be free to deal with that question as it chooses.
- Q. Exactly at what stage does the British Government propose to leave the country?
 - A. As soon as the constitution-making body has framed a new constitution to take the place of the old one, the British Government undertakes to accept and implement the new one; and the moment the new constitution comes into operation, the change-over takes place.
- Q. Can you tell us clearly what you are going to give us? What is required is one simple word, "freedom".
 - A. We used what we thought simple, "full self-government". We followed it by a definition which we believed would convey the right meaning. There is no conceivable doubt that this allows complete and absolute self-determination and self-government for India.

(v) The "Open Door Policy".

In the Duke of Gloucester's farewell message to India after his tour (the purpose of which it should be remembered, was to inspect the country's military defences), the following passage drew some attention.

"The first thing that struck me was that India is a country fashioned by nature to be united. Divided against herself she would be weak; united she can be great and powerful."

There are more divisions in India than that expressed in the political controversy between the Congress Party and the Muslim League. Nevertheless, a note is called for as to the attitude to this difficult question displayed by Sir Stafford Cripps when he was in India. After noting that Sir Stafford's previous personal friendships had been closest with leaders of the Congress Party (a fact to which Sir Stafford candidly referred in his very first announcement, pledging at the same time "a mind equally open to all points of view"), Professor Coupland admirably sums up the matter in his comments on the "non-accession provisions".

"Just as there is small chance", he writes, "of India wanting to stay in the British Commonwealth unless she is free to go out, so the best hope of a single Indian Union is to assure the people of the predominantly Moslem areas that they need not join it unless they wish. As Sir Stafford had said in his broadcast, the door must be left open."

(vi) The Interim Position.

The question of immediate changes in the Constitution of India, on which the Cripps talks finally broke down, will be dealt with in the following issue of "Guidance Notes" (dated August 4). In the meantime the following quotation from the Secretary of State's speech in the House of Commons on April 28 expresses the British Government's official attitude on the matter after the return of the Cripps Mission:

"As regards the interim situation...the Viceroy will no doubt always be willing to consider practical suggestions within the framework of suggestion (e) of the draft declaration put forward by responsible party leaders, more particularly if put forward jointly and based on a broad measure of agreement. It is indeed upon the agreement and initiative of Indian party leaders that any further advance must depend."

2. RUSSIA.

(a) The Crisis at Hand.

(i) The German Advance.

The latest news from Russia suggests that events are moving a crisis. This view is suggested by the fact that Russian resistance appears to have strengthened at Aletskaia north west of Stalingrad, at Kalach and at Tsymlyanskaya on the lower Don. To the south of Rostov, however, the Germans still seem to be advancing. The Russians report heavy fighting in Bataisk region, 10 miles south of Rostov and the Germans claim to have stormed Proletarskaya on the Stalingrad-Krasnodar railway.

(ii) Timoshenko's Funnel.

From this it may be inferred that Timoshenko is beginning to throw in his reserves in the Stalingrad district, but has not yet done so south of Rostov. The German drive which began as a due easterly thrust to Voronezh, has curved until it is now moving due south. Timoshenko's troops seem to be building up one wall of a funnel, whose other wall is the Azov and Black Sea shores. Down this narrowing funnel the Wehrmacht is rushing towards its mouth, the western Caucasus.

(b) Basic Facts.

(i) Stalin's Foresight.

Will all be lost if they reach it? Without in the least minimising the gravity of the situation, there are certain basic facts to remember. One is that it must be presumed that Stalin and Timoshenko foresaw the possibility of some such development as the present as well as hoped to hold the Germans on a more westerly line. The world has already seen striking examples of Stalin's foresight in the creation of the Ural industrial area and in the plan for leapfrogging factories. These two factors had much to do with baulking Hitler of his expectations last year, and it is legitimate to hope that Stalin has not in the interval been suddenly bereft of his faculty for planning.

(ii) Caucasian Reserves.

A second fact is that there is presumably a strong reserve in the Caucasus itself. It may be Timoshenko's plan to use it to cover Novorossisk, or he may intend to use it in the Caucasus proper. In either case it is reasonable to assume that a reserve is there.

(iii) Russian Resolution.

A third basic fact is that the Russians will fight on whatever happens. The fact that no large Russian armies have till time been encircled or annihilated means that the hope of destroying the whole Russian army is fading. The issue now before the Russians is whether, by being isolated from the Caucasus, their offensive power will be crippled, thus releasing German troops

the defence of the west.

for / Last year, Germany's aim was the annihilation of Russia, with the prospect of defeat facing her if she failed. She did fail, and avoided defeat during the winter only with difficulty. This year her aim is the crippling of Russia's offensive power, and even that would not bring her certainty of victory.

3. BRITAIN -- AIR WAR.

(a) Priority Targets.

Anyone who takes a keen interest in the air war over W.W. Europe cannot fail to notice how, at successive stages of the war, the R.A.F. has concentrated its attention on different groups of targets. It becomes obvious that, not only is the Air Ministry working according to a carefully evolved plan, it is also basing its efforts on some sort of priority scheme in the selection of targets, which is amended periodically as the progress of the war dictates.

Through the summer and autumn of 1940 a dozen ports appeared in Air Ministry communiques with almost monotonous regularity. They were Antwerp, Ostend, Flushing, Zeebrugge, Dunkirk, Calais, Boulogne, Rotterdam, Imuiden, Le Havre, Cherbourg and Brest. A clue to the purpose of these raids is to be found in the fact that they were frequently referred to as "invasion bases". And, according to neutral observers, the R.A.F. reduced to one-third the assembled fleet of transports, barges, etc., and destroyed two-fifths of the accumulated stores and ammunition. This bombing effort, coupled with Fighter Command's victory in the Battle of Britain, thwarted Hitler's invasion plans.

Towards the end of June 1941, when Russia was invaded, the R.A.F. appeared to concentrate on the North German seaboard. Germany's northern ports had been raided before, many times. But now they seemed to be singled out for the main weight of the British air offensive. Night after night we heard that Bremen, Wilhelmshaven, Kiel, Vegesack, Hamburg, Branderhaven or Emden had been raided by the R.A.F., and as the longer nights arrived the attacks were pushed further into the Baltic, to Rostock and Stettin. All these ports were starting points for German supply and reinforcement convoys bound for Finland, Estonia and Latvia. In that winter the Germans failed to occupy Leningrad, while Leningrad and Archangel continued to be the ducts by which new life-blood was poured into the Russian war effort in the form of sea-borne aid from America and Britain. The credit was shared by the Red Army and Navy and also by the R.A.F., whose pounding of Germany's northern ports contributed by sinking ships at the quaysides and blowing up supply dumps.

(b) Present Priority Targets.

One has not to look far to discover which type of target is rated most important by the Air Ministry now. Shipping is the key word. U-boats form the bull's eye of the R.A.F. target. U-boat bases at St. Nazaire, Brest, Cherbourg and Le Havre, U-boat construction yards at Flensburg, Vegesack, Hamburg, Liden, Bremen and Wilhelmshaven, U-boat Diesel engine works at Augsburg and Mannheim have figured in recent communiques. On July 28, we had the first news of German attempts to interrupt Coastal Command's intense activity against U-boats in the Bay of Biscay. In a skirmish between reconnaissance-bombers of Coastal Command and German land-based and float-plane fighters, two Messerschmitt 109's were destroyed and three float-planes badly damaged, without British loss.

During the second half of 1941 Allied shipping losses were reduced to an average of 180,000 tons a month, partly because of increased British naval escort strength and the operation of American convoys between America and Iceland, but largely because no less than 40 per cent of R.A.F. targets were selected at the request of the Admiralty. It is probable that this percentage is not at least as high.

(c) The Effect of Recent Raids.

It takes time to confirm the effect of R.A.F. raids. But some interim assessment can be made, partly from photographic reconnaissance and partly from the treatment accorded the raids in enemy broadcast propaganda.

The raids on Lubeck and Rostock set the Berlin radio and its satellite stations screaming about reprisals. They led to the so-called reprisal raids on the cathedral cities of Canterbury, York, Norwich, Bath and Exeter. Obviously some devastation was caused in Lubeck, on which the R.A.F. dropped 340 tons in 1½ hours during the night of March 28/29 (cf. the 225 tons dropped by the Germans on Coventry in November 1940). On July 26/27 more than 500 bombers were sent to Hamburg, which turns out U-boats faster than any other dockyard in Hitler's Europe. In the course of 35 minutes no less than 175,000 incendiaries fell on the target area and they were followed by 700 tons of high explosives -- more than double the weight dropped on Lubeck. The official German communique admitted that many buildings were destroyed in Hamburg, but German broadcasts tried to dismiss the raid as "rather small". We are accustomed to this. When we sent 1,130 bombers to Cologne, the German radio insisted that only 70 had taken part in the attack. But Rome and Paris radios fell out of step with Berlin in reporting the latest Hamburg raid. Italian listeners were told that "the attack on Hamburg was the largest ever made on Germany", while French listeners were informed of "the serious attack on Hamburg" and of how "the town was plastered with bombs".

(d) Prospects.

The bombs used nowadays are often of 4,000 lbs. each, compared with the 250-lb bombs used in 1940. The bombers used are often Short Stirlings, which carry eight tons of bombs apiece -- three times the load of the Wellington, nine times the load of the Blenheim. Our newest bombers have top speeds in the neighbourhood of 325-350 m.p.h., compared with the 220-250 m.p.h. of earlier types.

Heavier bombs and bomb-loads and the increased speed and range of R.A.F. bombers help to achieve high concentration, which is the key to success in strategic bombing. It has been proved by experience that one really heavy raid can often do more damage than a series of small ones, although the actual weight of bombs dropped in the series may greatly exceed the tonnage dropped in the single heavy raid.

When bombers are operating, as they always do when over Germany, beyond range of fighter escort, they must rely on darkness as their main defensive armour. There is therefore a limit to the time the aircraft can spend over enemy territory and the tendency is to reduce the concentration of the attack in proportion to the increased distance between base and target. By improved aircraft design, the Air Ministry is beginning to ensure that distant targets are as heavily bombed as those nearer home. On three occasions more than 1,000 aircraft have operated against a single objective in a single night, and further progress in bomber design may well make it possible for as many as 3,000 to do the same, particularly when the U.S. Army Air Corps in Britain has been brought up to full strength.

4. FINLAND.

(a) Finland, America and Germany.

(i) A Pro-Nazi Factor.

The Finnish press has expressed pained surprise that the United States has broken off consular relations with Finland and gloomily forebodes that this may precede the breaking-off of all diplomatic relations. Finland is controlled by a political faction which admires the German army and Nazi system and hopes that association with the Reich will enable them to satisfy extravagant territorial ambitions at the expense of the Soviet Union. The majority of the people dislike the authoritarian trend of the Government both in domestic and foreign affairs, but as long as Germany is militarily in the ascendant they are helpless. The tragedy of the situation is that meantime Finland is running the grave risk of converting the Soviet Union into an implacable enemy.

(ii) Swedish Comment.

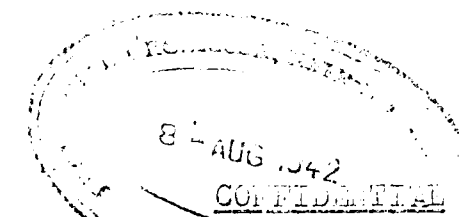
The position inside Finland has been summed up by the Swedish paper Göteborgs Posten in an editorial. "Finland has always had a group of fanatics opposing democracy and propagating the great Finland idea. These are now raising their voices more than ever. Finland is also in a very difficult position as being allied to Nazi Germany and Fascist Italy, and German troops will have soon been two years on Finnish soil. It is obvious that such cooperation influences many Finns and particularly the official classes. Furthermore, the bad harvests of the last two years and the blockade have made Finland increasingly dependent on Germany and German-occupied territories and this naturally gives Germany a considerable hold over Finland. War and a difficult food situation have caused a tremendous swelling of the ranks of the officials and have created a state of guardianship which is closely related to dictatorship".

(b) Helpless Finland.

While some Finnish newspapers are making play with the argument that they are doing no more than conduct a "defensive" war against Russia and that an offensive from Finnish territory has not been launched against the Red Army, notwithstanding the exchange of visits between Hitler and Lannerheim, public opinion as a whole appears to have accepted the fact that they are irrevocably in the Axis camp.

The Helsinki correspondent of the Swedish paper Dagens Nyheter reports that "the American step is considered in Finland as a kind of 'quiet alarm' -- a kind of warning -- but it is at the same time pointed out that if such is the case Finland can do nothing".

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TWO-HUNDRED-AND-NINETEENTH BI-WEEKLY GUEST BOOK NOTES ON THE
WAR SITUATION, DATED AUGUST 4, 1942.



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P O L I C Y

I. Follow Moscow in frank admission of gravity of Russian situation, but follow Moscow also in its reply of total resistance, and show that Russia is defending India as well as herself. Discourage references to difficulties of Caucasus terrain, but show that even German penetration of Caucasus would not be catastrophic so long as Russian armies remain in being.

II. Auchinleck has rendered great service to whole Allied cause in holding Rommel at critical period but Allied forces in Middle East cannot abandon their very wide responsibilities for sake of major counter-offensive in Egypt at present stage.

III. Note emphatic increase in Japanese belligerent propaganda since Wardha Resolution and stress that no appeasement of Japan is either honourable or possible.

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1. <u>INDIA.</u>		
(a) <u>British Policy for the Interim Period.</u>		
(i) Rejection of the Cripps Proposals.		

The negotiations on the draft Declaration of Independence brought to India by Sir Stafford Cripps broke down suddenly on April 10th after immense hopes had been raised. The reason for the Congress Working Committee's rejection of the draft (and rejection by a major party obviously made the proposals unworkable) was, as is well known, the British Government's inability to concede immediate constitutional changes expressed in the Working Committee's demand for a "Cabinet with full power" -- in other words, "Independence Now", the same slogan which has again been raised by the Congress leaders.

(ii) Constitutional Changes.

Sir Stafford's first reason for finding the Congress Working Committee's demand impossible to fulfil was that "Cabinet Government with full power" involved "constitutional changes of a most complicated character and on a very large scale". The Congress leaders freely admitted this, and claimed that they had never agreed to rule out a major change of this kind, even in the midst of war.

As Professor Coupland has pointed out, "the control of military operations -- the one exception allowed by the Committee to the working of full Cabinet Government -- cannot be completely separated from the control of general policy, and the ultimate decision in both fields must be vested in the same authority The whole of the Government in wartime is a Defence Government, and to conduct his military operations the Commander-in-Chief must be certain of support from virtually all its members."

Moreover (a) the Commander-in-Chief's responsibility for the maintenance of internal security in the event of the civil authorities being unable to cope with a crisis that might easily arise in wartime necessitates full agreement between himself and the Home Member; (b) the control of India's foreign relations cannot in the midst of this war be separated from the control of Britain's foreign relations; (c) the whole structure of Indian administration depends at present on the I.C.S. (more than half of which is Indian) and the I.P. (One-third Indian), for whose conduct and welfare the Secretary of State is in the last resort responsible to Parliament; and (d) a settlement for a fully independent British India, however it eventually solved the problem of the Indian States, could not at one blow and in a war in which the States are taking part, arbitrarily remove the British Government's obligations of which the Viceroy is the trustee.

In Professor Coupland's words: "In sum it may be said that there is an irreducible minimum of British civil control, inseparable from military control and equally irremovable without a thoroughgoing constitutional change. Both will go when the new regime is inaugurated after the war. Till then both must stay."

(iii) The Muslim Attitude.

The whole object of the Draft Declaration had been to secure, first, an agreement between the major Indian parties as to how Indian independence should be achieved after the war, and then, on that basis, to form an interim government.

Sir Stafford Cripps's second reason for rejecting the Congress demand was that the minorities -- above all the Muslim League -- would not acquiesce. He was confirmed by Mr. Jinnah, who on April 13th told the Press that if the Congress demand were accepted the Muslims would be "at the mercy of the Congress rule." In his statement of August 1st on the movement contemplated in the Wardha Resolution Mr. Jinnah took the same stand.

(iv) British Statement of April 28th.

Answering questions in the House after the failure of the Cripps Mission, the Secretary of State said on April 28th on behalf of the British Government.

"As regards the interim situation the Viceroy will no doubt always be willing to consider practical suggestions, within the framework of suggestion (e) of the draft declaration, put forward by responsible party leaders, more particularly if put forward jointly and based on a broad measure of agreement. It is indeed upon the agreement and initiative of Indian Party leaders that any further advance must depend."

(v) Its Meaning -- Primary and Ultimate Responsibility.

It is a question of ultimate and primary responsibilities during the interim period. The impossibility of making complicated constitutional changes at one sweep, in a country which is gravely threatened by powerful enemies and where agreement between the major parties and communities has not been reached, supports the view that ultimate responsibility should not be hastily exchanged. So does the fact that India is an integral part of a world-wide system of offence and defence, with a particularly intimate bilateral connection between India and Britain (which has today in India the greatest British army that has ever been in this part of the world for the conduct of the war).

Experience in the Provinces under the 1935 Act has shown, however, as Congress Ex-Ministers have themselves testified, that the reservation of ultimate responsibilities need not mean a mitigation of de facto autonomy. To lay down conventions for the working of the Executive Council so as to adapt it to that of a Cabinet, as has been suggested, would take us no further. All that the Viceroy could promise within the letter of the law by which he must abide would amount to far less than may emerge from a living interpretation of the spirit of the law.

Under such an interpretation, as has been demonstrated on a smaller scale in the Provinces, there would be ample opportunity for the steady strengthening of the de-facto autonomy of a National Government in British India.

If, therefore, the co-operation of patriotic leaders of the Indian parties enables British policy in this interim question to be carried out to the fullest possible extent, British India will have a National Government in the sense that it will be fully representative of the main elements in her national life, and will exercise the primary responsibility for Indian defence in all its aspects. In the meantime India will, as now, be represented as an equal on the British War Cabinet and the Pacific Council of the United Nations in their ultimate responsibility for the higher strategy of war.

(f) The Allahabad Resolution.

(i) The Published Papers

The publication of the record of the Congress Working Committee's discussions at Allahabad at the end of April, together with Mr. Gandhi's draft and Pandit Nehru's revised version of the Allahabad Resolution, contributes to a clarification of issues which have been placed before the public in successive, diverse, and often mutually contradictory statements by Congress leaders.

The significance of ^{the} papers lies in their revelation of the inner motives underlying the Congress resolutions of May 1st and July 14th. Gandhi's original draft of the former resolution was based on the conviction that the Allies would lose the war and that the presence of Allied troops in India acted as a bait to Japan; he desired ~~the~~ withdrawal of the British and the Allies from India in order that the bait should be removed and, as is clearly stated in the draft, India should be freed to negotiate with Japan.

Gandhi's draft was supported in discussions in the Working Committee by his yes-men more particular followers, who freely ventilated their opposition to helping Britain in war and their objections to the presence of Allied troops in India. Opposition to the draft arose from members who had already pledged themselves in some sort to support of the Allies and the resolution was redrafted to meet their objections. Voting however went strongly against the revised resolution and the latter was eventually only adopted as a result of pressure from the President who pointed out that there was "practically no difference between the two resolutions".

Gandhi was angered at this revision of his draft and continued to develop in the Harizan his theme that the British, including specifically British and Allied troops, should leave the country in order to leave India free to negotiate with Japan. An unfavourable reception to this suggestion both inside and outside India forced him to go back on the demand for withdrawal of troops but he maintained his pressure for British political withdrawal, failing to see that the retention of troops nullified his "bait" argument. Progressive outward abandonment of his initial defeatist and pro-Japanese attitude was necessary both to bring some of his recalcitrant followers to heel and also to impress America. Hence the pretence, first stated in the resolution of July 14 and since largely used by Congress leaders as a basis on which to defend the Congress position, that political power was desired by Congress solely to enable them to organise effective resistance to Japan. It is notable however that the resolution of July 14 contains no indication of the form resistance to Japan will take and the interpretations of leaders have varied greatly.

(ii) Their Significance.

The papers show clearly that Gandhi and the majority of the Working Committee wanted, only three months ago, complete political power to be free to negotiate with Japan. Can this short interval have produced such a complete change in their fundamental motives as the present Congress protestations of resistance to Japan indicate? And if Congress can thus easily perform a complete volteface, what guarantee can there be that accession to power will not produce reversion to the former pro-Japanese position? World disapproval of the present Congress position has served only to harden the determination of its leaders and it is only fair that A.I.C.C. members who will be called on to vote on the resolution of July 14 should be aware of its full implications. Views expressed behind closed doors are more likely to disclose true motives than public statements designed for consumption both at home and abroad. To avoid any accusation of unfairness, the papers have been published in full, without comment or any attempt to edit them, before ~~the~~ A.I.C.C. meeting, so that the members of the Working Committee concerned will be free to reply if they wish.

2. RUSSIA.

(a) A Critical Hour.

At this critical stage it is important that everyone should maintain a steady discipline of mind, clearly distinguishing between "major" and "minor" and basing deduction and interpretation on known fact rather than on emotional inference. The necessary detachment is not easy to achieve; it is all too easy to seek escape in uncritical optimism or morbid gloom. Having said so much, attempts must be made to apply this precept to the present article. For this purpose an analysis of the German and Russian strategy in the Donetz Don area will be attempted; then, (as far as known facts permit) this campaign and its implications will be placed in perspective by relating it to the struggle as a whole.

(b) The Battle of the Donetz.

(i) Voroshilovgrad.

The German capture of Voroshilovgrad exposed the Russian troops in the bend of the lower Donetz to imminent danger of encirclement. Timoshenko responded by a rapid withdrawal of his main forces from the threatened region, evidently leaving rearguards to conduct a fighting retreat to Rostov against the southward striking Axis columns. The Russian commander had extricated himself, but at the price of losing the industrial resources of the eastern Donetz and of leaving Rostov to isolation and subsequent capture.

(ii) Millerovo.

The next stage opened with the German break-through at Millerovo on the main Rostov-Moscow railway about 60 miles north-east of Voroshilovgrad. Massive concentrations of German armoured formations, artillery and motorised infantry with powerful air support poured quickly into the wide plain enclosed by the semi-circular sweep of the lower Don. The battle for the Donetz basin was over; the struggle for the basin of the Don had begun.

(iii) Timoshenko's Decision.

Axis forces were moving rapidly in a country which was ideal for high-speed tank manoeuvres and which offered no advantages to the defence. At this juncture Timoshenko made a dramatic decision. He decided to abandon the whole (or almost the whole) of the region of 150 miles square lying westwards of the Don. By their own admission, the Germans were surprised, and altered the direction of their drive.

(c) Von Bock Turns South.

(i) Bock's Reply.

"Timoshenko's order to retreat," wrote the military correspondent of the German news agency, D.N.B., "came as a surprise, and the German plans seemed to have gone wrong." The surprise, he hastens to add, did not last more than two and a half hours, during which fresh orders were sent to the commanders of Axis troops. "Timoshenko", he goes on, "left his best troops at one part of the front, while the bulk of the German and allied armies turned south and reached the Don on a wide front east of Rostov."

Realing between the lines of this purposely cryptic account, it seems evident that von Bock decided to avoid a costly frontal assault against the Russian positions covering Stalingrad behind the eastern extreme of the Don bend and to switch his main forces in a wide right-hand sweep southwards. There was a dual objective.

(ii) Bock's Objectives.

In the first place, there was a chance that a substantial proportion of the Russian forces could be encircled and annihilated before they had time to escape south across the Don. But once more Timoshenko extricated himself; there was no "annihilation".

Secondly, von Bock could hope, even if he failed to trap the Russians, to force his way, under cover of his air force and artillery fire, to the southern bank of the Don and then develop a two-pronged drive into the Caucasus -- one thrusting south-east to the port of Astrakhan at the mouth of the Volga, and the other (possibly assisted by landings from the Crimea across the Kerch strait) moving south to Krasnodar and then eastward to the oilfields of Tykoo and Grosny, which lie on the north side of the Caucasian mountains.

(iii) A Momentous Decision.

Von Bock's decision to swing southwards instead of due east against embattled Russians defending Stalingrad is the turning point in the campaign one way or the other. The German Press is hailing it as a masterstroke. Timoshenko, they say, has been completely outwitted. While he was concentrating his best troops in fortified positions in front of Stalingrad, von Bock threw his whole weight against the side door leading to the Caucasus. The real explanation, however, of the German decision to bypass Stalingrad may well be the successful Russian defence of Voronezh. Far away to the north as that city is, its retention in Russian hands has meant that the left bank of the Don southwards to Boguchar and then eastward to the Stalingrad region has remained firmly in Russian hands. For that reason a German advance against Stalingrad would have exposed their long left flank to Russian counter-attacks.

(d) Timoshenko's Plan.

(i) Holding the Don.

Timoshenko's plan appears to be to hold the left bank of the Don all round the great salient which it forms, so that wherever the Germans establish a bridgehead they -- and not the Russians -- will have to fight with their backs to the river. Observers have frequently spoken of the strength of the Russian positions along the 450-mile stretch of the Don where it flows westwards to Rostov and the Sea of Azov, but the difficult task now facing the Russians is to repeat their Voronezh performance at any and every point along that wide front where their forces attempt to form a bridgehead. At the moment of writing, German armoured units have effected a crossing at several points, and have driven a deep wedge as far as the region of Salak and Muschavskaya. There is grave danger that the German advance via Batalsk, south of Rostov, may turn the whole position.

(ii) Stalingrad Pivot.

Much will depend on the weight of the artillery and air power which the Russians can muster and on their capacity to move reinforcements rapidly to threatened points. If the Germans effect cut the Stalingrad-Krasnodar railway the Russians may have to execute a wide turning movement pivoting on Stalingrad, sacrificing the Western Caucasus and bending back to protect the lower Volga between Stalingrad and the Caspian port of Astrakhan at its mouth. On the other hand the Russians may have reserves in the Caucasus which have not yet come into action.

(e) Perspective Tests.

In order to get this campaign -- upon which the Germans are staking everything they have hoped for -- into proper perspective, it is necessary to apply two tests:

- (1) "What can the Germans gain for themselves?"
- (2) "Of what can they deprive the Russians?"

(i) Possible German Prizes.

It can be assumed without question that the Russians would blow up the oilwells at Mykop and more important sources further east at Grosny, and would also destroy the refineries at Krasnodar, Armavir, Grozny, and Tuapse. That would prevent these oil supplies from being available to the Germans for not less than six months. The greatest oil manganese deposits lie south of the Caucasus mountains. To get into that region and seize the great oil port of Baku (which 700 miles from Rostov) would involve either a seaborne expedition to Baku and an advance from the Black Sea across to the Caspian through almost impassable mountain country, or an advance down the west coast of the Caspian along the narrow ledge (it is no more) which separates the mountains from the sea.

"One must admit", writes the Turkish paper Ulus, "that the Germans are becoming seriously exhausted". Exhaustion does not show itself immediately in the case of a victoriously advancing army, but the spreading-out of Axis forces into the Caucasus will weaken them by loss of concentration and impose an enormous strain on communication already severely stretched, and expose a flank some 450 miles long from the Middle Don to the estuary of the Volga, to Russian counter-attacks.

(ii) Possible Russian Losses.

1. Oil.

Consideration of the second test -- "of what can the Germans deprive the Russians?" -- reveals a situation, which is bad but not desperate. The Russian Army, Russian Industry, Russian agriculture depend substantially, though by no means exclusively, on Caucasian oil and petrol. There are three principal corridors of supply -- one by the pipeline rail from Baku to Krasnodar and Rostov and so north by rail to Moscow; the second to Stalingrad (partly by rail via Krasnodar, partly by the Caspian to Astrakhan and so up the Volga); and the third by sea to the port of Chapayev, near the mouth of the Ural river, and thence by pipeline to Orsk and the Orenburg-Tula railway. The first of these has gone; the Astrakhan route is threatened but strongly defended; and the third is far removed from the scope of present operations.

Supply Routes.

The danger to the Soviet Union is not deprivation of oil supplies but progressive limitation of accessibility. As the main supply routes become longer and more devious, the problem of distribution to tanks, lorries, and aircraft at the front, to the factories in the Urals and to farm tractors all over the vast area of the Union becomes increasingly acute. The danger, therefore, is of progressive slowing down of the war effort. But it is a long-term, not a short-term process, for the Russians have long been aware of the German plans in connection with the Caucasus, and must have made provision accordingly, particularly by storing reserve supplies.

3. Food.

The second great deprivation is loss of foodstuffs. It has been calculated that the Soviet Union has lost, or is faced with the immediate loss of, about 72,000,000 acres of its best wheat and rye land out of a total acreage of 170,000,000 under the two crops. The Russians will, therefore need substantial supplies from the United States and Canada -- those supplies will have to be got there, however great other calls on our shipping resources may be -- if the Russian people are to get through the coming winter.

4. Transport.

A more pressing danger is that the loss of railway facilities may seriously restrict the flow of supplies from the central and eastern regions of the Soviet Union to the armies in the south. The importance of Stalingrad as a railway centre is already severely curtailed, but it is still a depot of first-rate importance on the Volga -- a river which in 1937 carried 30,000,000 tons of cargo and since then has seen immense further traffic development. The Russians may have to abandon the western and northern regions of the Caucasus, but they will fight to the last man to hold the lower Volga.

(f) The War as a Whole.

(i) Russia.

The hour is critical for the cause of the United Nations. What degree of precision in attempting to assess the word "critical" emerges from the foregoing survey?

On facts as we know them, it cannot be said that the Soviet Union is in danger of imminent collapse, but she is in very real danger of being so maimed as to cease to be a great military Power capable of holding down the bulk of the Axis armies on the Eastern Front. If that crippling process is not quickly arrested, Hitler will be able to transfer formidable forces either to the Middle East or to the West, with consequent prolongation of the war.

The most pressing danger for the Russian peoples is not so much military or economic as psychological. They are acutely aware of Hitler's comprehensive plan of isolating and undermining their fighting power by submarine attacks in the West Atlantic and along the seacoast from Murmansk to Archangel, by reducing their own resources from the south, and by inciting the Japanese to attack in the Far East. A sense of isolation is more important than Hitler's actual progress in achieving it.

(ii) A Second Front.

The British and American peoples are equally alive to the urgency of sending all possible aid to Russia in her hour of need. They know that/can best be done by military action now which would ease the terrific pressure on the Russian armies and by so doing fortify the fighting spirit of the Russians by a concrete demonstration that they are not alone. On both sides of the Atlantic chivalry as well as self-interest are creating a rising desire for a second front, but a momentous strategic decision cannot be made, and should not be influenced by, mass meetings or by editorials. The need for military diversion and the potential advantages to be capitalised are obvious. There are only a handful of men in Washington and London who know all the facts. They alone must be, and will be, the judges as to when and where available resources of man-power, equipment and shipping can be used to the best advantage in offensive action--whether in Western Europe, the Middle East or elsewhere. No greater responsibility has ever been placed on the shoulders of any group of human beings.

(iii) Conclusion.

The leaders of the United Nations have proved by their past records that they know how to keep cool in times of crisis, how to distinguish between what is a primary essential and what though important, is secondary. Those qualities are needed now not only among our leaders but among ourselves of the rank and file.

3. EGYPT.

(a) The Caspian Front and Egypt.

If the Russian armies in the South are obliged to abandon the western and northern areas of the Caucasus and concentrate upon the defence of the lower Volga between Stalingrad and Astrakhan, the Germans could reach the shores of the Caspian below the Volga estuary. In that event, the Russian forces defending the Caucasian mountains would be holding the northern ramparts covering Persia and Iraq, and they would have to look for supply and reinforcement, not so much from Central Russia by way of the Caspian as from Britain and the United States by way of the Persian Gulf. The Russians defending Baluchistan and Northern Persia would with the British Ninth and Tenth Armies constitute a separate "Caspian front". It is because that situation is a possibility within the next few weeks that a major victory against Rommel in Egypt would be valuable. The Eighth Army under General Auchinleck has done a magnificent job in halting Rommel's headlong offensive and regaining the initiative, but the "narrows" between the sea and the Qattara depression which helped us to make a stand in front of El Alamein by restricting the enemy's area of manoeuvre and enabling us to construct a defensive system in depth, now facilitate Rommel's defensive measures in the same way. On a restricted front deep minefields and preponderance of artillery constitute formidable opposition.

(b) Rommel's Strength.

General Auchinleck is dealing the Axis forces in Egypt a series of heavy blows the effect of which has to accumulate, but the defensive system which Rommel has been able to construct has hitherto prevented the Eighth Army from exploiting local advances. As long as Rommel can maintain a state of positional warfare, he will continue to attract and pin down British and American reinforcements and supplies which would otherwise be available for other tasks.

CONFIDENTIAL

(220)
TWO-HUNDRED-AND-TWENTIETH BI-WEEKLY GUIDANCE NOTES ON THE WAR SITUATION, DATED AUGUST 8, 1942.

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POLICY

1. Give widest publicity to Cripps reiteration on August 6 of Britain's pledge of freedom for India after victory. That issue is not in doubt, and present question is not of principle but purely of expediency in defending India and beating Axis. Continue to stress that Tokyo has welcomed Congress proposals as assisting Japanese ambitions.
2. Show supreme German effort in Russia against background of rising discontent in Europe, Nazi repressive measures and fear of second front. Worst Russian losses have been in resources and food, effect of which will not be immediate. Deficiencies will have to be made up, as now by Allied supplies.
3. Arab countries are staunch against Axis and are facing grave dangers confidently. Change of Government in Iran is due chiefly to unsettled administrative shortcomings left over from autocratic regime and implies no change in foreign policy.

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1. INDIA.

(a) The Real Issue.

Perusal of the revised resolution of the Congress Working Committee might suggest that the principle of Britain's offer to India of full freedom under a constitution of her own devising remains in doubt.

That is not so. The Declaration of Indian Independence was laid on the table by Sir Stafford Cripps at the end of last March.

"It is therefore plain and beyond doubt," said Sir Stafford in London on August 6, "that Indian self-government is assured as soon as hostilities are over and it becomes possible to replan the life of India upon a new basis. It is of no avail for protagonists of the national interests of India to deny these simple facts. The promise has been made: that promise will be carried out."

The issue, accordingly, as has been explained in recent issues of Guidance Notes, rests upon the question of the interim procedure on which Sir Stafford failed to secure agreement among the leaders of the principal Indian parties. It is, in short, a question of expediency. The nation at large is asked to form its opinion whether the major constitutional changes demanded by the Congress Party (but not underwritten by the Muslim League), with the threat of the sanction of mass civil disobedience, do or do not represent a solid contribution towards the defence of India and the defeat of the Axis.

On this vital question, opinion among the United Nations appears to be unanimous. The Axis Powers also have made up their minds about it. They are delighted.

(b) India's Air War.

(i) Enemy Raids on India and Ceylon.

The first enemy bombs to fall on Indian soil were released from Japanese planes on April 5. It is four months since that first attack was made, yet there have been no reports of enemy air activity over India and Ceylon since May 20. In four months the Japanese have raided Ceylon three times and India eight times.

Why have the Japanese mounted only 11 raids in four months? Typical of many replies by Japanese propaganda to this question was the news commentary in Hindustani broadcast from the Jap-controlled Saigon Radio on July 11. The commentator said :-

"The Delhi Radio announces daily that the R.A.F. dropped bombs on Japanese military objectives and troop concentrations in Burma. But Japan is making no reprisal raids on British military installations and towns in India. As a matter of fact, Japan is in sympathy with her. She has love and regard for the Indians. The Indian towns are within the range of the Japanese Air Force. The Japanese naval units which are freely moving in the Bay of Bengal and the Arabian Sea can easily shell the Indian harbour towns ... It is only Japan's sincere motives and affection for India that have prevented her from invading this country.... Japan is awaiting the Congress decision. If the Congress succeeds in forcing the British to leave India, Japan will desist from attacking India. In case of the failure to attain freedom, Japan will invade India."

(ii) Japanese Propaganda Exposed.

If this Japanese theme had had any sincerity, surely we should now be told that the "decision of Indian leaders" so impatiently awaited by Tokyo has removed the possibility of a Japanese attack on India. In fact, Saigon has recently repeated that there would be no Japanese invasion if immediate independence were secured, recommending at the same time just such steps towards this end as would be most likely to weaken the United Nations' war effort and (in Saigon's words of July 27th) "do immense harm to the cause of Chungking."

Yet on the previous day (26th) Saigon had informed us that "Axis forces are about to invade India" and on the 27th came General Tojo's fire-eating speech to the Japanese at Osaka, in which he threatened China, Australia, India and even the Middle Eastern countries.

Significant in his speech was his assertion that the United Nations could not adequately aid Australia (in crushing whose resistance "Japan will show no mercy whatever") -- and the analogy that he drew with India (whose "far-sighted leaders" were confidently expected to put her in the same situation). "Australia", he declared, "has already become the orphan of the Pacific, and India also is going to meet a similar fate."

The purpose is obvious. If Indians start a mass movement against the British, it will save the Japanese a lot of trouble. So the enemy radio daily exhorts the Indians to strike a blow for "Indian freedom", alias, "Japanese military dictatorship in India" as exemplified by the newly-constituted "Free" Burma Government, all of whose major functions are under the control of the Japanese Military Administration in Rangoon.

The Japanese would like to take over India. A stumbling block stands in their road .. the Indian and British Armies and the Allied Air forces. So the Japanese resort to cajolery, and with a mixture of threats and promises try to persuade Indians themselves to remove the stumbling block.

All this has evidently something to do with the fact that there have been only eleven air raids on India in four months. It has been part of the propaganda offensive. Now Tokyo is saying to India, in effect: "Thank you very much. That is just what we wanted!" And in this connection it is not without a grim significance that on July 22nd Berlin cheerfully reported that as a result of non-co-operation and passive resistance in India, "in the big coastal cities the necessary measures for the air defence cannot be carried out." They are wrong -- but that word "necessary" is interesting.

(iii) Allied Air Operations from India.

The Japanese attack India with words. The Allies attack the Japanese with bombs, the only language the Japanese understand. While the land campaign was in progress in Burma Allied air operations were, in the main, intended to give close support to our troops. India-based heavy bombers raided the docks at Rangoon. Medium bombers based in Burma strafed Japanese transport, supply dumps, forward aerodromes, etc. Since the enemy occupation of Burma close support operations have given place to what might be termed strategic bombing. Its purpose has been to hinder the marshalling of Japanese forces for the invasion of Yunnan and Assam and to upset Japanese plans for the bombing of India and China.

During the past three months aerodromes, railways and shipping have figured prominently in R.A.F. and U.S. Army Air Corps communiques. Aerodromes at Akyab, Myitkyina, Magwe, and Pindaladon have been repeatedly attacked. Barges in the Chindwin and neighbouring rivers, shipping at Akyab and Rangoon and off the Arakan coast have received special attention. And a fair proportion of the R.A.F.'s effort has been reserved for military barracks, troop concentrations and road transport. In recent weeks we have heard much of the British and American raids on the Landalay-Myitkyina railway.

(iv) Monsoon no Deterrent.

The monsoon has not been allowed to interfere with the work of the Allied Air Forces to any marked extent, and a testimony to their achievement is to be found in the fact that the Japanese are devoting their energies to augmenting the anti-aircraft barrage defending the principal objectives in Burma. An additional defence measure would have been to attack the aerodromes from which Allied sorties are made, but the Japanese have shown no inclination to do so. It cannot be made their professed love for the Indians that prevents them. A possible reason is suggested by the fact that in three raids on Ceylon (none of them carried out by more than 75 aircraft) the Japanese lost 48 machines definitely destroyed, 17 more probably destroyed and 27 damaged. This is a remarkably high loss-rate, particularly when it is compared with the R.A.F.'s raid on Cologne -- one of the best defended areas in Germany -- on May 30. The number of bombers sent out on that occasion was 1,130; only 44 failed to return. Using less than a fifth of that number of planes against Ceylon, the Japanese lost at least 48. It is reasonable to suppose that the vital defences of Eastern India are as formidable as those of Ceylon, and Japan cannot afford to risk such a high loss-rate until she has accumulated a much bigger air force in Burma.

2. RUSSIA.

(a) The Caucasus.

(i) The Germans advance.

The German advance in the northern Caucasus has continued unabated, though not uncontested. The Russian stand at Bataisk was followed by one at Kushchevskaya and Salsk further south. But here, too, overwhelming German forces have forced withdrawals. Belaya Klina on the Krasnograd-Stalingrad railway has fallen, and the Russians now report fighting south of this town and Kushchevskaya. The Germans claim to have arrived at the Kuban river and to have reached Tikhoretsk and Kropotkin. Since the last two claims have not been repeated, it may be that these were objectives of advanced columns which have been cut off.

(ii) Immediate Objectives.

Whatever the exact situation, it is clear that the German advance has been both extensive and swift. What are their immediate objectives in their southward drive? They may be roughly summarised as the cutting off of the Kerch peninsula, the isolation of Novorossisk, Russia's chief remaining Black Sea base, and the seizure of the oil wells of Lykop and the refineries of Krasnodar, Armavir and Tuapse. All these places, except Tuapse, are now not far from the scene of fighting. So far the fighting has continued in the fertile North Caucasian plain, but south of Krasnodar the foothills begin which rise to the Great Caucasian range.

(b) Threat to Stalingrad.

A second development in the last few days has been a German advance eastwards from Tsymlyanskaya as far as Kostelnikovo, 50 miles away. This town is just under 100 miles south-west of Stalingrad and the German advance here together with their attacks at Kletskeya, constitute a threat of a pincer movement against the steel city itself. Here the Germans are being vigorously opposed, and the Russian position seems to be altogether stronger than in the south. It may be noted that the Kalmyk country east of this battle area stretching to the Volga and the Caspian, which apparently lies open to the Germans, is not an easy tract to cross. It consists for the most part of arid plains and salt marshes, broken by the low Ergeni Hills running north and south, and almost devoid of communications. Although natural obstacles mean less in modern warfare than they formerly did, it should be difficult for either side to operate in force here.

(c) Conclusion.

Such is the present position. Grave though the position is, the battle is not over. Great though the German advances have been, they have not yet cut the main supply-line from the Caucasus up the Volga to Central Russia. Timoshenko is meeting the full force of the German war effort at its peak and though forced back by weight of men and metal he has not yet made a single major mistake.

3. IRAN.

(a) Resignation of the Government.

(i) Axis Exploits Change.

On July 31, M. Soheily's Cabinet resigned. Berlin, pretending to give inside information, immediately announced that the Government had resigned "as a protest against the mass executions which the Soviets staged in Azerbaijan." On August 2, Rome not only disagreed with this explanation but contradicted it by saying that the "pro-Soviet Government of M. Soheily" had resigned "because it could not fully comply with the demands of the aggressors."

These contradictions make it obvious that Rome and Berlin, unwilling to give the real facts, tried to make capital out of Iran's crisis in order to infuse fresh life into their stereotyped anti-Allied propaganda.

That the Allies have scrupulously observed the terms of the Anglo-Russian-Iranian Treaty has been repeatedly made clear by the Iranians themselves. In April 1942, the semi-official Ettela'at of Tehran, wrote: "Relations between Iran and these two Powers (Britain and Russia) have grown daily better since the signing of the treaty and are based on goodwill". About Russia it wrote: "Our Soviet friends have not concerned themselves in the slightest with the internal affairs of our country. Their actions in Iran have been based on the respect of the sacred principles of this country."

(11) Real Cause of the Change.

The resignation of M. Scheilly's Government was brought about by internal economic and administrative difficulties. Iran, like any other neutral or belligerent country today, suffers from the economic repercussions of a world-wide war. The inevitable problem of a shortage of foodstuffs is further aggravated by the illegal hoarding of commodities by merchants and misguided individuals.

Besides, the administrative personnel of the old autocratic regime which has had to be retained to a large degree out of necessity, has not yet been able to adapt itself to the freer system of democratic administration. Delays and mistakes are consequently not infrequent and indirectly retard the improvement of the economic situation.

That this problem, one of the legacies of the old autocratic days, has not yet been fully solved is understandable if we consider the short period that has seen the transition from dictatorship to constitutional monarchy. The new regime, hardly a year old, has already ushered in a new era of reforms, but it will necessarily take sometime for the country as a whole to adapt itself to the new conditions where free speech has succeeded subservience and free discussion the issue of arbitrary orders.

(b) The New Premier.

The short-lived political crisis was over when M. Qavam Sultaneh, described as a politician of the old school, agreed to form a new Government.

When the Ex-Shah was Minister for War, M. Sultaneh was the Governor of the province of Khorassan in the early twenties. But when Reza Shah rose to power, the Governor, together with about 40 other persons, was imprisoned. He was however released and appointed Prime Minister, a post which he resigned a few weeks later and retired into private life. Throughout the period of his political retirement he was held in respect by the Iranian people.

Today, when he is over 60, he has once again accepted the task of serving his country. It is hoped that his wide popularity in the country and intimate knowledge of administration will go a long way to remove the drawbacks of the administrative machinery. It is also confidently hoped that the new Government, like its predecessor, will fully co-operate with the Allies in implementing the provisions of the Anglo-Russian-Iranian Treaty.

4. GERMANY.

THE NAZI POLICE FORCE

(a) The Wehrmacht and the Waffen -- S.S.

In his recent speeches and orders of the day Hitler has always made it a point to address the Waffen -- SS separately by name, as if to draw attention to the fact that there exist special formations of the 'S.S.' which are autonomous and are concerned primarily with policing the home front as well as the occupied territories.

The militarisation of the 'S.S.' and its growth into a distinct body dates back to 1933 when Goering formed the "Police for Special Duties", for the purpose of preventing the old parties from rebelling against Hitler and his Nazi party. This police force then became the "Regiment General Goering", and with the newly-formed Liberstandarte Adolf Hitler became the nucleus of a highly trained and militarised police force of Nazi Germany.

The Armed 'S.S.' with Himmler, as its head, does not, however, represent, at this particular moment, a conflict with the Army, or even Hitler's fears of a conflict with his own people. It reveals rather Hitler's plans of clamping down a permanent terror of police control on his own people and on the conquered nations in Europe. By this method alone can he hope to consolidate his conquests and reconcile his own people to the justice of his methods.

(b) The 'S.S.' at Home.

That the 'S.S.' is gradually spreading its control on the Home Front is evident by the Party's tightening up of control in all internal matters that vitally affect the war. The A.R.P. organisation has come under Himmler's control and the Party is in future to supervise all high appointments to the Civil Service. According to information received in London, says Mr. Wickham Steed, Himmler is even withholding from the Army, the youngest and most fanatical recruits who have been trained in Nazi Youth organisations, and is forming them into special Black Guard divisions for the purpose of police work within and without the Reich. It is said that he hopes to have twenty such divisions by the end of summer. This new force will supplement the work of the Regiment Gross Deutschland -- a formation which is primarily under the command of Himmler.

(i) The Leibstandarte.

In the latter half of last year, Hitler ordered the further extension of his Leibstandarte and almost all German newspapers carried advertisements for recruitment into the Waffen -- S.S. The Leibstandarte is Hitler's Body Guard and the fact that its leader Sepp Dietrich was awarded a high New Year Honour showed the Fuehrer's personal interest in his regiment which has seen service in Poland, Holland, Belgium, France, in the Balkans and in Russia.

(ii) The S.S. -- Verfuegungstruppe.

Apart from these special regiments there exists the SS-Verfuegungstruppe (Unit for Special Disposal), which according to the newspaper Die Weltwoche, constitutes the bulk of the "Army of the Political Soldiers." It includes pioneer units and, significantly enough, is specially trained for fighting in cities. Finally, there are two other military formations of the Party to watch the Home Front, which do not belong to the 'S.S.' but to the 'SA' (Storm Troops). One of them has its own air force and the other is a supernumary police force attached to the regular police. The latter played an important role during the famous Blood Bath of June 30, 1934.

(c) The 'S.S.' Abroad.

Die Weltwoche also gives an account of the 'S.S.' organisation in the occupied countries which helps and even directs the activities of the occupation forces.

The SS -- Totenkopfverbaende (Death's Head Units) forms the main force of the armies of occupation and the Gestapo. Another force, the Sicherheitsdienst, watches the "internal enemy" and possesses perhaps the largest name index in existence. It is a kind of political secret police which reports on people's morale and is better informed about possible connections between internal and external enemies than any other organisation in Germany.

(d) Conclusion.

A remarkable secret German document about the ~~6.3.~~ troops was recently captured in Libya and has been referred to in the Press. Its significance becomes greater when it is remembered that Gen. Rommel himself comes from the 6.3.-- Verfuegungstruppe. It shows that the plans for the kind of police rule to which it is proposed to subject all Europe during and after the war have reached an advanced stage of preparation. That Hitler should so plan is natural since he intends the new German World Empire to last a thousand years. And this terror police force is to be the instrument of that new order - a force which is not intended ever to "fraternise with the proletariat", which includes all elements, whether liberal, socialist or religious who do not bow the knee to the Nazi dogma of force and race.

CONFIDENTIAL

TWO-HUNDRED-AND-TWENTY-FIRST BI-WEEKLY GUIDANCE NOTES ON THE WAR SITUATION
DATED AUGUST 11, 1942.

This document is confidential; it may not be handed over to the Press or to any non-official in original. Its contents (exclusive of direct guidance or any portions sidelined with the specific instruction "Not to be published"), may, however, be used freely, provided that their source is not disclosed or made obvious.

Publication of any reference, direct or indirect, to the existence of these guidance notes is an offence under Defence of India Rule 38(i)(d) and is prohibited under penalty (including fine or imprisonment).

It is recommended that these notes be filed for record, as reference to previous notes saves time, paper and repetition.

POLICY

1. While emphasising that action taken by Government of India against Congress Party is wholly preventive and follows evidence of plans to sabotage war effort, show that Government is by no means ignoring genuine grievances as witness large increase in dearness allowance to railwaymen.
2. Feature Allied offensive operations prominently, particularly in Pacific. Premature and exaggerated Japanese claims in Solomons battle strongly recall Coral Sea and Midway engagements, subsequently seen to be important Allied successes.
3. In news from Russia do not forget Voronezh, where stout resistance at strategic point not only saved valuable wheat lands but may yet endanger entire German thrust.

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1. RUSSIA.

- (a) Oil.
- (i) The Immediate Threat.

The precise significance of the battles raging on both banks of the once placid Don is not always seen in its full perspective. At the risk of over-simplification, it may be helpful if we distinguish between the objectives of the fighting in three sectors not themselves separated or completely divisible.

The German drive south of Rostov, though it may have the effect of cutting off the Soviet Black Sea Fleet from its best remaining base at Novorossisk, is primarily a battle for oil. The attack seems to be following, as many German offensives have done in the past, the line of railway from Rostov to the Caspian through Tikhoretsk and Armavir. At the former point a branch line leads to Krasnodar, where there is an oil refinery. At the latter town there is another refinery, and a branch line leads to Maikop, whose oilwells produce something over 1,000,000 tons annually. Between Armavir and the Caspian lies Grozny, a somewhat larger oil-producing area than Maikop, while far to the south-east around the Caspian edge of the Caucasus range but still on the railway, are the vast resources of Baku in an area wherein between 20,000,000 and 25,000,000 tons of oil are produced annually. The nature of the country, however, precludes any likelihood of an immediate threat to Baku, and for practical purposes the present German drive south of Rostov is aimed at the Northern Caucasus oilwells of Maikop and (less immediately) Grozny.

(ii) The Consequences.

If the Axis is ultimately able to receive from this source an accretion to her oil supplies of about 5,000,000 tons annually, the long-term consequences will be serious. It will no longer be possible to calculate, as has at times seemed reasonable in the past, that the German war production would be curtailed next winter and that Germany's ability to launch another full scale offensive in 1943 would be blunted simply by the tightness of her oil position. As has been previously pointed out, Germany is not likely to get any oil from the Northern Caucasian wells for at least six months. Moreover, destruction of the Caucasian refineries will mean that the entire output of the wells in this area will have to be transported crude across the Black

Sea to Constantza or to Ploesti. Nevertheless, the capture of the wells would enable Germany to take their future production into her calculations for purposes of allocating existing oil supplies. Industrial consumption of oil this winter, which might otherwise have had to be drastically reduced in order to conserve supplies for next year's campaigning (with marked effect upon the output of war materials), would be able to draw more heavily upon stocks without endangering the general position. The effect of German capture of these wells cannot, therefore, be dismissed on the ground that they will be of no immediate use to the enemy.

(b) Communications.

(i) Stalingrad's Danger.

The second, and probably most important, German thrust is that from Rostov eastwards up to the great bend of the Don which begins near Kletskaya. This is primarily a battle for communications. Here, at the moment of writing, the Soviet armies are fighting back with particularly heroic vigour, and since July 31 the Germans have started to record in their communiqués the number of Soviet tanks destroyed in Soviet counter-attacks in this area -- a distinction which until that date had been reserved for descriptions of relatively static battles around Voronezh, Orel and Rzhev. The principal danger at the moment in this area seems to lie in the pressure of the enemy forces which have crossed the Don near Tsimlyanskaya and swung north-east along the Tikhoretsk-Stalingrad railway. Fighting in the Kotelinikov area, is therefore of particular significance.

(ii) Three Routes.

The stakes in the battle for communications are even higher than in the battle for oil. Here it is the loss to the Soviet armies, rather than the gain to the Germans, which is the predominant consideration. Of the three lines of communication between the Caucasus and the north, the first -- the Krasnodar-Stalingrad railway -- has been cut at Salsk; the second -- the Volga navigation route -- is being subjected to intermittent night raiding; while the third -- via Chapayev (Gurev), at the northern end of the Caspian at the mouth of the Ural river -- is already, it may be surmised, strained to the limit of its capacity. If the second were overrun or seriously interrupted, two unequal parts of the Soviet armies -- those of the Caucasus and those of the centre and north -- though not actually cut off, would for practical purposes be largely reduced to supplying themselves from their own independent areas. Interchange of resources between the two areas would become largely impracticable.

(iii) The Stakes.

than
This, rather than any important reduction in the total supplies available to the Russian armies as a whole, would be the outstanding result of a successful drive across the Caspian waistline. In this respect it would differ from the loss of the Ukraine or the Donetz Basin. But its effects would be equally serious. The oil output of the rest of the Soviet Union excluding the Northern Caucasus is scarcely more than a third of that of the Baku area. There is little coal or iron ore, and very few steel plants to the south of the Caucasus. Russian Armenia is an important source of supply for synthetic rubber for the Russian armies. A substantial part of the Union's manganese deposits are in the Trans-Caucasus area.

(iv) Russian Reserves and Supplies.

The present battle for communications must, of course, have been envisaged in advance. Substantial stocks of essential commodities have no doubt been built up both above and below the "waistline". A recent unofficial published estimate put the Soviet oil stocks, mainly in the Urals, at 12,000,000 tons. Immediate shortages may not be in prospect. But the possibility that Caucasia may be cut off from the rest of Russia places an additional responsibility on the United Nations to discharge their difficult task of ensuring a constant flow of supplies via the Arctic at heavy risk to shipping and via Persia involving serious expenditure of shipping time. These costs must, and will, be borne. Fortunately neither group of the Soviet armies would be cut off from communication with the outside world.

(c) Food.

(i) Sugar and Wheat.

No complete analysis of the situation can ignore the seriousness of the Soviet food position. Sugar shortage is already giving cause for anxiety, mainly as the result of the overrunning of the Ukraine, whence came the bulk of Russia's best crop. The present battles will inevitably have the effect of reducing Russia's wheat supplies: how seriously depends on their future course. About 12 per cent of pre-war Russia's wheat comes from the triangle between Stalingrad and the Caucasus where battle is now raging. Though some proportion of this may be harvested and got away, communication is likely to be a limiting factor. Another 30 per cent of Russia's wheat is produced in and beyond the Urals; this at least is assured. The area bounded by the upper Don and the upper Volga running north to Kazan and Moscow -- a broad triangle set squarely in the heart of European Russia -- accounts for most of the remainder.

(ii) The Value of Voronezh.

The fate of this crop, and especially that important part of it which comes from the rich areas on the south-western side of the triangle, is likely to be decided by the fighting round Voronezh, which is thus primarily a battle for wheat. As in the case of the battle for communications, it is Russian losses rather than German gains that are important; whatever happens, the Germans can scarcely hope to refurnish their emptying granaries to any significant extent with the produce of this year's harvest east of the Don. But if any considerable part of this agricultural area were to be overrun in the near future, it would mean that the 1942 harvest available to the population of non-occupied Russia, which is probably something less than 75 per cent of that of pre-war Russia, would be less than 60 per cent of a pre-war year's wheat production -- and the implications of this for Russia's food problem do not need to be stressed. The magnificent Russian resistance on the Voronezh and upper Don sector, therefore, is not merely frustrating a dangerous possible German thrust across and down the Moscow-Stalingrad railway; it is also doing valuable work in conserving Russia's food supplies.

(b) The Next Phase.

(i) The Question of Supply.

Whatever the outcome of the three mighty battles now ranging, it is of paramount importance to the Allied cause that the Soviet armies should be supplied and enabled to hold the field in sufficient force to contain the maximum number of Germans and satellite troops in Russia throughout the winter. Provided the United Nations can do their part in overcoming supply difficulties, the prospects here are not unfavourable. Russia's fighting determination is undiminished by recent events. The Soviet armies still have great numerical strength. Considering the size of the territories lost, their forces are still relatively intact.

(ii) Lack of German Claims.

We must take into account the extremely cautious propaganda policy which Berlin is following this year in contrast to last year's excesses, and it is significant that no major claim to have captured or encircled forces or armour has been made with reference to the fighting in the south since July 11. Even then, in 12 days' fighting the number of prisoners claimed was half, of tanks less than a fifth, and of guns two-thirds, of those claimed in a ten-day period last year during the fighting round Bialystok. The Germans will no doubt produce further major claims in due course.

(iii) Replacements.

It would be absurd to pretend that the Soviet losses in this campaign will not have been serious; there is, however, no reason to suppose that the equipment lost will be irreplaceable. A large part of the responsibility for replacing it must fall on the arsenals of the United Nations. No one can envy those whole task it is to decide how the vast and growing output of these arsenals should be allocated as between direct supplies to Russia and reinforcements to other fronts including the Allies' other main offensive base, the British Isles. But it is clearly a decision which can be arrived at only by joint thinking and joint planning in London, Moscow and Washington.

2. GERMANY.

(a) A Second Front.

Planning, production and unifying strategy for war as a whole go hand in hand. Preparing for a second front in Europe is one of the elements, and certainly among the most important. These plans arrived at by common agreement among the Powers concerned must be based on detailed knowledge of the exceedingly complex supply position, and, for this reason, are not of a nature to be swayed either by reverses in the field or by popular demands in Britain and America which, reproduced in the Soviet Press, bring lively evidence to the peoples of the Union of the anxiety of peoples allied to them to help them in every possible way in their hour of need.

(b) Goebbels Takes a Hand.

Nor will the Government of the United Nations be deterred from the course which they have set themselves by the recent -- and very vocal -- interest which Goebbels has started to take in the establishment of a second front. The German successes in Russia have given him an opportunity to introduce this dangerous and somewhat explosive subject to the German people and those under

the Nazi heel. He is able to say -- what is manifestly nonsense -- that at the time of the Anglo-Soviet pact the establishment of a second front had been envisaged as an enterprise without risk, whereas now it is fraught with dangers. Since his opening blast of this theme in Das Reich at the end of last month, his propaganda machine has made it its business to underline these dangers by revealing the vast scope of the German preparations. All kinds of details which are obviously unreliable -- since, if they are not, the German security authorities would have suppressed them -- have been splashed on German news agency tapes during the last few days. A French engineer compares the new defences, rather unhappy, with the Maginot Line.

(c) Goebbels and Occupied Europe.

Goebbels may hope by this barrage of propaganda to curb any restiveness which the thought of a second front is likely to evoke in the occupied countries. It may well have the opposite effect and convince the occupied peoples that the Germans are seriously concerned and are being forced to divert some of their strength and man-power to prepare a second Maginot Line in order to counter Allied preparations for an offensive in the west. Even Goebbels can scarcely hope seriously to influence the considered policy of the Allied High Command which has known full well all along that the launching of an attack on Europe is an enterprise fraught with risks but is prepared to take them at a time and in a manner which will produce the maximum of inconvenience to Berlin.

3. THE PACIFIC.

NAVAL ACTION OFF SOLOMON ISLANDS

(i) First Reports.

There has been little detailed official news as yet of the battle proceeding in the Solomon Islands. Landing operations in the Tulagi area appear to have gone according to plan, but heavy fighting is still in progress. It is known that one Allied cruiser has been sunk; and two cruisers, two destroyers, and a transport damaged. A large number of enemy planes have been destroyed and several Japanese naval units have been put out of action.

Admiral Nimitz's first communique said: "Forces of the United States Pacific Fleet and Pacific Ocean areas, assisted by units of the South-west Pacific Area, launched offensive operations in the Tulagi area of the Solomon Islands on August 7."

7. These operations are progressing favourably despite opposition by enemy land-based aircraft and garrisons."

Full details of the action may not be published until next month, if the precedent of the Coral Sea battle is any guide. But the enemy radio is hard at work, building a colourful picture of a glorious victory for the Japanese Navy. We know from experience that naval battles in the Pacific usually last for nearly a week. But that does not prevent Imperial Headquarters claiming heavy Allied losses before the present battle has been in progress for 48 hours.

(ii) Enemy Radio Claims.

According to the Tokyo Radio, Imperial Headquarters issued a communique on August 9 to the effect that the Allies had suffered the following losses:-

<u>Sunk</u>	One battleship, 2 heavy cruisers (<u>Astoria</u> class), 2 heavy cruisers (<u>Australia</u> class), more than 3 other cruisers, more than 4 destroyers and more than 10 transports.
<u>Damaged</u>	Three heavy cruisers (<u>Minneapolis</u> class), more than two 2 destroyers and more than one transport.
<u>Shot Down</u>	More than 32 fighters and more than 9 fighter-bombers.

(N.B. The phrase "more than" is taken, in each case, direct from the English version of the communique as broadcast).

"The damage suffered by the Japanese in the battle", the communique continues, "includes only 7 aeroplanes, which carried out a very steep dive against the enemy and destroyed themselves, and 2 cruisers slightly damaged, but which are still able to continue fighting and cruising."

(iii) Facts and Fiction.

The enemy radio follows its customary procedure, banking on the shortness of public memory. Those who can recall its treatment of the Coral Sea battle three months ago will remember how similar were the enemy claims then and how fictitious they proved when read in conjunction with the Allied official report published on June 12 -- more than a month after battle was joined.

While the Coral Sea battle was at its height Tokyo Radio was claiming two aircraft carriers and a capital ship sunk for certain; one capital ship and a cruiser badly damaged; one destroyer sunk; one cruiser and a 20,000 ton oil tanker damaged beyond repair; 98 aircraft destroyed. To throw this impressive list into even greater relief, Tokyo said the Japanese losses were "limited to one small aircraft carrier (converted from an oil tanker) and 31 planes."

A month later, when all the evidence had been sifted and confirmed beyond all reasonable doubt, the Allies announced the result of the battle. The Japanese had lost 15 warships sunk and 22 other vessels damaged or set on fire. The Allied losses were one aircraft carrier, one destroyer and one tanker.

The enemy propaganda policy is to strike while the news is hot, making huge claims and small admissions, knowing full well that the Allies' regard for the truth will prevent any effective counter-blast being made at once. By the time the truth is published the enemy hopes that its listeners will have forgotten what they heard some weeks earlier. The enemy radio is interested only in the immediate effect of what it says; it seeks to spread alarm and despondency, to throw suspicion on the silence of the Allies.

To the thoughtful listener, it must be obvious that no accurate estimate of any sea battle, fought thousands of miles from headquarters, can be made within a few hours of contact being established. Wisely, the Allies withhold detailed reports, pending complete confirmation. Only thus can they hope to retain their reputation for accuracy in official communiqués.

(iv) Reason for Attack on Solomons

Since January 25, when Japanese forces secured their first foothold at Kieta, on Bougainville Island, the enemy has been consolidating his position in the Solomon Islands. For more than a month Allied reconnaissance has revealed that the enemy has been concentrating on the construction of several aerodromes on Guadalcanar Island, where advance parties landed on June 19 (to be reinforced on July 4). Guadalcanar is 300 miles south-east of Bougainville.

If we understand the enemy's purpose in occupying the Solomons, we shall learn the reason for the Allied attack on them. The purpose would appear to be two-fold. First, the Japanese wish to interrupt the passage of reinforcements to Australia and New Zealand. Second, they wish to acquire bases from which to attack the eastern flank of Australia.

The Fiji Islands, 1,250 miles south-east of Guadalcanar, are an almost indispensable link in the communication network linking North America with Australasia. The Japanese have proved themselves adept at advancing across vast ocean distances by easy stages, using islands as stepping stones. There are many such stepping stones by which they could reach the Fiji Islands. They have a choice between two routes: (1) from the Marshall Islands via the Gilbert and Ellice Islands and (2) from the Solomon Islands via the Santa Cruz Islands and New Hebrides.

As for the projected attack on Australia's eastern seaboard, it is noteworthy that the bases at Salamaua, Rabaul, Bougainville and Guadalcanar are all within 1,000 miles of a point on the Australian coast midway between Cape York and Brisbane. Japanese bases in the Louisiade Archipelago are just 600 miles from the Australian coast and bases in New Guinea are only 400 miles by air from Cape York. These bases are now fanned out over 30 degrees of a circle, the advantage of this being that the enemy can launch attacks from several different directions.

These are the intentions behind recent Japanese moves in the S.W. Pacific and they explain why the Allied counter-stroke has been initiated.

"350 -- 11/8/42".

CONFIDENTIAL

TWO-HUNDRED-TWENTY-SECOND BI-WEEKLY GUIDANCE NOTES ON THE WAR SITUATION,
DATED AUGUST 15, 1942.

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It is recommended that these notes be filed for record, as reference to previous notes saves time, paper and repetition.

POLICY

1. Keep crisis as the keynote in all war comments, but show that there are two sides to a crisis. Immediate major successes are more important to enemy than to us. We need united and intense efforts from all to turn dangerous corner and shorten war. Enemy's problem is to stave off defeat. This war will finish when we have won, and not before.
2. German haste in Russia is underlined by crude frontal attack on Stalingrad. This confirms that even a break through to the Caspian would not by itself paralyse Russian resistance.
3. Full and reliable news of Solomon Islands battle cannot be expected at this stage. Whatever the immediate local outcome, significant fact is that it is Allies who are attacking.

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1. RUSSIA.

(a) The Eighty Days.

Mr. Lyttelton has repeated his statement that we are passing through the most critical 80 days of the war. We are now at the 28th day of the period which is due to end on October 6. This period is one of crisis throughout the world and for the Axis no less than the Allies. For the Axis, indeed, it is even more serious, for whereas the issue for the Allies is the lengthening of the war or victory within a reasonable period, for the Axis the issue is not of victory late or soon, but of staying off the danger of defeat.

(b) The German Offensive.

(i) Canalising Tactics.

In the deciding of these issues Russia is playing a critical part, for Russia's power to contain the German army next year and to hit back at the end of this summer is one of the yardsticks by which the length of the war will come to be measured. The signs in the last few days have been slightly more hopeful in suggesting that Timoshenko's defensive strategy may be bearing fruit. This strategy has been to contain the Germans at one vital point after another until at last the whole German drive slows down and comes to an end. Just as flood water is not directly opposed at the first onrush but if possible is canalised and so gradually controlled, Timoshenko has been canalising the German drive without stopping it altogether. First at Voronezh, then at Kletskaya and Kotelnikov, the Germans have been checked; now the stream is dashing itself against the Caucasus.

(ii) The Caucasus.

In the Caucasus the German drive has spread in two directions. One is southwards around the refinery town of Krasnodar and the oil town of Maikop. The other is south-east along the line which skirts the foothills of the Caucasian range, towards the oil district of Grozny and the Caspian. At Cherkassk, where fighting is now proceeding, the Germans are about half way between the Black Sea and the Caspian. Here they can advance along a railway without crossing the mountains and there is no doubt that this represents the most serious threat to the Russian at the moment.

(c) The Immediate Threat.

The threat is of two kinds. The first is to the oil wells at Grozny and Maikop. The loss of these would not be fatal, for their total output is only one fifth of that of the Baku field within the Caucasian range. The second, and more serious threat, is to the Caspian, for if the Germans could establish themselves on the Caspian shore in force, they could, with aircraft, interrupt the flow of traffic on the main Caucasian route, from Baku to Astrakhan. The danger is serious but it may be pointed out that it is obviously easier for the Russians to bring up fresh reserves to defend the Caspian shore than it is to send them to the north-west Caucasus.

(d) Russian Counter Strokes.

News of Russian strokes at Leningrad and Rzhev should be treated with caution. It is heartening news because it means the immobilisation of more German troops which might have reinforced the southern drive. But since the weight of these attacks is not known it would be premature to describe as a counter offensive what may only be large local operations. The most that can be said at the moment is that they give once more proof of Russian resilience and enterprise.

2. BRITAIN: THE SECOND FRONT.

(a) Rising Expectations.

(i) Among the Allies.

Recent references to the opening of a second theatre of war against Germany in Europe have not been confined to the Press of the United Nations or to popular gatherings. Responsible public men, such as Major General Clark, Commander of American Ground Forces in the European zone of operations, have expressed their eagerness to attack the enemy at the earliest possible moment.

At the same time there has been much serious criticism of amateur strategy, which so often neglects the great and complicated problems involved, and forgets perhaps the equally uniformed criticisms which have been levelled from time to time at the War Cabinet on account of offensive operations alleged to have been undertaken with insufficient preparation.

It is probably because all sections of opinion, both official and unofficial, among the United Nations, are now firmly agreed upon the necessity of opening a second front, that sober examination of the project has found opportunities for expression. The atmosphere, in short, is one of constant expectation.

(ii) In Europe.

Comment was made in the last issue of Guidance Notes (No. 221, para. 2) on the sudden turn which German propaganda has taken in acknowledging the seriousness of the Allied intentions, and publicising to their fullest extent all German defence measures. That these defence measures are not being taken with the calm confidence which Berlin would like to suggest is shown by a document of which the contents, according to Moscow radio, recently became known to Belgian circles in London. This was an order from the German High Command to the troops in Belgium definitely envisaging the possibility that these troops might have to retreat. In that case, military chiefs would have complete liberty to destroy everything and to execute without trial. "Advance in columns", adds the document, "with groups of women and young girls at the head of the troops or lorries to prevent guerillas or parachutists operating against us. Nothing should be left after the rearguard has passed through".

The heavy publicity which Germany is now giving to her defence preparations in Western Europe is no doubt intended first to dispel faintheartedness among the German populations, secondly to terrorise those who are struggling for liberty in occupied territory, thirdly, to deflect the United Nations from their course by representing the difficulties involved, and fourthly to make difficulties between Russia and Britain by spreading the idea that the second front would be an impossibly dangerous venture. Such facts as there are behind this propaganda mean simply that Germany is preparing because the Allies are preparing.

In the meantime, news from Occupied Europe suggests that German terror tactics are not having their expected success, and that on the contrary the rising expectation outside the continent is shared by those who are waiting in Captive Europe to take advantage of the first opportunity that offers.

(b) What the Second Front Entails

(i) Six Conditions.

The London Daily Telegraph, in a well balanced editorial last month argued the case for a second front in Europe and laid down the following conditions as indispensable.

- (1) There must be air mastery to establish a solid bridgehead.
- (2) There must be sufficient shipping to transport and supply permanently a force sufficient to compel the enemy to transfer his principal strength from East to West.
- (3) The equipment of that force must be equal in quantity to anything which the enemy can bring to bear against it;
- (4) We must be sure that the opening of a second front in Europe would not disastrously affect the defence of Egypt and India;
- (5) We must be certain of our ability to reinforce the new front from Britain and America.
- (6) We require the power to harass and interrupt enemy communications.

(ii) The Shipping Position.

The necessity of all the above conditions has been apparent since the question of the second front was first strongly raised last September (see Guidance Notes No. 136, Para 2). Since that time Britain has been pushing forward her ascendancy in the air, the production of her war factories (though it should be remembered that we are sending quantities of material to Russia and the Middle East) and the establishment of trained men in Britain. The shipping question, however, has undoubtedly been complicated by the entry of Japan into the war and by the new U-boat campaign in the Atlantic.

In a grave situation it is therefore good news that shipping losses in the past month, according to the Norwegian shipping minister, show a considerable reduction compared with the earlier months of this year. Two weeks ago, Reuter's naval correspondent also announced that the battle in the North Atlantic had taken a turn for the better and the enemy radio claims of Allied shipping losses, exaggerated as they are, have shown a slow but definite decline for the past three months. At the same time American shipping production is reported to be higher for July than for the previous months.

(c) Where and When?

There is a prevalent idea that the present is a favourable moment which is unlikely to recur for the opening of a second front. This is based largely on the assumption that the Germans are at present engaging the maximum of their strength in Russia. The important thing to bear in mind, however, is that the factor of dispersal can work both ways and that conditions favourable to a second front in the west depend not only on German dispositions but also on the state of Allied preparations. The comparison between the rate of Allied preparations and that of German counter preparations can only be left to the highest and best-informed quarters in the councils of the United Nations. It is believed that Germany at present has between thirty or forty divisions in Western Europe. The most favourable moment for us to engage them is that at which we can do so without at the same time seriously weakening either Russia herself or the other Allied Fronts.

This does not mean, of course, that the second front has been indefinitely postponed. On the contrary it may come next week. The enemy does not know, but he is obviously seriously concerned, and the Allies are not going to satisfy his curiosity until the last moment. As a New York editor said a fortnight ago, just before leaving England after important conversations with many people from the Prime Minister downwards: "I am betting on it, but I do not know when or where".

3. TURKEY

(a) Turkey under Sarajoglu.

On the night of July 7th/8th Dr. Saydam, the Turkish Prime Minister, died of heart seizure at Istanbul. It took the President of the Republic barely 24 hours to decide on the appointment of the new Premier. M. Sarajoglu, the Foreign Minister was entrusted by Ismet Inonu with the formation of a new cabinet. Within six hours of receiving the presidential mission and 40 hours after Dr. Saydam's death, the new Premier presented his Cabinet. The political crisis in Turkey was over.

(i) No Change in Foreign Policy.

If the Nazis hoped to find a weak or disoriented Turkey following the political change, they have been disappointed. The appointment of Sarajoglu as Prime Minister was a guarantee that Turkey's foreign policy would not change, for he is known to have professed in this respect the same views, identical with those of the President.

On the other hand, it would be an error to assume that the man who as Foreign Minister signed the Anglo-Turkish Treaty of Alliance would as Prime Minister be inclined to favour Britain unreasonably. One of the characteristics of modern Republican Turkey is the extreme sense of realism which her statesmen have displayed at all times. Like his predecessor therefore, Sarajoglu will continue to try and maintain correct relations with Germany and the other Axis countries, and if Germany makes no act of provocation there will be no quarrel. Turkey's policy is one of strict neutrality in the most comprehensive sense of the word.

(ii) "The Fundamental Factor".

That this neutrality ultimately rests on the support of the Anglo-Turkish Alliance was made clear by the Prime Minister in a statement on Turkish foreign policy to the Grand National Assembly on August 5. He emphasised his Government's determination to maintain strict neutrality and added: "If despite our efforts, any part of our territory becomes an object of attack, desperate resistance will be offered to the aggressor. We are strengthening our army every day to meet that eventuality should it come, and my Government will continue this programme with greater vigour." Having described the Turco-German Pact of Friendship as "an instance of Turkey's peace-loving policy", he concluded: "Our friendship with Britain, I must admit, is the fundamental factor in our political system".

(iii) Unity of Government, People and Press.

That behind a united Government and nation stands the Turkish press, closely representing their views -- is evident from a passage by the Turkish Deputy, M. Yalcin, written in the Yeni Sabah, the day after Dr. Saydam's death. "We are of opinion" he wrote on July 8, "that the distinctive character of the Anglo-Turkish Alliance lies in the fact that this Alliance grows stronger every day and whatever turn affairs may take they only serve to reaffirm this fact". Turkey's policy is one of strict neutrality and extreme military vigilance. But M. Sarajoglu's latest statement leaves no room for doubt that the Anglo-Turkish Alliance remains the pivot of her foreign policy.

(b) The New Foreign Minister.

It is not without significance that the new Prime Minister's statement on foreign policy preceded by a week the appointment of M. Menemencioğlu as Foreign Minister. The policy laid down by the Government is thus guaranteed continuity.

Moreover, the new Foreign Minister has a history of long association with the Turkish Foreign Office and as Secretary General of Foreign Affairs since 1935 he has played an important role in the formation of Turkey's present

4. SIAM.

(a) The Fruit of Appeasement.

(i) The Way of an Appeaser.

"Thais would rather die than give up Thailand to any invader, or allow any foreigner to interfere with Thailand's inner politics." This is what Bipul Songgram said on August 9, 1941. This was supposed to imply Siam's refusal to accept any help from Tokyo. The only effect of the policy has however been to make Siam the most suitable cat's paw for Nippon's double faced diplomacy. If evidence was required to support this point of view we need only cite the statement of Siam's Minister in Berlin who according to a Japanese broadcast of June 8 said: "The ideal of the Thai Government is the same as that of Japan, and we will cooperate with the Axis Powers until the end."

(ii) The Japanese Stranglehold.

By June of this year the rigours of "Co-Prosperity" were being tasted by Siam in full. "Owing to a serious emergency," ran a talk in Siamese from Bangkok on June 11: "The Thai Cabinet has created a new State Convention, wherein it urges all Thais to buy and use Thai goods and at the same time to do their best to help to improve Thai economies and industries."

With a market flooded with over-valued yen, an export trade completely checked, small wonder if the Siamese Government are compelled to institute "a state of emergency" and are feverishly anxious to bolster up a run-down economy by the most rigid measures of Fascist autarchy. On May 28, Bangkok Radio reluctantly revealed in an announcement in Siamese: "It will be difficult to get financial matters settled quickly...every country gets into difficulties with its finances...the government is trying everything for the good of the Thais."

Songgram on June 24 begged "Thais to help each other and improve our industries and commodities. Please buy everything Thai", he said, having sold himself and his country to Tokyo. On July 27 a radio message from Bangkok said: "in this war the cultivation of land is very important so that there is less necessity to import food and depend for our livelihood on others." The atmosphere in this prize example of Co-Prosperity is obviously that of a country friendless in a hostile world.

(iii) The Puppet Dictator.

From the middle of May an intensive campaign has been launched to exalt Songgram into the status of a Fascist divinity. A broadcast in May requested "the people to have faith in the Leader, have 'Bipul Bipul' on your lips." Said a Siamese talk on June 5: "We ought to act according to our Leader, and not grumble because the situation is serious. All must agree to have a leader in the person of Marshal Bipul Songgram. Act and follow Bipul Songgram. We Thais must follow everything he says without thinking, then only will we be able to exist as Thais".

In order to enforce this Nippon-Nazi rule a thorough overhaul of social life was inaugurated. A Siamese talk on June 12 urged, "that culture is the kernel of the nation. Our minds must be disciplined in everything". A Pseudo New Life Movement insisted upon "Thai manners, customs and demeanour." By July there remained no aspect of life that the Government did not touch to twist it to its own Tokyo-imposed purposes. A broadcast of July 12 said with pathetic eloquence: "Regimentation of life was complete, and exhaustive".

(b) Fresh Hardships.

Early in July the Japanese Ambassador in Bangkok said, with evident glee, that he had to see Siam to "believe it to be a Land of Rice." The result of this discovery was that Bangkok Radio had to put out a revealing message in July 22: "Rice merchants are spreading rumours about scarcity...it is false...they are doing it for their financial benefit." On August 4, the same station gave out further evidence of results from what Songgram referred to as "close and intimate cooperation with Japan". One announcement ran: "A new law provides for the strict control of foodstuffs and other commodities. Those who possess more than 100 kg. sugar, Glaxo 50 tons, Cloth 100 metres, silk and cotton thread 800 reels must report to the Ministry of Trade." Another said: "The fact about this new law regarding forced labour is that the Thais must consider seriously whether it is necessary or not to improve our situation in view of the shortage of commodities."

(c) Signs of Discontent.

The exploitation of nationalist feelings, in the approved Fascist manner, has been one of the principal devices by which Songgram and his associates have established their position and hope to maintain it. Since no genuine nationalism, however, can flourish in such an atmosphere and under the heel of Japan, popular frustration has psychological motives as well as the material motives of being forced to increase production with no hope of enjoying its benefits.

A recent neutral report reveals that very stringent measures have been taken, not only by the Songgram government but by the Japanese authorities, to deal with open expression of this rising discontent under "co-prosperity".

It is perhaps significant that Bangkok radio has considerably quietened down on its "Free India" campaign, which at one time reached such excitement that Songgram himself was offering to "lead India", to culture and liberty. Probably the campaign fell flat in a country which has itself been so ruthlessly stripped of whatever freedom and prosperity it once enjoyed.

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CONFIDENTIAL

TWO-HUNDRED-AND-TWENTY-THIRD BI-WEEKLY GUIDANCE NOTES ON THE WAR SITUATION, DATED AUGUST 18, 1942.

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It is recommended that these notes be filed for record, as reference to previous notes saves time, paper and repetition.

POLICY

- (1) Immediate gravity of Russian situation should not obscure long-term view. Main bulk of Russian armies cannot be eliminated from 1943 campaign by German successes in south.
- (2) Note improvement in Allied shipping position, and in all references to this vital factor of war point out Japan's growing needs and difficulties.
- (3) British air offensive against Germany is result of patient planning and foresight in time of great danger. These are the elements of victory.

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1. RUSSIA.

(a) The German Threat.

The latest developments on the Russian front reveal, broadly, the intensification of the threat in already dangerous areas. It is now worth considering how the development of these threats to their logical conclusion would affect the whole Russian war-effort.

(i) The Caucasus.

1. Maikop.

The first threat is, of course, to the Caucasus. While the Russians still hold Krasnodar on the line of the Kuban River with its oil refinery (which they have now had ample time to dismantle or destroy), they have evacuated Maikop. The oil wells have been destroyed and the installations removed. South of Maikop the Caucasian foothills begin, and while it is doubly unwise in modern conditions of warfare to put one's trust in nature, there is no doubt that the hilly country will impede the operations of armoured units.

2. Mineralnie Vodi.

The German flood, barred for the moment at least by the Caucasus, seems now to have turned south-east, and to be surging along the foothills towards the Caspian shore. In this the Germans are aided by a main line and a number of branches which serve the fertile sub-montane districts. Along this line, whose goal is the Caspian port of Makhach Kala, the Germans have proceeded as far as Mineralnie Vodi, about 150 miles from the oil centre of Grozni and about half-way along the whole Caucasian range.

1814 (carried on against the rules because the Allies were afraid to give him any time to recover from his defeat at Leipzig). Hannibal and Napoleon both crossed the Alps against the expectations and to the confusion of their opponents, and history abounds in examples of the penalties exacted from sanguine commanders for too great trust in natural obstacles. The Russians are therefore wise when they insist that they rely for victory not primarily upon General Winter or Colonel Mountain, or Corporal River, but upon their own courage, skill and resolution.

2. BRITAIN: AIR WAR.

(a) Growing Weight of R.A.F. OFFENSIVE

Figures issued by the Air Ministry on August 12 leave no doubt that the R.A.F. offensive against Germany is gathering force at a steady rate of progression. The figures relate to the same two-monthly period -- June and July -- in three successive years, and represent the total bomb-load dropped on targets in Germany alone during that period:-

June-July 1940			3,500 tons
June-July 1941			8,500 "
June-July 1942			13,000 "

In the month from July 12 to August 11 (30 nights) the R.A.F. was over Germany on 13 nights. The numerical strengths of the forces engaged are summarised below:-

On One night			Less than 100 Aircraft
On One night			Between 100 and 200 Aircraft
On Ten nights			Between 200 and 400 Aircraft
On one night			More than 600 Aircraft

On three of these occasions the bomb-loads dropped were published as 450 tons, 500 tons and 700 tons respectively -- an average of 550 tons.

The two heaviest raids made on Britain by the Luftwaffe were directed against London on April 16/17 and May 10/11 of 1941. The tonnage dropped was less than 450 on the first occasion and only 420 on the second. The raid on Coventry (November 14/15, 1940) which set the standard for subsequent "blitzes" on British towns and gave the announcer of the Berlin news bulletin in English a new word -- "Coventrify" -- with which to strike terror (so he thought) into British hearts, was a comparatively small affair ... only 225 tons of bombs were dropped.

So we see that the average weight of German raids on Britain during the "blitz" of 1940/41 was 225 tons. What is the average weight of British raids on Germany in the summer of 1942? On the night of August 9/10 an average raid was mounted on Osnabruck by less than 200 British aircraft. The bomb-load, which included between 40 and 50 two-ton bombs, between 70 and 80 one-ton bombs and a large number of incendiaries, totalled 450 tons.

It follows that, in spite of the handicap of having to fly an average of three times the distance, British bombers are mounting average raids on German towns which are twice as heavy as the average German raids on British towns.

(b) Military Targets Always.

The Germans made no secret of the fact that they do not confine their attacks to targets of military importance. In recent months they have made such and such their so-called "Luedeker" raids on British towns of historical interest e.g., the cathedral cities of Canterbury, York, Exeter, Bath and Norwich. Their avowed objective in these raids is to terrorise and dismay, not to destroy factories or docks or aerodromes or military establishments.

A body of opinion in Britain has urged the Government to treat Germany in similar fashion. Several wise Government spokesmen have made it clear that they will not be collected in their main purpose, which is well known to be the destruction of the vitals of Germany's war effort. As recently as June 18, Mr. Attlee rejected a suggestion that undefended German towns and villages should be obliterated by the R.A.F. as retribution for the mass killing of innocent hostages in the occupied countries. "There will not be enough German villages to go round," he observed, then added (amid cheers) that the British policy was to "hit the R.A.F. against the most effective points and the bombing of separate villages was not necessarily the most effective use of the R.A.F.'s striking power."

Recent raids have kept to this policy and proof is provided by aerial reconnaissance photographs, of which detailed descriptions, giving names of factories and workshops and the extent of the damage inflicted on them, have been released to the Press in all countries, including India.

(c) U.S. Air Corps is Ready.

A report from a Reuter correspondent with the U.S. Army Air Corps in Britain says (August 16): "The United States Army Air Force is now ready to bomb Germany and occupied Europe. Any day now light-coloured day-bombing flying fortresses will appear unseen and unheard over Germany and, with the aid of America's most secret and most accurate bomb-sight, pin-point military targets from the sub-stratosphere. Huge night bombers will follow, bringing widespread devastation."

Already American fighters are participating in R.A.F. daylight sweeps over the English Channel and Northern France, "limbering up" for the great American air offensive that cannot now be long delayed. Ground personnel totalling 400,000 will keep the American planes in the air and 150 aerodromes will be reserved for the exclusive use of American bombers and fighters. That means accommodation for close on 2,000 aircraft.

3. FRANCE.

(a) Laval and the French Political Parties.

It will be remembered that when Laval came back into power last April he did not include Jacques Doriot in an inner Cabinet. The reason was that Hitler regarded Laval as being on trial. The official Wilhelmstrasse comment on April 15, 1942: "Laval is doubtless aware that he will have to exert from scratch and that his task is very difficult". The implication was clear: if Laval failed to provide the required dividends he would have to go, and other men and other measures would have to be tried. It was common knowledge that Doriot, the notorious "collaborationist", was the chosen candidate for leadership in Vichy, in case Laval failed to satisfy his German masters.

Whether Laval has so failed, or whether he and the Germans are deliberately encouraging rumours that Doriot means to supplant him in Vichy, it would appear that he is endeavouring to prepare the country for a fresh surrender to the Germans. To gain popular sympathy in France and to push his schemes of collaboration with the Nazis still further, he must threaten the people with the consequences of Doriot's coming into power. And France knows too well that Doriot is perhaps even more pro-Nazi than Laval himself.

(b) The Pro-Pétain Group.

To understand the deep political game that Laval may well be playing, it is useful to examine the criss-cross pattern of French politics today.

(i) The Cagoulauds.

In the first place Laval cannot afford to displease the Nazis hence he must keep in check the secret organisation which goes by the name Cagoulauds -- meaning the "hooded ones". Under their chief, Commander Goussart, the Cagoulauds formed themselves into a "Marshal's Guard" to check Communist as well as pro-Nazi activities. It was they who in December 1940, arrested Laval and his "collaborators". Since Laval's return to power the Cagoulauds have gone underground, but are still a source of great worry.

(ii) Action Française.

Similarly Laval must guard himself and his Nazi masters from the Action Française, which though violently antidemocratic, anti-British and anti-Semitic, discreetly confines itself to announcing its confidence in the Marshal on the subject of "collaboration" with the Nazis. It is also known to have monarchist leanings, and though it is not so enthusiastic about the Comte de Paris, the "heir to the throne", it favours a sort of provisional monarchy under the Marshal.

(iii) The National Revolutionaries.

The Legion des Combattants et des Volontaires de la Revolution Nationale, and Pétain's Youth Movement, are like the Cagoulauds and the Action Française, loyally attached to the Marshal, his Labour Charter and his National Revolution. As the Marshal's variety of "collaboration" is different from that of Laval, the latter has also to on guard against them. Laval's recent assumption of complete police power and his formation of the Legion Tricolore are obviously meant to counteract the influence of these pro-Pétain organisations..

(c) The Ultra-Collaborationists.

If Laval is worried about these movements which, though anti-British, are yet not sufficiently pro-Nazi to inspire confidence in his German masters, he has also to keep a careful eye on those movements which are definitely pro-Nazi and would go to even greater lengths than himself in placating the Germans. Laval's strong card to-day is that if these parties are allowed to come into power the French people will be the losers to an extent which they would not be if he still remained the master in Vichy. By this blackmail Laval probably hopes to reconcile the French people to his rule and to condone any surrender he might have to make to the Nazis in order to keep himself in power. The two parties which he, therefore, paints in the blackest colours are the Vernes et Cie and the Doriotistes or the Parti Populaire Français.

(i) The Vernes et Cie

The name Vernes et Cie covered great commercial coal and shipping operations before the war, but its present sympathisers would willingly convert France into a vast agricultural country to serve the interests of Germany. P. Ichiloux, for instance, would give the first place to agriculture, encourage land-draining schemes to sow new crops such as soy-beans and supply Europe with fresh vegetables and fruit. The new plan would develop the roads and railways to meet the needs of Germany's "New Europe". M. Pucheu is a great believer in this scheme, and it is significant that his name was omitted from Laval's Cabinet in the April reshuffle.

(ii) Doriot and His Popular Party

The Parti Populaire Français of M. Jacques Doriot is as resolutely pro-German as the Cagoulauds are anti-German. The P.P.F. is the only party to have survived in France since the Armistice, all other having been dissolved by order of the Marshal. It engaged in a violent anti-Semitic campaign of German inspiration and is the most Fascist of French parties today. The reason why it is tolerated by Pétain may well be the fear of Germany, but the Marshal hopes to get rid of it if its members join the Volunteer Legion for the Eastern Front. The French people themselves are actively hostile towards this party, as the recent outrages against its officials have amply shown. When Albert Clement, Editor of the Cri du Peuple -- the organ of the party, was assassinated some time ago, Doriot demanded that all its members be permitted to carry arms. Laval, however, rejected the demand.

Jacques Doriot started his career as a Communist and was a member of the Third International. The German conquest, however, made him a Fascist and the lure of gold has made him forget his previous political affiliations. It was reported from Washington recently (April 13) that the Nazis have given him 80,000,000 francs to carry on Nazi propaganda in Unoccupied France and North Africa, and to encourage the enlistment of so-called "volunteers" for service against Russia. This huge bribe, of course, comes directly from the "occupation costs" that the French themselves are obliged to pay to the Nazis.

CONFIDENTIAL

224
TWO-HUNDRED-TWENTY-FOURTH BI-WEEKLY GUIDANCE NOTES ON THE WAR SITUATION
DATED AUGUST 22, 1942.

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It is recommended that these notes be filed for record, as reference to previous notes saves time, paper and repetition.

POLICY

(1) While making clear that Dieppe commando raid was not invasion attempt, use this highly successful exploit together with Churchill-Stalin meeting and Allied Pacific operations to drive home inflexible determination of United Nations for total victory over Tripartite tyrannies.

(2) Avoid any complacency in dealing with Indian situation. All possibility of interrupting India's war effort and jeopardising her defence in war's supreme crisis must be eradicated before Government can negotiate further with any party.

(3) Regarding Auchinleck you may recall that previous exchange of commands with Wavell proved to be shrewd and far-seeing move.

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1. RUSSIA.

(a) The Moscow Meeting.

(i) Goebbels And the Meeting.

The importance of the Moscow Conference from the Nazi point of view can be gauged by German radio attempts to discount it. According to the Axis radio, "the Russians have made their position clear, which is that the Soviet Union is now in a desperate plight; the establishment of a second front is being discussed"; "Stalin accused Churchill of having betrayed the Soviet Union." All these revelations, which might be regarded at first sight as an unusually clever scoop, were made before Mr. Churchill actually set foot in Moscow on August 12.

(ii) The Scope of the Decisions.

The declaration of the two powers at the close of the Conference does not need repetition, but the limitation of common action to "Hitlerite Germany and his associates in Europe" must be read as limiting the sphere of joint action, not of joint opinion. So long as Russia is at peace with Japan, she can clearly make no declaration against her, and no one at the present moment would expect Russia, bearing heroically the full brunt of the German onslaught, to declare war upon Japan. Russian opinion can be gauged from the next sentence of the declaration, "In this just war of liberation both Governments are determined to carry on with all their power and energy until the complete destruction of Hitlerism and any similar tyranny has been achieved."

(iii) Significance of the Meeting.

The subjects discussed of course remain secret, but the present Russian situation and prospects, the despatch of supplies to Russia and a second front are certain to have been amongst them. The relation of the Russian campaign to Middle Eastern operations must also have been considered. But the agenda of the Conference does not constitute its significance or explain why it is rightly called a great political victory. The significance of the meeting is twofold.

1. The Treaty in action.

First it marks the passing of the Anglo-Soviet Treaty from the plane of words to the plane of action. All the world now knows that the two powers are not only talking in unison but acting in concert. What, from the time of the Moscow Conference, was a system of help on request, is now a considered union of effort.

2. A Single plan.

The second significant fact of the Conference is that it marks the extension of joint strategical planning to embrace Russia as well as Britain and America. There is not yet a single command, and this may not ever be practicable or desirable, but there is now a joint plan, which marks a long stage towards victory. For that the vision of four great men is responsible -- Churchill, Stalin, Roosevelt and Chiang Kai-Shek.

(b) The Russian Campaign in Perspective.

(i) The failure of 1940

If we are to keep the present phase of the World War in its proper perspective, it is necessary to look back over the past two years, as well as forward into 1943.

When the victorious sweep of the German Army through Western Europe in 1940 was halted at the English Channel, and the plan for invading England foiled, German expectations of a quick decision in her favour were frustrated. The subsequent failure to break British morale or to wreck British war production by aerial attack left the Germans with an undefeated enemy in the west. Their offensive had stopped short of its final objective. That failure involved them in continued maintenance of a Western Front from the Lofoten Islands to Biarritz.

(ii) From Stronghold to Springboard.

During the greater part of 1941, this Western front was regarded in Berlin as a great semi-circular springboard from which Britain (reduced to starvation point by submarine conquest of the Atlantic) could be victoriously invaded. The prodigious development of British armament and aircraft production; American aid, German failure to dominate the Atlantic and then the entry of the United States into the war, followed in due course by the desertion of an American army to the United Kingdom, slowly converted Britain from being the last stronghold of European liberty into a springboard of Anglo-American invasion of the Continent. In the West the initiative had passed from the Germans to the United Nations: the Western front had ceased to represent a temporarily arrested German offensive and had become a defensive German rampart. The existence of the Western Front today is an important military fact apart from the burning question as to whether when London and Washington will decide to live it up by offensive action on the full scale.

(iii) Middle Eastern Stalemate.

Meanwhile British forces had eliminated the Italian empire in North East Africa and two Italian armies, and were well set for the conquest of Tripoli and the reopening of the Mediterranean, when the irresistible obligation of honour caused the diversion of troops (which could ill be spared) to the aid of the heroic Greeks. The upset was that Germany established herself in the Balkans and was obliged to underpin tottering Italy by opening a fresh German front in Libya. On their side, the British were thrown on the defensive in that region, but they successfully built a barrier against German penetration into Syria, Iraq and Persia.

(iv) Why Russia was attacked.

The Axis invasion of Russia was intended to be as short and decisive as the previous drive into France. The destruction of the Red Army and the collapse of the Soviet regime would have placed at Germany's disposal vast resources of man-power, foodstuffs, industrial plant, oil and minerals. The conquest was to secure what Ribbentrop's pact with the Soviet Union had patently failed to do. The Russian plunder was to counter-balance American production. Commanding the resources of almost the whole of Europe, the Germans calculated that they could then swing back to the Western front and convince Britain and the United States (not then belligerent) that further effort on their part was useless. In short they would capitalize their gains and Nazi mastery of the European continent would become a permanency. Strangulation of the British Commonwealth and the United States could then proceed by discreet and "peaceful" stages.

(v) Japan to the Rescue.

Halting of the German armies in front of Leningrad and Moscow followed by the Russian winter counter-offensive brought Germany very near to complete disaster. In December the war was revolutionised: Japan struck her blow. The United States was ranged alongside the British Commonwealth but was faced with a two-ocean war. That stroke which threw the United Nations severely on the defensive throughout the Pacific areas was a godsend to Hitler, even though the Japs went their own way and refused to attack the Soviet Union at German instead of Japanese convenience.

(c) German Foes and Allied Intentions.

(i) The Two-Front Spectre.

By the spring of 1942 the Germans were confronted with a situation totally different from what they had calculated. By tremendous efforts they had survived the winter and stemmed the Russian advance but the very thing which they had planned so carefully to avoid was creeping up the horizon... simultaneous maintenance of two major fronts. In the east they were faced by an unbroken and formidable opponent who was receiving steadily increasing supplies from the Anglo-American arsenal. And, notwithstanding the spectacular victories of the Japanese in the South-West Pacific, there were already unmistakable signs of preparations for an Anglo-American invasion of the west. If the Soviet Union remained in being as a great fighting Power capable of returning to the offensive when the western invasion began, Germany would face a catastrophe.

(ii) Hitler Risks All.

For that reason Hitler decided to mortgage his future in every possible way in order to secure the maximum hitting power to knock Russia right out of the ring before a British-Canadian-American army could make its presence felt in the west. In fact he planned to screw up the German war machine to its utmost capacity to achieve in the summer of 1942 what it had failed to accomplish in the summer of 1941 and would have no hope of doing in 1943.

(d) The Allied Plan.

(i) The Churchill-Stalin Pincers.

The pattern of these events of the recent past forms the necessary background for a balanced judgment about the present and immediate future.

What Hitler and the German Command most dread is having to cope with major campaigns on the eastern and western fronts simultaneously. What, therefore, they chiefly fear must for the United Nations be the main objective. In order to be able to apply this gigantic pincer movement against the German Army, it must be a fundamental condition of Anglo-American strategy that the Russian arm of the pincer be kept in active being.

(ii) Ways of Aiding Russia.

1. A Second Front.

The problem before statesmen and military experts in London and Washington - and now in Moscow - is to determine what are the most effective measures to prevent the Axis from upsetting their strategic plan. Timoshenko has preserved his army substantially intact and the Russian positions along the upper Don and lower Volga appear to offer a good opportunity for outflanking the Axis thrust in the Caucasus; but it may be that the Soviet war-machine as a whole has been so weakened that nothing less than a major diversionary attack by an Anglo-American army can sufficiently ease the pressure. If that is the case, and if for that reason another front is opened in the near future - either in Western Europe or some quite different region - then we must face the fact that

(2.) Supplies and Other Aid.

Consultation with Russian leaders may, on the other hand, indicate that the preservation of the strategic plan of the United Nations and the frustration of the "avoiding action" which is being taken by the Germans can be most effectively achieved by providing direct assistance to the Russian military machine by greatly increased supplies; perhaps by direct reinforcement in the form of air and tank crews; by keeping the Japs very fully occupied in the Aleutians and the Solomons and elsewhere; and by other possible measures about which it would be impolitic to speculate.

(e) Conclusion

The Germans are making terrific efforts and risking everything to break out of the iron ring which they forged for themselves by invading Russia. It would be idle to pretend that they have not come within measurable distance of achieving that object. In determining upon the most effective measures for keeping the constrictive power of the ring intact, British and American leaders must and will make their decisions in accord with a unified world-wide strategy.

2. BRITAIN

Raid on Dieppe

(i) Unique Features

A number of features make the raid on Dieppe (August 19) unique in this war's record of Commando fighting:-

1. The landings were effected in broad daylight.
2. Tanks were used for the first time.
3. American and Fighting French detachments made their debut.
4. Air support was on an unprecedented scale, and international in its composition.
5. The raid was made against a port only 60 miles from the English south coast.

Point 5 is perhaps the most important. It is inevitable that the Luftwaffe should be more strongly represented in the coastal areas close to England than in any other part of Occupied Europe. This is automatically dictated by operational needs, both offensive and defensive. In somewhat lesser degree, this applies also to German naval units. The necessity of getting supplies through the Straits of Dover and the offensive spirit of British light coastal forces both require the Germans to maintain forces of E-boats, R-boats, minesweepers and armed trawlers in the Channel ports.

It follows that a raid on Dieppe is about the toughest problem of its kind which the Combined Operations Command under Lord Louis Mountbatten will ever have to tackle.

(ii) A "Dress Rehearsal"?

This line of reasoning is the basis of the suggestion made in several quarters that the raid was in the nature of a "dress rehearsal" of more extensive operations planned for the future. If such a rehearsal were, in fact, contemplated, Dieppe would be an ideal theatre.

The landing of large forces in France could not be accomplished in a single night and the operations would therefore continue through the hours of daylight. That would explain why the Dieppe landings were made in daylight, despite the fact that the raid was scheduled to last only nine hours.

The acquisition of a bridgehead, including port facilities, which is an acknowledged prerequisite of any large-scale invasion, would require the initial landing of such heavy weapons as tanks. That would explain why specially-constructed tank-landing craft were employed.

(iii) The Air Factor.

Not since the Battle of Britain have there been so many aerial dog-fights in one day as there were during the latest combined operation. R.A.F. losses totalled 98 (30 fighter pilots safe); Luftwaffe losses were 91 aircraft certainly destroyed and 192 others probably destroyed or known to be damaged.

The total fighter strength of the Luftwaffe in Western Europe is believed to be in the region of 500 machines. It can therefore be said that 20 per cent of Western Europe's air-borne defences have been definitely eliminated and a further 35-40 per cent have been temporarily or permanently put out of action. This result in itself is ample justification for the raid.

It is well known that offensive operations usually entail heavier losses than defensive operations. This applies particularly to air combat and it is all the more remarkable, therefore, that the balance of air losses in this combined operation tended to favour the R.A.F. This aspect of the raid augurs well for the future, which can hold few tests of greater severity as far as the air arm is concerned.

3. EGYPT

(a) Race For Reinforcements.

Recent official communiques from Cairo have mentioned only patrol activity, artillery exchanges and offensive fighter-patrols in the air. This means that both the 8th Army and the Afrika Korps have for the present dug in, and what was once mobile desert warfare has now become a battle of positions. This however is a purely temporary phase dictated by the need for further reinforcements. For behind an apparently static front, there is high-pressure activity on both sides to build up full-scale striking power.

(i) Primary Routes.

The building up of such offensive power is bound up with the supply routes of the two sides. The primary route of the allies via the Cape -- a matter of more than 11,000 miles -- is far longer than that of the Axis across the Mediterranean. Italian reinforcements from Messina to Benghazi have to cover only 500 miles of sea, while the Germans bring theirs by boat, barge and plane over the 300-mile Crete-Tobruk route. Allied raids on Axis convoys at sea, on barges and lighters along the coast and on enemy ports and harbours in North Africa, have taken a heavy toll of these supplies. But it would be a mistake to imagine that the enemy has been prevented from getting considerable supplies through. There is no justification for the opinion that the Afrika Korps will for long be seriously short of the essential materials of war.

(ii) Secondary Routes.

The Axis' secondary or land route is both longer and more vulnerable than that of the Allies. The distance from the battle-front to Tobruk is 300 miles and from there it is another 200 miles to Benghazi. This long, open supply artery is highly vulnerable to Allied air attacks. The 8th Army on the other hand is only 70 miles from its base at Alexandria and some 200 miles from the port of Suez. The advantage of these shorter routes was clearly demonstrated in the recent launching of limited attacks by General Auchinleck.

(b) Conclusion.

Neither side, as yet, feels itself strong enough to undertake a full-scale offensive. The answer to the question who will strike first, depends upon who wins the race for reinforcements. In this connection Mr. Churchill's laconic statement during his short stay in Egypt is worth noticing. "You have done magnificently", he said to a body of troops, "Plenty of stuff is coming." In the meantime the R.A.F. and the Allied air forces are busy reducing Rommel's advantages of a shorter primary route by carrying on a persistent and calculated bombing offensive of the most essential enemy target areas on land and sea.

4. BURMA.

JAPANESE MISROLE IN BURMA

(a) Japanese Promise and Performance

Japanese broadcasts have insistently tried to make the point that so far as the Indians are concerned they have nothing "but love and admiration for them and their culture", and that they would always treat them with great courtesy. This is straightforward propaganda policy. As such, it is carried out in some cases, where the exigencies of administration make it profitable for them to do it at least temporarily. But at bottom the pride of the "Yamato Race" does not permit them to regard any race of any clime as their equals. The "Bushido" begins to wear thin under the stress of avarice and ingrained contempt of all others as inferiors. And in the everyday routine of life the mask of the 'polite face' is thrown off and the thug is revealed in all his ferocity. Evidence is now accumulating that in Burma, both Indians and the Burmese have already begun to see the cloven foot of their aggressor.

(b) The Thakins.

Hardly had the Japanese Military Administration dug itself in Burma, when reports came through that the Japanese Governors considered it expedient, to put to death a good number of "Thakins" (the Fascist clique that supported the Japanese advance), on the plea 'that men who could easily betray once, might do it again'. This gave a foretaste of the universality with which the Japanese would harass and torture everyone, Indian or Burman, if in their opinion such persecution was "expedient".

(c) Indian Refugee Reports.

Amongst the number of reports that have come from Manipur, one at the beginning of June stated that refugees coming through the Japanese lines had been robbed, and reached our outposts almost starving. There was also much dysentery, small-pox, and malaria. Centres for rest and medical treatment were established in Manipur.

Preliminary reports have come as a result of interrogating refugees who have just struggled back from Burma. They could hardly speak because of their great physical weakness. But what little they did say is revealing enough. They speak of inhuman treatment of refugees, especially young women, by Japanese soldiery. Forced labour is rigorously enforced. Refusal to work is answered by executing the unwilling, and witnesses to these grim incidents are other unfortunate refugees.

(d) Other Sources.

Sir Reginald Dorman Smith said in a Press interview on January 6: "With complete disregard for civilian life and property, the Japanese loosed bombs on Buddhist monasteries, which should have been held sacred, on hospitals and the humble dwellings of workers. During one short incursion into our territory, the Japanese tortured poor village men and defiled Burmese women."

As recently as August 19, reports have arrived from an officer and two men belonging to Gurkha and Indian troops who visited the village of Tohne during one of their raiding operations. When these men came to Tohne, they found that the Japanese had evacuated it a few hours earlier. Before going, however, they had removed every scrap of food the villagers possessed, wantonly killed their cattle and looted their houses.

(e) A Chinese General and a Jap Soldier.

Lt. General L.T. Sun it was reported on August 17, sent a cheque of Rs. 3,000 to the Governor of Assam to express his sympathy in a concrete form for the poor Indians, who were fleeing from Jap oppression in Burma, and who even in their flight were being ruthlessly harassed by the enemy. But how does a Jap military official look at the suffering of these people? A diary of a Jap soldier captured and published in June, gives us an uncompromising answer to that query. Here is an entry: "On February 2 we entered Moulmein....I was orderly officer. I arrested several Indians and Burmans who were carrying away food. They pleaded they were hungry. I had them shot and would have left them there where they fell as a warning but in this torrid zone strict attention must be paid to hygiene".

TWO-HUNDRED-AND-TWENTY-FIFTH BI-WEEKLY GUIDANCE NOTES ON THE WAR
SITUATION, DATED AUGUST 25, 1942.

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POLICY

- (1) Brazil's declaration brings a large country with very valuable economic resources into war against Germany and Italy. Explain importance of Brazil's strategic situation as strengthening Allied air and sea communications, and show declaration as one more proof of justice of Allied cause and confidence in Allied victory.
- (2) Attack German and Japanese broadcasts to India by exposing (a) declared enemy motives of disruption and weakening of India's defences, and (b) poverty of enemy news sources, which quote Lisbon, Shanghai etc., as authority for wild stories of local events in India.
- (3) In general background during coming week show how far United Nations have travelled on hard road to victory since August last year.

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3. FAR EAST.

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1. INDIA.

(a) Axis Propaganda and its Motives.

(i) Sabotaging A Settlement.

The speed and thoroughness of Government's preventive action appeared on the whole to have taken Germany and Japan by surprise. On August the 7th, for instance, Tokyo said in its English broadcast: "World attention is now fixed on the A.I.C.C. meeting. The question is what attitude the British Government will take. It will take at least one week before the British Government clarifies its attitude after receiving the Congress resolution." Possibly for this reason it took the Axis Powers several days to work up their propaganda to full violence.

Although the enemy had thoroughly exploited the possibility of action by the authorities in India, a prominent theme of their broadcasts in the few days before the Bombay meeting was that negotiations might be resumed, and India was as usual warned to have nothing to do with compromise. The prevention of any sort of settlement either between the contending political parties in India, or between these parties and the Government, is indeed one of the most transparent objects of all enemy propaganda. Any news reaching Germany or Japan which seems to suggest the prospect of a United India defending itself in the assurance of final independence is immediately followed from the Axis capitals by boasts of tremendous military strength and threats of invasion.

(ii) Sabotaging the War Effort.

The second declared motive of the enemy in its propaganda towards India is that of promoting the greatest possible interference with India's defence. Specific appeals have been made for more and more violence, all directed against the war effort of the country and the measures taken by British and American forces for holding off and at length attacking the enemy.

A clear understanding of these enemy motives is the best defence against Axis propaganda.

(b) Sources of Enemy "News".

(i) Delhi Radio.

It is obvious that the Axis Governments situated thousands of miles from India, must rely chiefly on news broadcasts from Delhi in order to know what is actually happening in the country. No less naturally, they rely upon Delhi broadcasts to provide the substratum of truth which can be twisted and distorted and built up into propaganda suited to the Axis purposes.

Among hundreds of examples during the past fortnight a very simple one is provided by the tragic case of the death of Mr. Mahadev Desai. It was of course a perfectly easy theme for Axis embroidery, particularly in Germany itself, where political murder has since Hitler's accession to power become the order of the day. Berlin gradually worked up the story over two days into the accusat

that Mr. Desai had been poisoned, a story which both Germany and Japan have since repeated and nauseam. The enemy, of course, has made no reference to the fact that the late Mr. Desai was cremated according to the Hindu rites and following the wishes of his friends including Mahatma Gandhi who was present at the ceremony.

(ii) The Fiction Factories.

Beyond such news as they can pick up from Delhi and London and distort for their own ends, the enemy must clearly rely upon pure invention or at best unconfirmed rumour, and the enormous volume of their broadcasts to India at present means that their manufacture of "news" must be on a large scale.

There exists revealing evidence of the rigidity of propaganda instructions from Berlin and Tokyo in matters of interest to India, entirely regardless of the truth. On August the 4th, for instance, Saigon, from which nightly streams into the air propaganda to India claimed to be sincere and authentic, broadcast a message to Tokyo asking for precise explanations of Japanese "Propaganda instructions". On August the 2nd, Berlin announced that the Japanese intended to broadcast from Singapore, and added candidly: "an important feature of the programme will be talks by Indians in the bay of Japan". On July the 28th, Tokyo announced in a broadcast to China that it had established in Nanking a Central Propaganda training Club.

Still more interesting is the message in Japanese from Sofia (Bulgaria) intended for Fukamachi Manichi, Shanghai, intercepted on 27.6.42. This message reads in translation:

"There are special arrangements by which Indian news can be supplied gratis by D.N.B. (German News Agency) in Shanghai. See that you do not fail to print it entirely in your paper. Glimpf (D.N.B. Chief in Shanghai) is to receive instructions about it from D.N.B. Berlin. Get in touch with him. Enomoto Liakof"

(c) Conclusion.

Some of the wildest remarks put about by the enemy are naively stated to originate from places as far from India as Shanghai, Lisbon and Stockholm. The Delhi radio, however under official control of information has to be exercised in times of grave national emergency, clearly has access to more reliable news than the enemy can ever obtain. It would be a waste of time and an insult to the ordinary man's intelligence to deny night after night the outrageous inventions put over the air by Berlin, Tokyo, Rome and their satellite stations. The enemy merely makes itself ridiculous by reporting for instance: that the Government of India in areas where its own officials and its own subjects are at work, is resorting to bombing and the dissemination of disease germs. It requires but a little thought, and a realisation of the enemy's purposes and of the poverty of its sources of information, to be convinced that no reliance at all can be placed on their broadcasts to India.

2. BRAZIL.

(a) Declaration of War.

Brazil's declaration of war against Germany and Italy has followed her severance of diplomatic connections with the Axis last January, and the spate of Axis sinkings of Brazilian shipping during the past few weeks. Brazil was the only country in South America to declare war on Germany in 1917.

(b) Its Importance.

(i) Political.

This declaration of war has now finally dispelled all suspicion, held in certain quarters, that there was an ideological connection between the Vargas regime and the Axis. Though President Vargas' government bears a closer superficial resemblance to totalitarianism than do the systems of other S. American states, the President's policy has always been essentially Brazilian. He has achieved political unification and stability in the country, struck at the privileges of separate provinces and reduced the inter-state tariffs, so prejudicial to the internal economy of Brazil. Vargas has never attempted to build up a political party of his own and in the State -- called the Estado Novo -- there are no shirts, no badges, no insignia, no salutes. He also has the complete support of the Army, which was at one time suspected of Fascist leanings.

(ii) Economic.

Brazil is a semi-continent: it covers almost half of the total area of South America and its 3 million square miles of territory are larger than the continental United States. Its population is more than 43 million.

Brazil produces 69% of the world's coffee and American chemists have worked out a system for converting the 15% of the total crop -- which was burned every year -- into plastics, which is now extensively used for many products from automobile wheels to fountain pens and radio sets.

Fifty or sixty years ago Brazil was the only rubber-producing country in the world, but malaria, fall in prices and increased cultivation in Malaya caused a collapse in the rubber industry. The Amazon jungles with more than 300 million rubber trees, however, represent a vast natural wealth, which will no doubt be exploited with greater efficiency and better results in the future.

At Itabira, in Minas Geraes, there is the largest iron deposit in the world. It contains between twelve and fifteen billion tons of iron ore of the highest grade, ore that is 64.66 per cent pure iron, of a quality that is far superior to that found in Lorraine and equal to that of Sweden.

(iii) Strategic.

With her great size, her tremendous latent resources and her geographical situation, Brazil will play a very important role in the Western Hemisphere. Across the Straits of Dakar French West Africa is only 1,860 miles from the north-eastern extremity of Brazil; and, under modern conditions of warfare, this part of Brazilian territory will provide a convenient base of operations against the U-boats lurking around the Panama Canal and the Caribbean bases of the United States.

It is not generally realised that Europe is much closer to Brazil than the United States, the distance from New York to Natal (in the Atlantic bulge of Brazil) and Rio de Janeiro being well over 4,000 miles. If Laval were to give away Dakar to the Nazis, or if Germany should capture it itself, the danger to the Western Hemisphere would become very great. But with Natal now firmly under Allied control much of that danger is eliminated. Pernambuco which is about 95 miles from Natal, has a good and deep harbour and considerable wharfrage and mechanical facilities.

Brazil has a coast-line of more than 4,000 miles, and its ports and harbour on the Atlantic bulge will help in tracking down the U-boat menace in South American waters.

(c) Brazilian Defences.

(i) Army.

Brazil's Armed Forces are larger than those of any other nation in Latin America. She has a professional army of some 83,000 officers and men, and a militarised police force of 40,000. In addition, a large number of Brazilians have undergone some form of military training under the conscription regulations.

(ii) Navy.

In 1938 her Navy consisted of 2 battleships, 2 cruisers (all four completed in 1910) one destroyer in commission and nine building, seven torpedo boats, six minelayers, three river monitors, and four submarines, with a total personnel of about 15,000 men on active service in 1940. Brazil is proceeding with her naval programme and is also constructing naval bases along the coast.

(iii) Air.

Between 1930 and 1940 the number of landing-fields in Brazil has increased from 31 to 512, and the Brazilian air force has about 200 planes. There is a school of military aviation and there was a proposal, early this year, to create an institution for the training of technicians in aircraft production.

(d) Relations with the U.S.A.

Brazil has always tended to be more friendly to the United States than any other Latin American state, and President Vargas and his Foreign Minister Aranha are great admirers of President Roosevelt and his New Deal. Suspicion towards the Argentine has caused Brazil to look towards the United States for protection. Secondly, Portuguese-speaking Brazil is separated from the rest of the Hemisphere which (except Haiti) speaks Spanish, and therefore likes to associate itself with English-speaking North America. But the most important reason is that the United States is Brazil's best customer and has no competitive exports. American finance supports the national industries and undertakings in Brazil and American loans have helped Brazilian economy on more than one occasion in the past.

In June 1941, the U.S. and Brazil signed a new trade agreement providing that the U.S. had exclusive right for two years to purchase Brazilian strategic materials, such as manganese, titanium, industrial diamonds, mica crystals, bauxite, chromite and quartz.

(e) Relations with the Axis.

(i) The Germans.

Brazil has for years been a coveted prize to be secured by Nazi methods of intrigue and infiltration. The German colony in Brazil is centred mostly in the three southern states of Rio Grande do Sul, Santa Catharina and Parana, and is the largest, richest and most cohesive in Latin America. There seems to be about 830,000 German-born Germans, as well as 1,370,000 more of German descent. The centre of activity was, of course, the German Embassy, its lifeblood being the L.A.T.I., Condor and other Axis airlines, and the German News Agency -- the Transocean. The Germans were reputed to spend \$40-50,000 per month on propaganda alone.

(ii) Brazilian Counter Measures.

President Vargas, however, took strong measures against Nazi activity in Brazil. He suppressed the German newspapers, closed down 1,200 Nazi schools, outlawed all political activity, tried to nationalise the Condor air-line and checked propaganda, as far as possible. Military barracks were installed throughout all the "German" territory.

(iii) Italians and Japanese.

Though the Italian colony is bigger -- about 3 million in all - it is not so active politically. Japanese number about 200,000, and since 1934 they have been limited to about 3,000 immigrants a year. Repeatedly the authorities have had to close clandestine Japanese schools.

(f) Conclusion.

Like Mexico, whom she follows into the fighting ranks of the United Nations, Brazil has refused to be diverted, beguiled or terrified by the gigantic efforts of Axis propaganda. Once again it has been proved that despite the power and efficiency of enemy transmitters, actions speak louder than words. The people of the vast Brazilian Republic, while Axis protestations of nobility of purpose and the foundation of "New Orders" were dinned into their ears, have recognised the appalling results which have followed every fresh conquest by the aggressor powers. They have seen their own merchant-ships wantonly sunk by a power professing friendliness. Their honour and their national interests were at stake and they have given the only possible answer.

Nor have the Axis exaggerations of their military successes frightened Brazil, which at the supreme crisis of war has joined forces with those in whose victory she confidently believes.

Brazil has close relations with Europe, especially with Portugal, whence has come a message expressing understanding of her action. As for the Americas as a whole, the presence of one more South American Republic at the peace-table when victory has been won will greatly ease the task of just and agreed reconstruction in that hemisphere.

3. FAR EAST.

HONGKONG UNDER "CO-PROSPERITY" : THE TRUTH

(i) The Japanese Fable.

Tokyo through its mouth-piece Wang Ching-Wei, is never weary of reiterating its now rather worn-out lie that the Japanese are in China only for China's good, that they are the Asiatic deliverers and that they offer everybody the gift of freedom from alleged Western oppression. The only people to whom this lie is designed to bring any advantage are the Japanese war-lords and big business bosses.

(ii) Indians under the Lash.

Here is what is happening to the Indians in Hongkong. According to a Central News Service report from Kweilin via Chungking foreign nationals have been conscripted for military service.

Indian soldiers formerly stationed for the defence of Hongkong have been forced against all international law, to carry out sentry and guard duties, thus releasing Jap soldiers for front-line service elsewhere. Many of them have been transferred to Canton. All civilian Indians have to register for military service and are liable to be called up at any moment. Everyone is forced to join the faked 'Independence League'. Refusals are met by stopping their scanty food rations and tearing up their certificates of nationality.

Here is what an Indian, once a sergeant in the Hongkong Police reserve, but now in the Ambulance Unit in Kweichow, China had to say to in a letter to a friend in Ceylon on June 7, 1942:-

"The Japanese are a cruel people. They treated everyone in Hongkong very badly. They killed many. Many die from hunger every-day. If you hear from the Japs they come as friends, they are all liars. They come as friends for the time being, until they gain their objective. After that they will treat you as they please."

(iii) Starvation and Exploitation.

The latest reports from Hongkong show that it is in a very sorry plight. As is Nippon's wont, the monetary system of the place has been taken over by the Japanese military authorities. The banks have become agents of the Mitsubishi. The exchange rates between "military scrips" and the Chinese dollars are so manipulated that the Chinese money is now driven underground. Having obtained control of the money, the authorities are now toying with prices of commodities.

Price measures are easily enforced. Each person is allowed "one catty" of rice per week. This in normal times is the amount a man eats in a day. Activity in the "black" market is rife. Prices fluctuate between 100 to 400 per cent above normal. The exchange-riggers are "stooge" Chinese having in the background Japanese "advisors".

One is reluctant to believe the ghastly stories which come from more than one source of the occurrence of cannibalism in Hongkong, but their very persistence is an indication of the appalling conditions that follow wherever the Japanese conqueror sets his foot.

"350 -- 25/8/42".

100-HUNDRED-AND-TWENTY-SIXTH BI-WEEKLY GUIDANCE NOTES ON THE WAR SITUATION,
DATED AUGUST 29, 1942.

This document is confidential; it may not be handed over to the Press or to any non-official in original. Its contents (exclusive of direct guidance or any portions sidelined with the specific instruction "Not to be published") may, however, be used freely, provided that their source is not disclosed or made obvious.

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It is recommended that these notes be filed for record, as reference to previous notes saves time, paper and repetition.

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POLICY

- (1) While recognising severe German threat beware at present of describing Stalingrad as key to whole campaign. Picture of vast front from Arctic to Caucasus should be maintained, with straightforward publicity for Russian offensive operations further north.
- (2) Notice important developments and statements coinciding with Churchill's Cairo visits. Do not minimise supplies reaching Rommel, and if offensive develops from either side be cautious in early comment.
- (3) If enemy claims further heavy Allied shipping losses state that in last month U.S. ship production was again ahead of total U.S. losses for first time since February.
- (4) In coming week keep Britain's great achievements from Dunkirk to Dieppe well to the fore.

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CPM.

(ii) Italy Becomes Belligerent.

While this was the state of affairs in Britain, Italy entered the war (June 10, 1940) and there was the urgent need of reinforcing our Middle East armies. Until those reinforcements arrived bluff was the main weapon with which the Nile Valley had to be defended. By rapidly marching small forces over long distances and organising noisy demonstrations at various points on the frontiers of Mussolini's African Empire, the enemy was persuaded that he was contained by large British armies and by the time he realised his mistake the mirage had become solid fact.

Graziani began his invasion of Egypt in mid-September 1940, but was content to consolidate just inside the frontier at Sidi Barrani. In the next 12 months more than 1,000,000 tons of equipment and supplies, as well as more than 30,000 mechanical vehicles, were shipped to the Middle East. But General Wavell did not wait for all of this. As soon as he had collected sufficient forces to assume the offensive on a limited scale, he struck. Early in December 1940 a general British advance in the Western Desert was ordered with a view to pushing forward as far as Tobruk. The Italians, although greatly superior in numbers, fell back from one position to another and by February 8, 1941, Wavell's men had pushed on and entered Benghazi, having cleared the whole of Cyrenaica and wiped out an army of ten Italian divisions. Tens of thousands of Italian prisoners trudged across the desert to the Nile Valley, and Mr. Churchill (House of Commons, February 9, 1941) declared: "General Wavell has proved himself a master of war." The Chief of the Imperial General Staff (Sir John Dill) remarked, during a subsequent visit to Cairo, "He gave us confidence when we needed it most." This was undoubtedly an achievement of importance equal to, if not greater than, the destruction of the Italian forces in E. Africa. It encouraged the British people, who were facing the threat of invasion with little more than their individual courage with which to oppose the enemy. It encouraged the Greek people, whose seven million had been set upon by Mussolini's 45 million and who were now fighting bloody battles against odds in the mountains of Albania. It also encouraged General Wavell himself to proceed with the mopping up of the remainder of Mussolini's African Empire.

(iii) E. Africa, Greece, Crete, Iraq and Syria.

The Italian Empire in E. Africa extended over 700,000 square miles, defended by an army of 400,000 (including 36 generals) under the command of the Duke of Aosta. The equipment of the defenders included 1,000 guns and hundreds of tanks. But by midsummer of 1941 the British Army was engaged in mopping up the few stragglers who still resisted in the mountains of Gondar. Within five years of Mussolini's conquest of Abyssinia, Emperor Haile Selassie was restored to his throne.

The Italians had also failed in Greece -- to the extent that Hitler felt obliged to intervene. The day Wavell's forces occupied Benghazi (February 8), the British Government received a Note from the Greek Government asking what help her ally could give in the event of a German invasion of Greece. If Wavell had ever contemplated a further advance as far as Tripoli, this duty towards the gallant Greeks must have overruled it.

By the time the Germans began their campaign against Greece (April 6) four divisions (two British, one Australian and one New Zealand) had taken up positions to the west of Salonika. A fortnight later the enemy had manoeuvred his forces into a line which obliged the main body of the Greek Army to capitulate. A fighting withdrawal of the British forces followed, and on April 27 the Germans occupied Athens itself. Of the 57,757 troops sent to Greece 44,865 were evacuated.

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1. BRITISH ARMY -- DUNKIRK TO DIEPPE.		
(a) Campaigns.		

The spotlight of criticism has so often shone upon the British Army in the first three years of the war that it is easy to overlook the fact that more than a dozen campaigns have been fought in that period. All of them succeeded in furthering the strategic aims of the Allies and all of them bore witness to the courage and tenacity of the British soldier. That most, if not all, were fought under heavy handicaps was the fault neither of the Imperial General Staff nor of the War Cabinet.

(i) Battle of Britain.

In June 1940, the remnant of the B.E.F. was snatched from under the very muzzles of the German guns in the evacuation via Dunkirk. Of 437,000 troops sent to France, 384,000 were evacuated. But these men had lost their equipment. On French soil stood the wrecks of 2,400 guns, 700 tanks and 50,000 vehicles -- the entire equipment of our front-line troops. When Britain, in the next few weeks, waited grimly for the expected German invasion there was only one division fully-equipped to meet the threat which might fall at any moment on any part of the 1,500-mile coastline of the British Isles.

Invasion was thwarted by the Battle of Britain -- a glorious success for the Fighter Command of the R.A.F. But approximately one-sixth of the German aircraft destroyed were shot down by A.A. guns, manned by British soldiers.

Coincident with the invasion of Greece the Germans engineered a revolt in Iraq under the leadership of Rashid Ali al Gilani and the inspiration of Hitler's No. 1 agent in the Arab countries -- Dr. F. von Grobba. German aircraft, using Syrian aerodromes as refuelling stations, joined in the fighting. One important obstacle prevented big-scale German intervention. The Allies still held Crete. In the last 12 days of May 1941 this island was the scene of some of the most bitter fighting ever known. Lack of fighter cover in the face of airborne landings by transport, glider and parachute, made yet another withdrawal inevitable. Of 27,550 British and Dominion troops engaged in the fighting 14,580 were evacuated by the end of May. The British Army had suffered a defeat, but those 12 vital days had saved the position in Iraq, where an armistice was concluded at the very moment when our soldiers were being brought from Crete to Alexandria.

With Crete in enemy hands there was the ever-present danger that the Germans would use Syria as a gateway for intervention on a much larger scale in the Arab countries. Accordingly Syria was occupied by Allied forces in June 1941.

(iv) More Fighting in North Africa.

Hitler was also obliged to intervene on behalf of the Italians in North Africa. A German Afrika Korps appeared in the Desert. The despatch of Middle East forces to aid the Greeks had seriously weakened the defences of the newly-acquired area of Cyrenaica (as large as England and Wales together). One division of infantry and a motor brigade had been left to hold the zone between the Egyptian frontier and Benghazi. When the German Afrika Korps appeared at Jedabia the defenders had no choice but to withdraw to the Egyptian frontier, but, foreseeing the possibilities of Tobruk as an offensive bastion from which to harass the enemy's flank and rear, General Wavell maintained a garrison in this harbour. In the ensuing seven months the Tobruk garrison played a glorious part in the Battle for Egypt.

In November 1942 General Auchinleck (then C.-in-C Middle East) felt strong enough to challenge the German Afrika Korps. In 36 days the advanced 400 miles to Benghazi, wiped out two-thirds of General von Rommel's forces, destroyed 386 enemy tanks and killed or captured 22,000 Germans and 39,000 Italians for a British loss of 18,000. Rommel made a remarkable recovery from this disastrous defeat and in May 1942 he launched a counter offensive. At first this offensive was well held; in the first week General Auchinleck was able to report the destruction of 260 enemy tanks and numerous mechanical vehicles. But on June 3 disaster overtook the Allies, before sundown 230 of their total of 300 tanks were destroyed without any corresponding loss being inflicted on the enemy. No explanation of what happened on June 13 has yet been published.

The enemy quickly followed up his advantage by pushing on into Egypt and it was not until his forces had approached to within 70 miles of Alexandria that they were halted in the narrow bottleneck between the Qattara Depression and the Mediterranean Sea. For the past two months the front has been comparatively static while both sides have assembled fresh forces for a new test of strength.

(v) Malaya, Burma, Iran and Madagascar.

Meanwhile, unexpected calls have been made on the British Army in the Far East. Japan entered the war on December 7, 1941. Strenuous efforts were made to reinforce Malaya, where 40,000 fresh troops were landed from 9 convoys before Singapore fell in mid-February 1942. The subsequent fall of Rangoon made the reinforcement and supply of our troops in Burma extremely hazardous and again a fighting withdrawal was the order of the day.

But, by bartering space for time, we have been able to accumulate substantial forces in India which should prove a match for any Japanese attempt at invasion. To forestall the danger to our Indian Ocean communications if Madagascar were to fall into enemy hands, we have occupied Diego Suarez (a parallel action to the occupation of Syria twelve months earlier). In August 1941 Iran was occupied by British and Russian troops, in order to curtail the activities of Axis agents in Tabriz and Tehran and to protect the supply route to Russia.

(vi) Commando Operations.

In addition to all these campaigns British special service troops have carried out a number of raids on German-occupied Europe. Lofoten, Spitzbergen, St. Nazaire, Bruneval, Berck-sur-Mer and Dieppe are among the points at which the Commandos have penetrated the German defences and carried out demolition and reconnaissance work.

(b) Casualties.

(i) Enemy propaganda.

A stock theme of enemy propaganda is that Britain seizes every opportunity of pushing her allies into the front line and that, in consequence, the casualties suffered by the Allied, Dominion, Indian and Colonial troops have always exceeded those suffered by soldiers from the United Kingdom.

This allegation has been given the lie direct on several occasions by official statements issued in London and Dominion capitals. Up to the entry of Japan and America into the war 60 per cent of the forces engaged on all fronts were soldiers from the United Kingdom and they suffered 74 per cent of all the casualties.

On June 10, 1942, the Deputy Prime Minister (Mr. Attlee) gave these casualty figures to the House of Commons. They cover the first two years of war from September 3, 1939 to September 2, 1941:-

	Killed	Wounded	Missing	Prisoners	Total
UNITED KINGDOM	42,267	32,903	16,208	53,634	145,032
DOMINIONS	4,656	7,279	8,785	3,104	23,824
INDIA & BURMA	1,439	5,374	64	1,714	8,591
COLONIES	611	837	4,699	6	6,153

While no detailed figures are yet available for the third year of war, it is known that Australian casualties in the Far East from December 1941 to March 1942 totalled 17,031. It is also known that in the Western Desert between November 1941 and July 1941 U.K. troops suffered 30 per cent of the total casualties, South Africans 25 per cent, Indians 20 per cent and the remaining five per cent included troops from Australia, New Zealand, Fighting France and British Colonies.

(ii) Prisoners of War.

Up to June 1942 approximately 174,750 British troops were taken prisoner:-

Norway	950
Dunkirk	40,000
Greece & Crete	15,000
Libya	38,800
Hong Kong	10,000
Singapore	70,000

In Libya and East Africa alone we have captured of the enemy 275,000 European troops and 245,000 Colonial troops (up to March 1942).

(c) The Future.

In three years of war the British Army has stood some of the most severe tests ever imposed on any army. It has not only survived them, but gathered strength for the fast approaching day when the initiative will be in Allied, instead of in Axis, hands. Britain's land forces now total something like 2,500,000, backed by 1,700,000 Home Guards, who will be mainly responsible for the defence of Britain when the Continental offensive begins.

Three factors have delayed that offensive -- the entry of Italy, the entry of Japan and the necessity of sending aid to Russia. But they cannot prevent its ultimate fulfilment. The recent raid on Dieppe provided in miniature a picture of the new fighting force that has grown up since Dunkirk. Behind Britain stand the Dominions with more than half a million fighting men (ten times as many as could be mustered in 1939) and the great armies which America is steadily accumulating on all fronts.

2. CHINA

(a) Recent Military Operations.

(i) The Japanese Plan.

The Japanese have never had either the resources or, save in individual cases, the ambition to capture the whole of China. They have always designed their strategy to fulfil two essential functions. First to occupy and garrison important positions either on the roads or railways or rivers; and secondly to exploit a number of areas whose potentialities for military and industrial requirements are great.

According to these general lines, the Japanese have effective control in the northern provinces to the borders of Shansi, and on the eastern sea-board a coastal control from Kwangtung in the South, to Shantung in the North. Further their hold over the railway line that runs like a spinal column from Canton to Peking is considerable. Running horizontally to this line, the Kaileng-Sianfu railway line in the north, and the Tangtse river-way further south, are objectives for which the Japanese have waged a ding-dong struggle with the Chinese.

(ii) Present Developments.

Seen in this general picture, the heightened activity of the enemy in the Chekiang-Kiangsi sector since May of this year becomes more intelligible. They proposed to get control of this railway system in the minimum of time for obvious reasons. If they succeeded in this they would fill in a gap in their communication links with Indo-China and Siam in the South; they would be able to move their troops wherever they liked to the north, without having to strain further their dangerously overtaxed shipping space. There were other considerations also. In Chekiang and in Southern Hupoh, (the area round the Tung-tung Lake in particular) there were rich rice-fields which have never ceased to have their fascination for the Japs. Moreover the enemy aspired to go further inland from Hankow along the Tangtse and possess China's heart, Chungking itself. And Kiangsi in her southern border had antimony, coveted for the furnaces of Mitsubishi.

Ever since U.S. Bombers bombed Tokyo, and the Japanese imagined that the planes after their devastating raid had flown off in the direction of China, they have been alarmed about the numerous concealed air-fields scattered in the coastal province of Chekiang. So one of the primal considerations which made them hurry up their land operations in China even when they had so many fingers dug in their acquisitive pie elsewhere, was this: to neutralise as many as possible of the 'bomb-Tokyo' airfields.

(iii) Course of the Operations.

Waves of bombers appeared over the Chinese sky in May and scattered destruction over Southern Kiangsi, Chekiang, and Northern Fukien. Coupled with this land operations commenced. Ships off Hangchow Bay released their first consignment of 30,000 men. The triple land thrust on Kinwha, the Chekiang capital, begun. The enemy hoped to get at the most important place in the quickest possible time, and then feel around for the control of the railway to Kiangsi, and range over the air to devastate the Chinese airfields, laid-out by manual labour and skilfully concealed. The Japs attempted to terrify our allies by swarming tactics. They began to mass troops at the other end of the Kiangsi-end of the railway, at Nanchang, and disembarked more off Foochow, for an upward thrust towards this area along the Min River. The big stick was waved furiously. Kinwha fell and the industrial centre of Lanchi to its north; and the drive towards Chuhsien, the "Bomb Tokyo" aerodrome, commenced with vigour. The Japanese apparently began to move along the railway with ease, and take places smoothly. Our allies resorted to guerilla tactics and avoided frontal engagements.

(iv) Resilience And Recovery.

The Chinese knew their enemy well. By the end of June, the Japanese began to murmur disapproval at the fact that while they obtained places, they nowhere yet felt safe enough to leave their rear unprotected. "It is mortifying to note" said Kikuchi Kan, a Jap writer, "that although five years have elapsed the China incident still remains unsolved." Places along the railway began to change hands, and the Chinese recovery of Kweikih was a significant pointer. Meanwhile, while the Foochow drive had more or less fizzled out, a supplementary drive from the rich port of Wenchow was meeting with uncertain success. Wenchow itself, in the whole course of the operations, has changed hands at least twice. Latest news (August 28) is of the Chinese recapture of the air-base and railway-centre of Chuhsien.

(v) Some Significant Features.

A few significant points revealed by these operations serve to suggest the nature of their future course, as well as to clarify their present state.

Nowhere has the enemy been allowed to dig in and carry on positional warfare. Every single place which the Japanese have occupied in their recent struggle in this area has either been retaken or else the Japanese hold over it has been rendered insecure. The broad picture has been of a fluctuating struggle mainly along the railway, with some diversionary moves to the south in Nanchang and attempts at reinforcements by the enemy at Wenchow and Foochow.

U.S. air support has played a great part in upsetting the plans of the enemy. The wharves in Canton have been smashed out of recognition. In the result, the enemy's bombs over Chinese airfields in Kweilin and Hengyang, have been more in the nature of impulsive and vindictive reprisals than part of a considered strategy.

(b) China And Her Allies.

(i) No Longer Alone.

Mr. Roosevelt's continued encouragement, the performance of the U.S. air arm in China, Mr. Eden's speech assuring China of Great Britain's financial aid in keeping her internal economy free from the ravages of inflation, have drawn more than one statement from Chinese statesmen and generals, that if China felt that she would carry on anyhow alone against a barbarous aggressor, she would do so now even more gladly in the goodly company of dependable allies. A knowledge of this development is dawning on the Japanese also. Wrote the Kariki Shimbun recently: "It was a mistake to assume that Japan's victories in Greater East Asia will compel the collapse of Chungking resistance."

(ii) Japan Watches India.

It is obvious from Axis statements that Tokyo looks to disturbances in India to rectify this mistake and effect the isolation of China. Among daily appeals to Indians to sabotage military and industrial power and communications in India and to commit acts of senseless violence, Tokyo claims, as in a broadcast in Burmese on August 1, that "Nippon's hopes for India have not been misunderstood by Indian leaders -- may they never swerve from this understanding"; while Berlin gives one example among many of Axis hopes in its broadcast (for the German people) of August 26 "The campaign of national India may well represent a deadly blow to the war effort of this vast country. The last means of communication with Chungking may be cut off and the only available base for a counter-offensive against Japan may be made unusable."

One hour later Tokyo in Japanese told its own people this: "Chungking is in great agony.....Chungking will receive a severer shock than Britain if the Indian situation worsens."

3. RUSSIA.

(a) The Unchanged Essentials.

While the fundamentals of the Russian situation remain the same, new features have developed in the last week which suggest that the campaign may be entering upon a new phase. These fundamental features may first be briefly noticed. They are the primary German ambition to smash the Russian army this year and to bring about a decision in the east which might be followed by one in the west next year; and the secondary objective of so crippling the Russian army by dislocating its supplies that a large part of the German army would be available for the defence of the west next year. The first of these objectives may be said to have failed at Voronezh, while the attainment of the second still hangs in the balance. The primary Russian objective this year, on the other hand, is to maintain their fighting forces intact and sufficiently supplied to hit back during the winter and to take part in a grand offensive next year. Here the Russians have so far achieved their primary purpose while the achievement of the second still hangs in the balance. The issue of the present Russian campaign is no longer the survival of Russia but her survival in such strength that her power to hit back is unimpaired.

(b) A New Phase.

(i) The Battle of Stalingrad.

In the last week several developments have taken place. The first is the German passage of the Don south east of Kletskaya in great strength. It is believed that this armoured spearhead has been met and held 30 miles north-west of Stalingrad. But it is clear that

the Battle of the Don bend is now becoming the battle of Stalingrad itself. Other Russian cities (as was Sebastopol) specially fortified, such as Leningrad, Tula, Odessa and Voronezh, have shown their power of resistance even at close quarters, and the signs are that the Russians will defend Stalingrad to the last. But the possibility of its eventual fall should now be borne in mind.

(ii) The Caucasus.

In the Caucasus the German advance has continued, but at a slower rate; either the Germans have temporarily lost their momentum, or the decelerating influence of the Caucasian mountains is making itself felt. Perhaps both influences are at work.

(iii) The Rzhev Offensive.

The second new development is the news of the Russian offensive west of Moscow, in the Rzhev-Vyasna district, which has actually been in progress for over a fortnight. It is significant that this offensive began when the battle of the Don bend was reaching its crisis. It is too early yet to assess the exact significance of this Russian move. It may be intended only to forestall a German attack on Moscow which would have used Rzhev as a spring-board; it may be designed to divert troops and supplies from the Don; it may be the beginning of a Russian counter-offensive on a grand scale, long predicted by many observers. Last December Stalin waited until the most critical moment and the greatest extension of German power before making his counterstroke in December. It would be in accordance with Russian strategy to do the same this year, but the question which cannot yet be answered is: Has this moment, in Stalin's judgement, yet arrived?

(iv) What It Means.

For the time we should be wise to assume one of the lesser alternatives. But the news of large-scale Russian action at this moment demonstrates that Russia's resilience and reserve of strength are no myth, but hard solid facts. It confirms President Kalinin's statement that this year the Germans cannot mount an offensive in all places at once, and it suggests that if Russia has troops for such an operation as this, she may also have reserves for the Stalingrad battle. It also suggests danger to the whole exposed German flank which now stretches from Orel to Kletskaya.

(c) Foresight Versus Intuition.

What would be the consequences of the fall of Stalingrad? The Russians would retire to the Volga and the Germans would still find themselves baulked of their desired destruction. But communications with the Caucasus would certainly be disrupted. Whether this would achieve the secondary German objective of crippling Russia for offensive action is perhaps only known for certain to Stalin, Churchill and their immediate advisers. But it is believed that Russia has sufficient supplies in the north for an offensive campaign in 1943. The war in Russia is a conflict between foresight and intuition. Intuition which begins by looking like genuine, ends by exposing itself as impulse; foresight, which looks like pedantry at the start, like wisdom is justified of her children at the end. And her child is Victory.

CONFIDENTIAL

TWO-HUNDRED-AND-TWENTY-SEVENTH BI-WEEKLY GUIDANCE NOTE ON THE WAR SITUATION
DATED SEPTEMBER 1, 1942.

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It is recommended that these notes be filed for record, as reference to previous notes saves time, paper and repetition.

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POLICY

1. Treat Battle of S.W. Pacific as extended phase of war similar to battle of Atlantic. There will be successes and reverses, and the battle will end only with the defeat of Japanese air and sea-power. Meanwhile importance of Allied offensive activities is shown by reticent tendency in enemy propaganda after premature claims of sweeping success.

2. Russian bombing of Berlin should be taken in conjunction with great R.A.F. offensive to which it is complementary. Recent long-range bombing from Russia shows (a) Russian fighting spirit and resource at critical period (b) closeness of Allied strategic co-operation, (c) maintenance of Allied supplies to Russia.

3. For war anniversary show failure of German prophecies and increasing Allied resistance despite use of Hitler's last reserves, the Japanese. Touch on Allied preparations for solving post-war problems as indicating sincerity of purpose and confidence in victory.

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1. THE THIRD YEAR OF WAR.

(a) Introduction.

If the first year of war saw the failure of the German attempt to annihilate British resistance, and the second the failure to annihilate the Red Army, the third year under review (September '41 to September '42) saw Germany falling behind in the Battle of Production. Reinforced by Japan their partner-in-crime in the East, the Axis powers are still endeavouring to sever Allied communications with a gigantic pincer movement designed to close on an India undermined by Axis propaganda.

In the first year it was Britain that saved Russia, in the second it was Russia that saved Britain, in the third, both Britain and Russia aided by the United States and other United Nations strove together to rid the world of the Axis scourge.

The third year of war opened with the Allied Front stretching from Spitzbergen to Tobruk. Britain had recovered from the disaster of 1940, had built up a strong army and had more than replaced her losses in the air, had conquered the whole of the Italian Empire in East Africa, had consolidated her position in Palestine and Iraq, had taken effective control in Syria and finally joined hands with Russia in Iran. "Thus far, then, have we travelled," said Mr. Churchill on September 9. "This is no time for boast or glowing prophecies, but there is this -- a year ago our position looked forlorn and wellnigh desperate to all eyes but our own. Today, we may say aloud before an awestruck world: 'We are still master of our fate: we are still captain of our soul'."

On the foundations so laboriously laid, the task was to build a strength that would withstand the fury of the German attack and subdue and overpower it in the end. How very near Britain and Russia were to achieving this task is shown best perhaps by the fact that Hitler in his desperation had to call in his last reserve -- Japan in the East -- to redress, for the time being at least, the balance in the West.

(b) The German Drive on Moscow.

The year, therefore, opened with British and American determination to aid the valiant Russians whose heroic stand for the last 2½ months had dispelled all gloomy forecasts about their strength and showed that the Wehrmacht had met an adversary who could take a terrific punishment and still not knuckle under. Both Britain and Germany realised that on the battlefield in the East would depend the fortunes of the war. And as Anglo-American aid began to pour into Russia via the Arctic and Middle East routes, Hitler redoubled his efforts for the final knock-out blow.

Speaking in Berlin on October 3, Hitler said that he had come there from the Eastern Front "from which new and enormous happenings are to emerge. Since the last 48 hours operations have been started which will help to shatter our enemy in the East."

(i) Early German Successes.

Thus began the vigorous German drive in October which brought them gains, but not the results they had set their hearts upon. Around Moscow, Kalinin, Kaluga, Vyezma, Orel and Bryansk fell before Hitler's armies. In the South, the Russians had to evacuate Odessa, and in the Ukraine, the Germans reached the shores of the Sea of Azov. They attacked the Perikop peninsula and after taking Kharkov and Stalino broke through the Crimea.

(ii) The Drive Checked.

At this stage of the operations, when the Germans were dangerously near what might have been victory in the South, Hitler turned his attention to Moscow which continued to defy all his plans. And it was the gallant defence of Moscow at this juncture that averted a general disaster. The city's defences pinned the

best of German forces, inflicted casualties of more than half a million and gave Marshal Timoshenko, who had been removed to the South, time to form a new chord of resistance 10 miles west of Rostov across the bend of the river Donetz. General Winter now threw in his weight on the Russian side and the German advance began to slacken.

(iii) The Russian Counter-Offensive.

Then started the brilliant come-back of the Russians which astonished the critics and upset the German plans. The success of the Russian counter-offensive was in no way more impressively demonstrated than by the German methods of explaining it away. There was no counter-offensive according to Goebbels, only a winter so severe that the Nazis eventually got back 140 years to the times of Napoleon to find a parallel. Said Hitler on November 8, that the reason why they were not advancing on Leningrad was because "it was raining at the moment."

(c) Dark Days for Hitler.

The early days of December, therefore, saw a decided wane in Hitler's affairs on the Eastern Front. In the Middle East also things were not going the way they should have, for General Auchinleck had taken the offensive on November 22. By the first week of December Tobruk was no longer isolated and the coastal area from Tobruk to the Egyptian border had been cleared of enemy troops. The fate of the Axis forces that still held out at Bardia, Halfaya and Sollum was sealed and their capture was only a question of days. Now was the time for the hard-pressed Axis to call in Japan in an attempt to divert the strength of the Allies. On December 7, Japan made her entry into the war in a manner characteristic of the aggressors and succeeded, for the time being at least, in throwing the Allied plans out of gear.

(d) Japan -- Hitler's last Reserve.

With the entry of Japan, and therefore of the United States, the war became global so that what happened in one theatre of war had its repercussions on every other. To Hitler it provided a valuable opportunity to offset his failures during the next few months on the Russian front by the successes of his partner-in-crime in the East.

(i) Making Hell While the Sun Shines.

The disaster in Pearl Harbour and the sinking of the Repulse and the Prince of Wales upset the Allied plans for defence from the very start. Japan was able to operate successfully both in the South-West Pacific and Burma only because she had the tremendous advantage of surprise and interior lines of communication in her favour. So from December in Malaya, to April in Burma the story had one significance -- bartering space for time. The most spectacular aspect of this policy was manifested in Batan under General MacArthur, while its most gruelling form was assumed in the retreat of General Alexander and his men in Burma after the Sittang action in March.

But that the long term demands were fulfilled is evidenced by the fact that India is defensively stronger now and that Australia, which Tokyo has acknowledged must be conquered for success, is already showing offensive claws.

(ii) Chinese Resistance.

The resistance of General Chiang Kai-shek reinforced by Allied men and material, was the brightest spot in this dark period of Japanese advance. A year ago the Japanese could bomb any of the places they chose in the interior, commence land operations in Shansi in the north, Hupeh in the centre and in Chekiang in the South. Now the Japanese cannot burst into activity all over the front, and while Chinese soldiers fight on, bravely cutting vital enemy lines of communications, U.S. airmen can bomb Jap-held positions while reinforcements to India hold open the remaining land links for supplies and stable British finance is able, after three years of war, to help China's economic defence.

(e) The Winter Battle of Communications.

(i) The Enemy Menace.

In the winter, the Allies had to fight an up-hill battle. Reinforcements to the Pacific battle-zone meant proportionately fewer reinforcements to the Middle East: the shipping situation was also beginning to deteriorate. Sinkings on the 2,000-mile exposed eastern sea-board of America, in the Gulf of Mexico and Caribbean were taking a severe toll of Allied shipping. General Rommel, after having been forced to retreat to Jedabiya, had taken the offensive on January 22 and had advanced up to Gazala. During these dark months, it was the valiant battle fought by the Allied navies and merchant fleets with air protection that kept open communications and paved the way for recovery in spring.

(ii) The Convoys Go Through.

The Arctic route to Russia was kept open despite maximum German efforts from Norwegian bases, and the successes of convoys to Russia was evidenced by the German radio's harping on one attack for several weeks running. Similarly in the face of heavy enemy opposition by air and sea -- the Germans having accumulated large air forces in Sicily and U-boats in Italian waters -- several large convoys were passed through the Mediterranean to reinforce Malta, which proved to be an ineradicable thorn in the Axis side, throughout those winter months. There were also brighter spots in the Battle of the Atlantic, as for instance, when Admiral A.L. Bristol of the U.S. Navy was responsible for the safe passage of 2,400 vessels (60 convoys) across the North Atlantic with a loss of only 8 ships on route.

(f) Better News in Spring.

(i) Battle of the Atlantic.

With the beginning of Spring and early summer, the tide began to turn. On sea the improvement was noted when the American convoy-system (always a complicated matter to organise) gradually got under way, and when the entry of Mexico into the war on the side of the Allies made the Caribbean waters more safe for Allied shipping. Brazil's entry in August similarly tended to make the passage of Allied shipping through the "Straits of Dakar" -- a stretch of 1,600 miles between the two bulges of the African and American continents -- much less hazardous than it was six months before; and the reduction of 5 dollars in the hundred in war risks insurance by the New York underwriters reflected the decrease in Axis sinkings.

(ii) Bombs on Germany.

In the air, the plan for attacks on German war-industries, which had been postponed by bad weather during winter, were resumed with greater intensity on a scale the larger for the enforced lull in the previous months. The average weight of German raids during the Blitz of 1940/41 was 225 tons; the average weight of British raids on Germany during summer was twice as heavy. In the first six months of 1942 an average of 10 British planes attacked enemy targets (including German U-Boat plants) for every German plane sent to Britain. But British losses were little more than twice the German: 925-430. Also during the same period the R.A.F. dropped on Germany about 100 times the tonnage of bombs dropped in the corresponding period of 1940. The peak figure for a British raid was 300 bombers in 1941: in the summer of 1942 it was 1130. Cologne, Essen and Bremen were visited by over 1000 planes and the Avro-Lancasters raided Augsburg and Danzig (1750 miles round trip) in daylight.

(g) The Summer Campaigns.

(i) Delayed Offensive in Russia.

This increased activity in the air was no mean aid to Russia, and was partly responsible for delaying the German Spring Offensive on the Eastern Front. The Germans began their Spring Offensive in May in the Kerch peninsula and soon reached the vital straits. But the almost simultaneous news of Timoshenko's drive round Kharkov showed too clearly that the hands of the Germans had been forced, that their operations were not a part of their planned offensive from the Donetz salient, but were a sudden improvisation. Hitler was in no position to engage the Russians all along the front and his attempt to annihilate the Red Army the previous summer having failed, he could only wage a war of communications and trust to isolating the Russian southern armies from the armies of the centre.

(ii) Rommel Races for Suez.

In this general strategy, Rommel's renewed offensive on May 26 in the direction of Egypt would serve the same purpose -- the winning of essential communications so as to shut off Russia from any aid from outside. By July 1, Rommel had taken Tobruk and had reached EL Alamein in Egypt proper, and Hitler hoped to smash his way through the Caucasus and meet a triumphant Rommel somewhere near Suez.

(iii) Middle East Defence Holds Firm.

But the rapid German advance south towards the oilfields has not yet synchronised with the expected advance eastwards towards Stalingrad without which their general plan cannot be achieved. The appointment of Sir Maitland Wilson to the joint Iran-Iraq command shows that the Allies are fully alive to the danger in the Caucasus and are preparing for the contingency in case the Germans should break through.

(iv) Allies Hit Back in the Pacific.

While the Allies are trying hard to stabilise the situation in the West, in the East they have taken the initiative and are engaged in breaking the ring that threatens the defences of Australia. The corner in the Pacific was turned in early spring in the Coral Sea and Midway actions which showed that the Allies had gone some distance towards recovering the balance of sea power and paving the way for offensive action, the first evidence of which was found in the recapture of important bases in the Solomon Islands by U.S. Marines. Allied Naval strategy appears to be to use the air arm to cancel out Japanese carrier-strength as a prelude to a challenge at closer quarters, and Japanese losses in air-craft carriers have been impressive.

(h) A New World in the Making.

(i) Allies in Conference.

In the sphere of diplomacy, the year under review opened with the Inter-Allied Conference at St. James's Palace on September 24, when the representatives of the Free European Governments in London, including the Russian Ambassador, endorsed the Atlantic Charter. It was agreed that "articles of prime necessity should be made available for the post-war needs of the countries liberated from Nazi oppression," and that the "plans should be coordinated, in a spirit of inter-allied collaboration". This declaration was endorsed and enlarged by a joint declaration of 27 united nations in Washington (Jan. 2) which pledged the signatories to "employ their full resources against those members of the Tripartite Pact and its adherents with which they were at war, and to cooperate with each other and not to make a separate armistice or peace with the enemies".

(ii) South America Joins In.

The Rio Conference had seen the South American republics break diplomatic negotiations with the Axis and by the time the year was out, eleven republics had already declared war against one or the other of the Axis partners.

(iii) The Anglo-Soviet Treaty.

On May 26, the Anglo-Soviet Treaty was concluded which provided for joint action against the Axis in Europe and reiterated that there would be no separate peace or armistice. The statement that a complete agreement was reached about a second front in Europe meant that the strategy of Russia had been finally brought in line with that of Britain and America.

(iv) United Europe.

The year was, therefore, remarkable in the decisions arrived at and the actual steps taken, not only to defeat the Axis, but also to build up a better world after victory had been won. Not the least remarkable of events was the close union of European nations, who sank past differences against the common foe. Poland and Russia, Czechoslovakia and Poland, Greece and Yugoslavia expressed their determination to establish a better European order after the war. The insane German terrorism and persecution had the effect of establishing a strong "under-ground" front against the common foe.

2. RUSSIA.

(a) The Search for a Decision.

(i) High Prices.

"The enemy", writes a British Military commentator, "is suffering more than he expected to suffer, and he is achieving less than the minimum he needs."

While it is true that the present strain and drain on the German military machines is tremendous and almost certainly much greater than they had bargained for, it is also clear that von Bock and his superiors are prepared to pay the price, however heavy it may be. Indeed, they have no option; whatever the cost may be, they are now compelled, by the course of their southern offensive, to go on throwing in fresh tank formations and fresh infantry divisions and withdrawing exhausted or shattered ones in order to force the decision which has eluded them ever since their initial drive from Kharkov.

(ii) Decision Defined.

What sort of decision? That question was put to the Wilhelmstrasse military spokesman by a press correspondent from Zurich a few days ago. He is said to have answered that the German High Command recognised the impossibility of occupying the whole of Russia and would choose as their goal some line marking the extremity of advance which could easily be held against Russian counter-attacks and behind which economic exploitation of occupied Russia could proceed undisturbed. "Little, however, would be gained", he went on, "if the Russians succeeded in withdrawing their armies intact behind the Volga, nor would the German purpose be achieved unless Soviet military equipment were utterly destroyed and its resuscitation effectually prevented by the occupation or paralysis of Russian war industries and the blockade of the Lease-Land routes via Persia, Murmansk and Archangel."

(iii) The Penalty of Failure.

According to this press correspondent, the Wilhelmstrasse spokesman added the remark that if the Russians were not smashed and isolated, they would be able, as last year, to organise winter offensives "which would tie down several million of German soldiers whose release during the winter for making munitions is vital, if another offensive is to be undertaken next spring."

(b) The German Nightmare.

(i) The Moscow Failure.

Whether or not the German spokesman was quite so frank as this, the fact remains that the outline of the situation as drawn by this journalist after collecting his impressions in Berlin is fundamentally accurate. The Moscow offensive failed primarily because the weakness of the Germans' overstretched communications gave the Russians their chance, and Hitler declared that this handicap would never be allowed to arise again.

(ii) Return of the Nightmare.

It has arisen again. At a fearful and dangerous cost, Timoshenko and the Russian Command have again forced that handicap upon the enemy, and in a more aggravated form. It may be that the drain on Russian resources has been so severe that they are not at present in a position to strike back in front of Stalingrad with the same stubborn force and the same concentration of artillery as turned the tide in front of Moscow. Moreover, the Germans have some weeks of dry autumn weather in hand, which was not the case when they launched their final thrusts against Moscow's (the Muscovite) defences. Nevertheless the nightmare has returned and the Germans are once more faced with longer and longer hauls to supply an army which must always fight an enemy it can never destroy.

(c) The Russian Air Offensive.

(i) A Feat of Distance.

A feature of recent news from Russia has been the Russian air raids on East Prussia, Poland and Berlin, which has now been visited twice this summer. It speaks much for the Russian Air Force that it is able to stage these long-distance raids while at the same time grappling with the full strength of the Luftwaffe on the Russian front. The nearest part of the Russian front to these places is the area between Moscow and Leningrad. Planes flying from this area would have to fly over 800 miles to Berlin, 480 miles to Konigsburg in East Prussia and over 500 miles to Warsaw.

(ii) A Supplement and a Portent.

Considering the air war as a whole, these raids have not the same weight and therefore the same importance as the British raids on Western Germany. Nevertheless, they form a very useful supplement to the main effort in the West, just as that effort is itself a very useful supplement to the Russian military effort in the East. These raids have the added advantage that they place Germany, as last year, under two fires. But the fires are significantly bigger than last year and this fact itself must prove a sinister portent to German minds when they look into the future and consider that the American bombing offensive has scarcely yet begun.

3. MIDDLE EAST.

(a) Change of Command.

(i) The "Caucasus Front"

Mr. Churchill's two visits to the Middle East have been followed by significant military changes, and by declarations of policy from Middle East statesmen.

In the course of his long journey the British Prime Minister transacted important business in three places: Moscow, Tehran and Cairo. The three places are in fact more closely interrelated in the conduct of the war than at any previous time. With the Prime Minister's return to London came the announcement that a new Iraq-Iran Command had been formed with General Sir Henry Maitland-Wilson in charge of it. So long as the German thrust to the east via Turkey seemed an immediate possibility, the British armies in Syria, Iraq and Western Iran were facing in the same direction and preparing against a common threat. Now the German advance towards Grozny and the Caspian converts the Caucasus range and Trans-Caucasia into a forward rampart covering the oilwells of Iran and Iraq. The Russian forces defending that region will become increasingly dependent on the same route as that which supplies the Iran-Iraq Army. This route comes up the Persian Gulf and thence by rail and road via Tehran to Bandar Shahr, on the southern shore of the Caspian.

Trans-Caucasia, Iran and Iraq are, therefore, bound together now as a strategic unit. At present this new "Caucasian Front" is concerned with defence. The time may come when the Germans will find that their advance towards the Caspian has exposed them to a damaging flank offensive.

(ii) The Desert Front.

The Middle East Command (now limited to Syria, Palestine, Egypt and East Africa) under General Alexander, is supplied by an independent route coming up the Red Sea to the Suez Canal zone and the Nile Delta which links with a continuous railway system via Palestine and Syria. Relieved of responsibility in the North, General Alexander will be able to devote his undivided attention to the Axis desert forces.

(iii) Strategic Unity.

These two Commands are separated by some 400 miles of desert across which there is no system of communication except rough motor tracks and a railway in the north which cannot be used for military purposes since it passes through Turkish territory. Sea communication involves 14 days' voyage from Suez to Bandar Shapur, at the head of the Persian Gulf. The new arrangement of the two Commands (with India as a third), each with its own separate supply system and each functioning independently but co-ordinated by general supervision from London, is well adapted to meet the new military situation.

(b) Middle East Solidarity.

This military gearing-up of the Middle East has been followed by declarations of Arab statesmen, pointing to an ever growing solidarity of the Middle East democratic bloc. Broadcasting on August 26, the Egyptian Premier said: "The cause of democracy is our cause.... The day will come when the democracies will triumph." For his part Mr. Churchill has assured the Egyptians that Britain is "determined to fight for Egypt and the Nile Valley as if it were the soil of England itself."

The Shah of Iran expressing his admiration for the fortitude of Britain, hoped that his people would follow her example in time of danger. And General Nuri Said, the Premier of Iraq, has declared in unequivocal terms that should the Nazis break through the Caucasus and reach Iraq's frontier "we shall declare war and fight on the side of the Allied Nations." Militarily and ideologically the Middle East is ready to meet the Nazi threat.

4. SOUTH-WEST PACIFIC.

Battle for Solomon Islands.

The Battle for the Solomon Islands which was initiated by U.S. amphibian forces on August 7 has passed successfully (for the Allies) through two phases and now the third is awaited. In the first, U.S. Marines firmly established themselves on six islands. In the second, which began on August 23 and lasted only four days, the enemy carried out an offensive reconnaissance which met with such opposition that it was eventually withdrawn. In the third, we may see the Japanese attempting a full-scale counter-attack.

(a) Importance of Sea Control.

(i) Japanese Employ Battleships.

The enemy's offensive reconnaissance was made in considerable force. Battleships were employed for the first time since the Midway action in the first week of June. This, added to the fact that the enemy chose to strike back within two weeks of the Americans gaining their first foothold, is patent proof that Tokyo attaches great importance to the occupation of Tulagi and neighbouring Islands. It shows that the first purely offensive Allied action in the South-west Pacific was designed to hit the enemy where it hurt most and to acquire positions of substantial strategic value.

(ii) Use of Air Cover.

Since the loss of the Prince of Wales and Repulse it has been evident that superiority of naval air power is the crux of the Pacific situation. Islands depend on sea communications for their defence and therefore on sea control, which in turn is dependent upon superior air cover to that which the attacker can muster.

At Midway the Japanese battle fleet was repulsed. This success was due in large measure to the fact that U.S. aircraft destroyed three Japanese aircraft carriers in the first 15 minutes of the action, and, thereafter, completely dominated the sky over the fleet. A big factor in the complete success of the Midway action was the existence of well-established land bases from which large numbers of planes took off to engage the enemy.

Land-based aircraft have a better all-round performance than seaborne aircraft. They are, therefore, more than complementary to the carrier-borne aircraft available; they tip the scale heavily in favour of the defenders. When the Japanese began their offensive reconnaissance in the Solomons last week the land bases had been in American hands only for a matter of days. In the circumstances, it could not be expected that the Americans would risk important naval units in the area. Until the bases are well developed, sea-control in the waters round the Solomons will not be definitely established.

The enemy may be expected to dispute vigorously American possession of the bases in the third phase of the battle which must follow shortly. The struggle for sea control may be a long drawn out affair. Much will depend on the speed with which the newly-acquired bases are developed and stocked with aircraft, ground staffs, bomb and petrol stores, anti-aircraft guns, etc. As General Blamey said in August 28, "The Solomons battle has now entered the stage of an aggressive campaign which must be fought to a finish".

(b) Enemy Propaganda: A Change of Tone.

With the turning of the tables against them, Japanese propaganda underwent a marked change. It is noteworthy that Tokyo abruptly discontinued its practice of claiming long lists of successes in the Solomon operations. On August 20th Tokyo (in Burmese) said: "Nippon has no need of information from the U.S. since her own official communique has already announced full details." On August 21st, however, a Tokyo radio news bulletin (in English) reported a Press Conference held by the Board of Information as follows: "The spokesman of the Board of Information, Mr. Tomokazo Hori did not go any further beyond saying that the battle was nearly ended. He added that probably some of the landed enemy marines have not yet been exterminated."

Premature boasting has always been Japan's strong point. Pearl Harbour and Midway actions are a proof of it. Japan's present reticence is a good measure of the magnitude of her difficulties.

"350 - 1.9.42."

228TH BI-WEEKLY GUIDANCE NOTES ON THE WAR SITUATION
DATED SEPTEMBER 5, 1942.

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POLICY

1. Treat Russian offensive in centre not as diversion but at its face value as a counter offensive. Moral value is immediate, but treat future prospects with caution. Show that German object, more vital after last year's failure, is to secure victory before winter.
2. The Eighth Army's task is defence of Nile Basin. Rommel's first manoeuvre has not succeeded, but his forces are strong and his need urgent.
3. Operations in China and South West Pacific illustrate Wavell's assertion that Japan's run of easy victories is over. But quote soberly his warning of danger to India, which lies within the sphere of Axis ambitions and can only be safeguarded by united resolve to crush the enemy.

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3. EGYPT.

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1. BRITAIN : WAR ANNIVERSARY SURVEY.

(a) The Maginot Phase to May 1940.

This first period is commonly dismissed nowadays as one of inefficiency and complacency. Such a judgment lacks historical perspective. The import of this phase can only be understood if it is remembered that Britain's desire for peace was earnest and profound, and except for a few perspicacious men, opinion was in general open to the peace-palaver of the Nazi war-monger. It was Mr. Chamberlain who said after Munich: "I have no doubt, looking back, that my visit alone prevented an invasion for which everything was prepared."

Soon, however, the world was pitilessly shaken out of its comfortable illusion, and Hitler ravaged country after country until his hordes were divided from England by a mere strip of water. In May 1940 Mr. Churchill said: "It would be foolish to disguise the gravity of the hour. It would still be more foolish to lose heart and courage." Then came Dunkirk, epic prologue to Britain's "finest hour". And on June 4 Mr. Churchill told a brave Britain at bay: "British losses have exceeded 30,000 in killed, wounded and missing, perhaps a third as many as were lost in the opening days of the battle of March 21, 1918. Losses in material were enormous.....this equipment, the first fruits of what British Industry had to give is gone."

(b) The Struggle For Survival.

(i) The Battle Of Britain.

On August 8, 1940, with attacks on convoys near the coast and in the Thames estuary, the Luftwaffe began their 'Battle of Britain'. Ports and aerodromes along the South and South-East Coast were bombed ruthlessly. Goebbels and his blatant propaganda minions fixed August 15 as the date for invasion. On that very day Goering concentrated 400 planes in a single attack on Portsmouth. But the R.A.F. faced the ordeal with magnificent courage and brilliant initiative. On two days when 600 planes a day took part in the battle, the R.A.F. brought down no fewer than 245 of them; whether enemy planes attacked objectives on the coast or deep in the interior, British fighters and anti-aircraft were ready to meet them and make them pay a heavy price for their insolent intrusion. "The first innings" said a neutral reporter "is in favour of England."

(ii) The Battle of London.

Proud in the conclusions of his own intuition, Hitler decided to use what he considered his trump card and shatter the morale of the people of Britain. He reflected that if he could lay waste London, then England was his for the asking. Goering boasted he could hurl 10,000 planes on London. Hitler speaking in Paris in September 1940, announced his impending arrival in London. "Whatever happens" he said, "England will be broken". On September 11, Mr. Churchill broadcast: "A heavy full-scale invasion of this island is being prepared ... it may be launched now." A systematic attempt at destruction and slaughter of London followed. The people of London bore it with stoic heroism. During the last week in September 2,000 civilians had been killed, and 8,000 wounded by German bombs, while the number of killed in all the armed forces defending the British Isles did not exceed 250. But, as the fishermen of Dover said: "Hitler has missed the boat". Step by step he was forced to abandon his plan of immediate invasion. The Battle of London cost Goering 883 planes and more than 2,500 airmen. Hitler may have swashbuckled over Europe but he had failed in three months of furious daily battles to break the British resistance or to set foot on British soil, except for the tiny Channel Islands, isolated and defenceless off the French coast.

(iii) The Middle East Front.

It was during these grim September days that Graziani began his invasion of Egypt. But he seemed content to consolidate his position inside the frontier at Sidi Barrani. General Wavell, however, without waiting for the million tons of equipment and supplies, and 30,000 mechanical vehicles which streamed to the Middle East in a year's time, assumed the offensive with his own limited resources. The Italians although greatly superior in numbers, fell back from one position to another and by February 1941 Wavell's men had wiped out ten divisions and cleared Cyrenaica of all the Italians. As Sir John Dill said about Wavell: "He gave us confidence when we needed it most". Wavell thus helped the British to face the peril of invasion. He helped the Greeks to face the assaults of the "Italian miscalculator". His brilliant strategy gave a new twist to the deathless narrative of David encountering Goliath.

(iv) The Battle of the Atlantic.

As the months passed Britain's lot became no easier. Each problem she solved was succeeded by another more serious one. On February 24, 1941 Hitler said: "It is now that submarine warfare will begin in March and April with our new U-boats, the war will be intensified to a degree the enemy could never have imagined. The aim of this war on sea and in the air around the British Isles was clear. By the sinking of convoys, and the destruction of ports, by bombing dockyards and industrial centres with a view to paralysing production, Hitler hoped to starve out a demoralized Britain. The attacks on convoys in the neighbourhood of ports, on the high seas, in the Atlantic continued relentlessly. Weekly losses often reached 100,000 tons and more and German propaganda multiplied them yet further. Goebbels boasted of a "hecatomb of cargoes". Broaching the problem of the Atlantic Mr. Churchill said at the "Pilgrims Club" in the presence of the new U.S. Ambassador in London, Mr. Winant: "At this moment a great battle in which your government and nation are deeply interested ... The Battle of the Atlantic must be won in a decisive manner ... if the declared policies of the United States are not to be forcibly frustrated." "The Battle of the Atlantic" as the Premier said on another occasion, "has thus become one of the foremost of the war." It became a new and wider

form of the Battle of England. The solution was to be sought in the perfecting of the means of defence, of protection and attacks against submarines and bombers, as well as in the acceleration of shipbuilding. The U.S. had already begun to help Britain with destroyers and torpedo-boats. But Britain herself had to raise the tempo of her own production.

(c) The Struggle for Production.

(i) Conversion of Industry.

In 1938 the British Government used by only one-fifth of the national resources, leaving four-fifths for personal consumption. But within a period of three years Britain achieved an economic miracle. More than half the country's resources were turned into various means of winning the war, and carrying on the Government. Direct control of labour, raw material, and industrial capacity was instituted to prevent the people from making things and giving services which the nation did not essentially need, or ought to be able to do without. This process was supplemented by increased taxation and rationing. Labour was conscripted. The "Essential Works Orders" put an end to wasteful labour mobility. "Concentration" of industry maximized the uses to which a given potential could be put. Capital construction was severely curtailed.

(ii) Mobilization of Labour.

On December 2, 1941, Mr. Churchill said that "Britain had reached at the 27th month of the war the same employment of women in industry, services and forces as in the 48 month of the last war We have a million more men in munition industries at this moment than at the end of the last war." A systematic scheme was launched by which half the nation would be in arms, and the other half at battle stations. And the fruits of this plan were so successfully gathered that Mr. Bevin in a recent speech said that no country in the world had ever been so fully organized at such a pitch of productive intensity as Britain is in 1942. In May 1942 two persons out of every three in the age group between 14 and 65 were mobilized for war service. Every appeal sent by Mr. Bevin was gladly answered by both the men and the women of Britain until as he himself observed "one could go no further".

(iii) Production Forges Ahead.

Production had to go on under great difficulties. The Luftwaffe rained its bombs mercilessly as much on schools and hospitals as on factories. One of the methods devised to carry on the job despite these handicaps was the "dispersion" of factories. As Mr. Churchill said in December 1941: "A great Bristol firm was dispersed into 48 sub-centres. I can give instances of dispersion to 20, 30, or 40 sub-centres." The strain on transport, the intensive dislocation of labour power were attacked by a skilled distribution of men and material appropriately camouflaged from Goering's curious eyes.

In December 1940 Lord Beaverbrook was able to tell the nation, "in four months from August to November the output of aircraft in London was double the output of last year." Under the hustling Beaverbrook and organizing Lyttelton Britain "pepped up" her armament production to a phenomenal degree. Eighty-seven percent of the R.A.F. planes operating from home bases, 75 per cent at bases abroad are British-made. In the huge raid on Cologne in May 1942, every single one of the 1,000 bombers employed was British made. In 1941 Britain sent to battlefields abroad nearly 10,000 planes, over four times the number it imported.

The record as regards Britain's ammunition output is no less outstanding. She produces 40,000 big guns a year, with 25 million rounds of ammunition; and millions of small arms. And this is a spectacular achievement if one remembers Mr. Churchill's vivid description of people fainting at their lathes after Dunkirk to produce the goods Britain needed just to exist. Here is one vivid example: Britain produces twice as many tanks as in August 1941, three times as many as in February 1941, and five times as many as in August 1940. Six thousand small dispersed units turn out this output, and are being keyed up to produce more.

Shipping, as both Hitler and Britain are fully aware, is England's life-line. And not all his devastation "with his Atlantic rattlesnakes" has been able to starve Britain or check her shipping programme.

In 1941 Launchings totalled over a million and a quarter tons; naval tonnage produced in the last quarter of 1941 was four times as great as that produced in the last quarter before the war; merchant-tonnage twice as great. Spectacular results were achieved by a scrap-saving campaign. In June 1942 Mr. Lyttelton was able to say, "we have increased our production of all war-weapons as a whole by 100 percent during the last twelve months alone."

(iv) The Fruits of Sacrifice.

Because of the need to conserve shipping for vital military supplies, the people of Britain have willingly accepted severe rationing of almost all foods. No one can buy more than two ounces of butter, or more than two ounces of tea a week. Fruits are almost unobtainable. But Britain refuses to knuckle under. After three years of war Britain, according to Lord Woolton, is the best-fed nation in Europe. It is the only country in a total war that has managed to increase its vital rations as years passed by. Four million extra acres of land are under the plough. 120,000 tractors have made England the country with the most highly mechanised agriculture in the world. She produces two-thirds of her own needs. More than 5½ million families are growing their own vegetables in gardens or allotments. Compared with the last pre-war year wheat acreage is up by more than a third, potato more than two thirds, oats about twice, and farm vegetables a third of their previous levels. "Point-rationing", government subsidies, Lord Horders "nutrient vitamins" have all helped to make Hitler's dream of 1940, to "starve England to utter extinction" as much of a miasmal mirage as any of the others that have haunted this megalomaniac.

Clothing is strictly rationed on a coupon system. Each person is given 66 coupons to cover the entire year's supply of clothes. A man's suit takes 26 coupons, a woman's dress 11. But all this has not made England after three years of war as badly off Nazi-ruled Norway, where a suit contains 75 percent rayon and cotton, while a thirty-shilling shirt in Germany is made up of cotton waste. "Austerity schemes" in clothing have only one aim to achieve. How far can the people be suitably clothed without straining industry or shipping? The present scheme has released 300,000 tons of shipping a year, and some 750,000 workers from luxury production to war work. The people of Britain may not be as well off as in peace time. But no country fighting for existence and liberty can be better off.

(d) Britain's Problem -- Distribution.

In 1940 Britain was engrossed with the problem of sheer living. In 1941 she had to tackle the issue of production. Today what she has to resolve is distribution. And the answer to this urgent query is shipping. Despite Goebbels' communiques, in the last six months of 1941 Allied losses only averaged about 130,000 tons a month. The losses today are the same as they were during the peak period of the U. Boat offensive in the spring of 1941. But Britain and America at the end of 1941 have a total pool of 25 million tons. At a conservative estimate, the three Axis Powers have lost between seven and eight million tons of shipping by the end of June 1942. With Canadian and U.S. help, with her own stepping up of naval production, with a comprehensive intensification of the bombing of German U. Boat construction yards, Britain and the Allies on an objective statistical basis compiled by the U.S. magazine "Fortune" should have a net gain of 40 per cent in their shipping at the end of 1943. And that while the Axis' own position is subjected to disintegration from factors within and without. The problem of distribution is being and will be solved by the Allies.

2.1. INDIA.

(a) "Freedom Stations" : A New Crop of Fakes.

(i) An Axis Speciality.

Axis propaganda, served by very numerous and very powerful transmitters, has long specialised in the dissemination of broadcasts, under fake titles, alleged to operate from within the countries which the enemy is addressing.

For instance, a round half-dozen special programmes, announcing themselves as British and designed to exploit the supposed susceptibilities of special groups of the British population, are sent out from German-controlled stations on the continent. This racket began during the Battle of Britain in the summer of 1940, and although there is no evidence that it has stimulated in Britain anything but contempt for the enemy, the Germans keep on, trusting no doubt in their principle of the cumulative effect of propaganda.

(ii) Hypocrisy Exposed.

Of more than passing interest are the references to India in broadcasts to Britain from these fake stations. For comparison with enemy propaganda to India the following item, put out on June 21st of this year by the German station calling itself the "New British Broadcasting Station", is typical of what the Germans try to get across to Britain:

"We give all our listeners a very grave warning that we have now reached the position when India can only be ruled by force."

The "we" above is intended to convey a British opinion to other Britons. How does it square with Berlin's loud championing of revolution in India? What is its object? To divide opinion in Britain, to alarm its listeners, to influence Government policy towards actions which it would then be easy for German propaganda to denounce? Whatever be the answer, it is a fresh revelation of the utter hypocrisy of enemy propaganda towards India.

(iii) Mussolini Follows Suit.

Similarly, Italy runs from Greece a radio programme masquerading as a "Free Arab" station in the Middle East, whose utterly irresponsible stories of Arab distress (blamed always upon the Allies) are the more despicable when one reflects upon the appalling conditions (Rs. 100 for a 2½ lb. load of bread is the latest news) among the brave and once happy Greek people from whose soil Italy conducts her propaganda.

(iv) "Himalaya" and "Azad Hind" Betray Themselves.

The well-known and shamelessly expressed Axis contempt for India is borne out by the kind of propaganda which enemy experts imagine will be accepted by Indians as emanating from India itself.

The first notable example was provided by the scurrility and blasphemy of the so-called "Himalaya Radio" which made itself ridiculous by its periodical attempts to introduce local colour with references to colds in the head and the grandeur of mountain scenery. This Axis fake completely and memorably gave itself away on May 14, 1941 (see Guidance Notes No. 176 for 6/3/42, section 2(b).)

The next experiment was the German programme put out under the name of Azad Hind, and now broadcasting in two Indian vernaculars as well as in English. The endeavour to exploit Subash Chandra Bose resulted in the exposure of this fake also (see Guidance Notes No. 176 as above).

(v) New Developments.

The prodigious efforts made by enemy propaganda to undermine India in her present state of danger from without have included, as might have been expected, further attempts to impose fake broadcasts on the people of this country.

Tokyo, with satellite stations under her control in all her enslaved territories, has begun to announce her own propaganda from some of these stations as "Voice of the Indian Independence League" and similar trick titles. Berlin, not to be outdone, has invented an "Indian National Congress Station" -- which, it is interesting to note, carries on on the same wavelength as the Nazi "Azad Hind" after the latter has closed down for the evening.

Perhaps realising that the game could not be kept up, the enemy have announced, in their Azad Hind programme, that this new transmitter is run by "Indian patriots who have escaped abroad". One is reminded that Hitler had another phrase: "oriental mountebanks".

(b) The Rumour-Racket.

"Wild rumours are being spread among the Indian masses", declared Tokyo radio on August 21st, thereby claiming success for its own propaganda, which on the very same day it supplemented by another crop of fantastic reports.

One of the significant features of these Japanese stories (according to which a number of Indian towns and cities have already been more or less destroyed by bombing, while the Government of India plans "the extermination of the entire Indian population" with disease germs) is that Tokyo, as if afraid that her lies will come home to roost, quotes places thousands of miles from India (e.g. Stockholm) as the sources of its amazing "news" (see 134th Guidance Notes, Section I (b) and 225th Guidance Notes, Section 1).

(c) Japan and War Prisoners.

The attempt to exploit prisoners of war for propaganda purposes is a well-understood feature of the Japanese campaign against India.

Beyond this, Japan has of recent months made very strenuous efforts to rehabilitate herself in world opinion after the shocking revelations of Hong Kong. How far are the vociferous Japanese declarations of their good treatment of prisoners to be relied on (accompanied as they have been by allegations of bad conditions for Japanese nationals in Allied hands)?

Mr. Sumner Welles said at Washington on September 1 that Japan had not lived up to the established standards in the treatment of prisoners. That is a sober statement. It could be justified by the known facts of instances which, however "isolated", cannot be passed over in silence. These include, beside the initial barbarities in Hongkong, incidents in the Philippines as well as such stupid atrocities as the shaving off of the beards of captured Sikhs.

Nothing in Mr. Welles's statement, however, rules out the opinion that in general the Japanese treatment of prisoners and internees has improved in orderliness, and that after the earlier abominations of bayonettings and rapings the great bulk of captive persons have not been actively ill-treated. The exceptions, in other words, have been ugly and utterly inexcusable; but they have been exceptions.

Although it will be some time before any official notification can appear after the arrival at Lourenco Marques of exchanged British and American civilians from Japanese-occupied territories, the above broad conclusion would appear to be correct and may be borne in mind in treating individual accounts.

3. EGYPT.

(a) The Battle Resumed.

(i) Rommel Repeats Former Tactics.

In his latest attack in the region of El Himeimat Rommel attempted to repeat his former successful tactics. As at Gazala he chose to strike at the Allied southern flank. He once again gave his attacking force local numerical superiority in men and armour against the defenders. His aim, as before, was to achieve a break through, then wheel round and encircle the Allied forces. And lastly, by striking first he hoped to profit by the advantage of the initiative.

(ii) Impressive Enemy Strength.

But despite this well-based plan the main force of the offensive lasted barely 36 hours. It was not because Rommel found himself short either of men or material. Troop reinforcements, flown from Crete, have not only brought his original divisions to their former strength but have in addition given him a full German infantry division to supplement his impressive striking force. In the air the reinforced Luftwaffe is very much more in evidence than it has been during the last two months.

(b) Why Battle Was Broken Off.

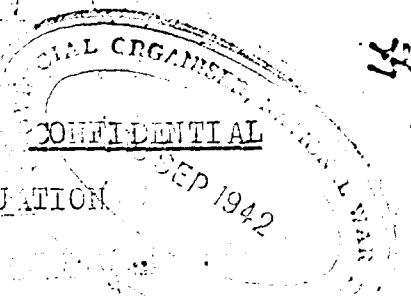
Why then has the battle died down for the moment? Obviously something has gone wrong somewhere, for German Commanders are not in the habit of giving up an offensive a few hours after launching it, and German armour is not unnecessarily exposed to the danger of destruction. The explanation seems to lie as much in Rommel's failure to by-pass the Allied southern flank at El Himeimat as in the soundness of Allied defensive strategy. He has therefore partially withdrawn for the moment.

(c) Lull Before the Storm.

But it must be emphasised that this withdrawal is purely temporary for the enemy is too near Alexandria not to try the jump whenever he sees his chance. And although Allied defences have, in the first test, proved their effectiveness, this must be ultimately placed against the undoubted strength of Rommel's offensive power and Hitler's dire need to break through at any cost as soon as possible.

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230TH BI-WEEKLY GUIDANCE NOTES ON THE WAR SITUATION
DATED SEPTEMBER 12, 1942.

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It is recommended that these notes be filed for record, as reference to previous notes saves time, paper and repetition.

POLICY

- (1) Churchill's statement on India should in general be allowed to speak for itself. His reaffirmation of Cripps Declaration should, however, be underlined.
- (2) Extension of Madagascar operations is due solely to persistent and dangerous enemy activities under Vichy cover. Recall vast size and strategic position of island and do not anticipate spectacular communiques.
- (3) In Russia it is worth noting that the enemy has begun to mention the weather.
- (4) Continue to treat S.W. Pacific as permanent war-theatre in which Japan has much to lose, not as local battleground with immediate decisions.

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I. BRITAIN.

- (a) Churchill on the Course of the War.
- (i) Two Eventful Months.

"Measureless improvement has marked the past two years in our position," said Mr. Churchill in his War Review in the House of Commons on September the 8th. Of the nine weeks that had elapsed since he spoke on the Vote of Censure, he was able to show that "the tendencies of the war continued to move in our favour".

The events on which he touched in support of this general view of sober optimism were: Progress of the war at sea, Mounting allied air power, the Dieppe raid, the American and Australian offensive in the South West Pacific, the American Mission to Britain, Allied conversations in Moscow, Brazil's declaration of war, and finally the course of operations on the North African Front. Of the great battles in Russia, he said only five words, but they were words of the highest significance when it is realised that in Russia Hitler is desperately struggling to prevent a repetition of the events of last year. Churchill's five words were: "It is September the 8th."

- (ii) War At Sea.

The great struggle for the preservation of Allied sea communications, which the Prime Minister said must be regarded "as the foundation of all efforts of the United Nations", has been marked during the last two months by the following favourable signs. Despite continued heavy losses, July, August and the first part of September "are a definite improvement on the preceding months." Measures against U-boats have been more successful than at any former period in the war. The new building of merchant ships has been above the sinkings.

- (iii) War in the Air.

"From June to the first week of September", said Mr. Churchill, "we discharged nearly double the bombing load on Germany as we discharged during the corresponding period last year and with much greater precision. He pointed in particular to the value in the campaign against U-boats of the heavy and successful bombing of German ship-building yards, and drew attention to the increasing importance of the new factor of daylight bombing by the United States Air Arm.

- (iv) The Second Front.

The important reconnaissance in force which has become known as the Dieppe Raid was described by the Prime Minister as "an indispensable preliminary to full-scale operations". He added that while the enemy is aware of the rapid increase of troops and equipment in Britain, "what he does not know is how, when and where, and with what force, and in what fashion he will be smitten, and on this point it is desirable that he should be left in his own rumination."

- (v) The Middle East.

In the course of a detailed review of the recent heavy fighting in Egypt, Mr. Churchill revealed that despite its losses, the Army of the Western Desert "is now stronger actually and relatively than it has ever been". A point of importance is that the principal measures taken to produce this state of affairs were set in motion as far back as last March and April, when with American assistance in shipping it became possible to transport vital reinforcements round the Cape to Egypt. This drives home the lesson that the effects of decisions taken by the United Nations at any given moment are seldom apparent before the lapse of several months.

Mr. Churchill's frank account of the reasons prompting the changes in command in the Middle East will be approved not only for its own straightforward logic but also as a striking contrast to the manner in which Axis generals are from time to time disgraced by the whim of Hitler and then brought back to service to get the Fuehrer out of sudden difficulties. While paying a warm tribute to General Auchinleck's services, particularly at Sidi Rezegh in November, and at El Alamein in early July, Mr. Churchill made it clear that the changes in command, which were made on the advice of the Chief of the Imperial General Staff and of Field Marshal Smuts, were brought about in order to remove a baffled sense of bewilderment which had fallen, after misfortune, upon the Army, among whose officers and men the universal conviction remains "that they could beat the Germans man to man, and face to face."

The Prime Minister's verdict on the recent fighting in Egypt was: "Not unsatisfactory, especially when compared with what the position was 2½ months ago". He paid a tribute to the high degree of co-operation between the Air Force and the Army and to the good work of artillery as well as armour in defeating Rommel's attempt to repeat his Gazala tactics.

- (vi) Allied Co-operation.

After mentioning the ten-day July Conference in London with important representatives of the U. S. Army and Navy as well as with President Roosevelt's personal representative, Mr. Hopkins, Mr. Churchill reported on the Moscow Conversations in which he took part with Mr. Stalin, Mr. Harriman, the Chief of the Imperial General Staff and General Wavell. It was characteristic

of Mr. Churchill, and of British frankness in general, that he should recognise and state publicly, "that the Russians did not think that we or America had done enough to take the weight off them, and this is not surprising in view of the terrific slaughter they have withstood." He added, however, that M. Stalin, "This great rugged war chief" -- now feels complete confidence in the loyal resolve of Britain and America "to aid them as quickly as possible without regard to the sacrifices and losses involved."

(vii) Axis Lies Answered.

Mr. Churchill's account of the Moscow talks vividly exposes the attempts of Axis propaganda to spread disunion among the United Nations; in the course of his address he referred to other matters of which the enemy has been particularly anxious to spread doubt and falsehood. For instance, his stirring account of the great Mediterranean operations which resulted in the replenishment of the Malta garrison by an important convoy of supplies, disposes of the Axis attempt to represent this convoy as one intended for Alexandria which was forced to "escape" to Malta. Again, his report on the Dieppe raid shows up the German efforts to represent this highly successful operation as an "invasion" which did not come off. His appreciation of the loyalty to the cause of the United Nations shown by King Farouq in Cairo, and by the Shah of Persia in Teheran, gives the lie to very energetic propaganda by both Germany and Italy towards the Arab countries. Finally, Mr. Churchill's revelation that General Gott was to have been appointed to command the Eighth Army when the news came that he had been killed by the enemy, answers the characteristic Axis lie that General Gott, who in fact was greatly trusted by the troops, had been killed by his own men.

(b) Churchill On India.

(i) A Settled Policy.

Any doubts which have persisted, fanned by enemy propaganda in the face of repeated assurances from Britain, as to the new principles of British policy towards India, were removed by Mr. Churchill's statement on September the 10th, that the principles of the Government Declaration which formed the basis of the Cripps Mission must be taken as representing the settled policy of the British Crown and Parliament.

(ii) Conditions of Detention.

In referring to the detention of Mr. Gandhi and other Congress leaders, the Prime Minister spoke of "conditions of the highest comfort and consideration". In this connection the communique of the Bombay Government of August the 30th may be recalled. It said that Mr. Gandhi is in a private house where he is supplied with everything necessary to secure his comfort and the kind of food he requires. His wife is with him and certain companions including his own medical adviser. The members of the Congress Working Committee are also accommodated in suitable quarters and are supplied with all necessary conveniences. They are in the charge of an officer of the Indian Medical Service. All these persons, the Bombay Government further revealed, are permitted to correspond with members of their families on personal matters and are provided with newspapers. The health of all is good.

(iii) India's Fighting Men.

Mr. Churchill paid a well deserved tribute to the martial races of India when he told the House that although there is no compulsory service in India, "upwards of one million Indians have volunteered to serve the cause of the United Nations in this world struggle". During the last difficult two months over 140,000 new volunteers for the Army have come forward.

2. RUSSIA.

(a) The Russian Crisis.

When someone remarked to Adam Smith, on the news of the fall of Saratoga, "the nation is ruined", he replied "there is a great deal of ruin in a nation". Similarly, when the Russian situation is described as critical, we may reply, "there is a great deal of crisis in a nation as tough as Russia". The situation in Russia is critical and has been so for some weeks, but the Russians have shown such immense tenacity and power of recovery that confidence is growing in the inability of the Germans to win any decisive success before the winter.

(b) Stalingrad.

(i) The Three Prongs.

Fighting has continued with undiminished fury around Stalingrad. The present position seems to be that the Germans have driven three prongs to the north, west and south-west of the city. The northern prong has reached the neighbourhood of Dubovka, on the Volga, the central and shorter one is based on Kalach on the Don, and the southern has advanced from Kotelnikovo, Stalingrad itself is under violent aerial bombardment. The German plan seems to be to hammer alternately at each point, hoping that the Russians, in moving reserves to each threatened point in turn, will eventually leave a "soft" or uncovered spot through which the final dash to the steel city can be made.

The Russians, on their side, have brought up reinforcements on a scale which has clearly surprised the Germans. German comment has reflected this in a change from confident predictions of the city's imminent fall to complaints at Russian tenacity and surprise at Russian reinforcements. The Russian tactics have been to attack from the north and so threaten the flank and rear of the German northern prong.

(ii) Importance of Stalingrad.

Should Stalingrad fall it will of course be a serious loss, not so much for its industrial equipment which has already been removed, as for the interruption of the Volga supply route. On the former point Mr. Averell Harriman on September 9 remarked that Russian war production has been "maintained to a remarkable extent, and in fact in some cases it has been increased". On the latter it may be noted that this route cannot be used for barges and oil transport in winter in any case, because the Volga is frozen over.

The vital fact which is now clear is that whatever the fate of Stalingrad the Russian armies will remain intact. Hitler will be faced with a winter campaign and a Russia in full force in 1943. There are already reports of his contemplated measures for this contingency and it is certain that Goebbels is preparing the German people for another winter.

(c) The Caucasus.

In the Caucasus the Russians are holding their own on the Terek river near Mozdok. But it seems clear that Novorossisk if not actually lost, is in imminent peril; in any case, it is of no further use as a naval base. This means that the Black Sea Fleet must now retire to its last bases at Batum and Poti. This is a severe but not fatal blow to the fleet. There seems to be some ground for believing that the German Caucasian campaign is essentially a cover on the right flank for the Stalingrad thrust. Perhaps it has become this because the major German forces have all been tied down on the banks of the Don. At any rate there has been a notable slackening of the German effort here in recent days.

(d) The Weather.

The Germans have themselves introduced the weather into the news by reporting the first shower of rain for eight weeks in the Stalingrad area, and by saying that there is a touch of autumn in the air. It is therefore worth noting that winter conditions in the Caucasus begin in mid-October. In other words snow may then be expected to fall, frosts to begin, and the passes to be blocked. At about the same time the autumn rains are due in the rest of Russia. The rains produce mud which is bad for mechanised transport. This freezes in its turn in early November, and there is a short period of greater mobility until full winter, with its blizzards, its mighty frosts and freezing winds arrives. The Russian date for full winter is November 25. It may also be noted that the intensity of cold increases, not as one goes north, but as one goes east; the northern climate is tempered by the presence of the sea, while the cold winds come from Siberia.

3. MADAGASCAR.

(a) Vichy's Intransigence.

The reopening of military operations in Madagascar is the direct result of the intransigence of the Vichy government and of the fact that the occupation of Diego Suarez last May has not proved in adequate safeguard against Axis penetration in other parts of the island. Japanese aircraft have been permitted to reconnoitre the Vichy part of Madagascar and supplies for Japanese submarines have been furnished from the island.

(b) The Axis Menace.

If the enemy could operate from Madagascar the danger to the United Nations would be obvious. Madagascar lies right across those vital communications that run from Britain or the United States, round the Cape of Good Hope, to Egypt, to the Persian Gulf and to India. Enemy planes could use airfields in the island and a hostile fleet could jeopardise the communications through the Indian Ocean. If Allied communications with North Africa were seriously threatened, which is what an enemy occupation of Madagascar would mean, there would be no alternative route, and there would be little to stop the German drive to Suez and Middle East. The Allies would lose one entrance to Russia and the products of the oilfields on the Persian Gulf. Finally, South Africa would itself be threatened. (See Guidance Notes No. 194, a (ii)).

In these circumstances, the United Nations cannot afford to take any risks, for as the American State Department has put it, the penetration or occupation of any part of Madagascar by the Axis powers would constitute a definite and serious danger.

(c) The Allied Guarantee.

It has been made plain once again that both the United States and Britain have no territorial designs on Madagascar and that it will be restored to France after the war or at any time that the occupation of the island is no longer essential to the common cause of the United Nations.

Once friendly administration is established in the island, the British government will extend to Madagascar all economic and financial benefits accorded to other French territories which have joined the United Nations. This would include an early reopening of trade and a guarantee of the payment of salaries and pensions to all civilians and military employees in the island, who continue to serve under the new administration.

(d) Naval Operations.

Vichy Radio has announced that the British Fleet has launched simultaneous attacks against the ports on the western coast. This is not surprising for the internal communications are very poor in the island, and the ports are poorly served by road or railway with the hinterland. Majunga is the principal town on the west coast and is the first port of call in the island for ships from Europe.

4. NEW GUINEA.

(a) Japanese Objectives.

New Guinea is a key-point greatly desired by Japan. Possession of this island would give Japan command over the Torres Strait, and the Japanese would be able to carry on a systematic aerial bombardment of Northern Australia in general and Port Darwin in particular. As the countries of the S.W. Pacific fell victims to Japanese aggression Japan ambitiously hopped from island to island further East in the Pacific. It looked as if the enemy, when they landed in Salamua and Lae in March would walk over to Port Moresby without much trouble.

(b) Japanese Difficulties.

But New Guinea has proved a tough nut. It is a very large island full of natural obstacles. Its many rivers spread themselves over swampy ground; mountain ranges come right down to the sea, and dense jungles make the employment of infiltration tactics by the Japanese a difficult proposition. Moreover the Australian Forces know the country well and operate effectively as guerillas, withdrawing into the interior and preventing frontal contacts with the enemy who is superior in numbers.

(c) The Course of Operations.

The latest news is that the Japanese are about fifty odd miles away from Port Moresby, but are not able to move further easily. The usual Japanese strategy has been to secure aerodromes, then strafe allied positions, land reinforcements and press on from one gained point to another. All that the Japanese have been able to do up to now is to gain a few good aerodromes. But even these they have not been able to use uninterruptedly for Allied airmen have been bombing them persistently. Attempts to land reinforcements have also been frustrated, the most notable failure being the Jap defeat at Milne Bay.

Movement on land has been slow. After the Japanese spectacularly advanced through the Markham Valley in March and then withdrew on account of heavy rains, they have been only able to feel their way very cautiously among the high altitudes of the Owen Stanley range. At Kokoda they were held for quite a week. Effogi, the latest point, will not yield easily. In six weeks the Japs have been able to cover only about twelve miles. The Japanese strategy up to now has enabled them to take lightly held positions by concentrating superior forces against each objective. But now they have come up against large areas of positive resistance, and behind New Guinea is the growing arsenal of Australia.

5. UNITED STATES.

(a) U.S. Galapagos Bases.

The Government of Ecuador has allowed the United States to establish bases in the Galapagos Islands. This latest action by a South American republic is in keeping with the declared intention of South Americans to keep away the Axis menace from their shores. Ecuador

has not yet declared war, but this action, together with the vigorous measures taken against Axis Fifth-columnists in the country show which way Ecuadorian sympathy lies in this war.

(b) Defences of the Panama Canal Strengthened.

The importance of United States bases in the Galapagos group is obvious. Defence of the Panama Canal is imperative both to the strategy of the United States as well as to the solidarity of Hemispheric defence.

(i) On the Atlantic Side.

The Atlantic approaches to the Canal are already defended by the fact that Mexico, Cuba, Honduras, Panama, British West Indies and Brazil are fighting on the side of the United States and that the French bases of Martinique and Guadeloupe have been neutralised by American action. Britain sent anti-aircraft guns to Panama to help in the defence of the Canal in December, balloon barrages to protect the west coast and corvettes to hunt submarines in the Caribbean.

(ii) On the Pacific Side.

On the side of the Pacific, the need has always been for bases and key-points above and below the Canal so that warships and aeroplanes may operate in a wide arc, meet in the Pacific, and return. The northern bases such as Salina Cruz and Money Penny Anchorage are already an United Nations' responsibility, for Mexico and Nicaragua have declared war.

The most important southerly point is the Galapagos group of islands, some 650 miles west of the Canal. The action of the Ecuador government, therefore, provides the United States with a good southerly anchorage for its Panama patrol. The volcanic craters of the islands make good natural harbours and nearly complete the Pacific "screen" protecting the Canal from the Pacific side.

(c) Allied Aid to Ecuador.

The relations between Ecuador and the United States have been cordial, and considerable sums provided by the American Export-Import Bank have been spent on roads and communications. To some extent United States purchases and Export-Import loans have helped to alleviate economic difficulties; gold production has steadily increased in recent years, and there has been a mounting output in petroleum. The Anglo-Ecuadorian Oil Fields, and the English Ecuadorian Oil fields account for some 90 per cent and 5 per cent of production respectively.

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CONFIDENTIAL

231ST BI-WEEKLY GUIDANCE NOTES ON THE WAR SITUATION,
DATED SEPTEMBER 15, 1942.

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It is recommended that these notes be filed for record, as reference to previous notes saves time, paper and repetition.

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POLICY

1. Take all opportunities of stressing that Britain's offer to India of constitution of her own devising after victory is genuine and is still open. British Government and people were and are solidly behind Cripps declaration.
2. Between 28 United Nations combatting western and eastern Hitlerism there must be differences at many points, but show that basis of mutual trust is there and that this is essential for victory.
3. In Egypt there is bound to be further heavy fighting after lull following Rommel's reverse. Connect defence of Suez with that of Stalingrad as inter-related operations protecting India from western aggressors while her strength grows in the east.

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1. JAPAN.

JAPANESE DESIGNS AGAINST ISLAM.

(a) The Great Design.

"We pledge ourselves to capture the faith in Islam and for this great new task we will spare no pains, God in heaven will not fail to punish us if we fail in our new mission."

Such was the text of an oath made by a group of Japanese leaders at an impressive ceremony celebrated on the first day of the 33rd year of the reign of the Emperor Meiji (1900). By this pledge, Japan committed herself to the ambitious role of "The Protector of Islam" for the enslaving of the 250,000,000 Muslim inhabitants of the world. It was Mussolini who appointed himself to this role in Europe.

The notables who were subscribers to this serious pact included the chief Ronins and a large group of the political society -- Tojama Nicuru. This was a section of the Kokurji (Black Dragon) the most important of the patriotic reaction societies who in turn financed the activities of the Ronins, the chief group of terrorists in Japan.

The signing of the pledge was the first step towards an offensive against the Muslim world, demanding a full exploration of the facts and materials of Islam for purposes of military conquest. The first definite offensive against the Near East Muslim lands, took the form of a delegation to Mecca in 1925, led by Tanaka Jasuhira, a member of the Junior Officers clique.

(b) The Offensive Against Muslims in the Middle East.

(i) Arabia.

In 1933 Tanaka Jasuhira accompanied by Jamamoto Taro and other junior officers, made another trip to Mecca on the occasion of the universal Haj Conference. He died from malaria in Arabia in the sixth year of his trip, but Jamamoto Taro stopped in Kabul, for seven years exploring the conditions of the Middle-East Muslim lands. The delegation to Mecca in 1935, it is interesting to note, was organised by the Japanese Kwantung Army and the South Manchuria Boundary Administration, not without the help of certain commercial firms including Mitsubishi Kaisha.

(ii) Some Personal Opinions.

The opinion expressed by Itakaki Seishero, one of the chiefs of the young officers' clique in Japan, who was nominated Governor of the Japanese forts in China in 1940, merits attention. After his review of the Japanese Embassy to Europe and America he declared that the "Mohammedan Problem" centring in the Near East and South Asiatic lands demands the utmost consideration because it is vitally connected with our South Expansion Programme."

Kogoe Rensuke, head of the second department of the Japanese Gestapo, also visited Europe and he made this comment: "The adoption of a strong political front on Muslim lands must be devised if Japan desires to achieve its plan for the hegemony of Eastern Asia. The nearness of the Muslim countries needs to be included not only under religious but also in its political and economic aspects."

(c) The Offensive Against Muslims in China Before 1937.

The Japanese offensive against Muslims in China was launched long before that against the Middle-East. At first agents were sent to China to explore the status of Chinese Muslims; these representatives of Jap Secret Societies had only one aim, to spread disturbance amongst the Chinese Muslims under the cloak of academic work.

(i) The Army Steps in.

The beginning made by these people/actively continued by the Young Officers' Clique. Tanaka Jasuhira, who was the leader of the first Japanese delegation to Mecca, was in China before his pilgrimage to Arabia. In his correspondence to his friends at home, he repeatedly emphasised the importance of a strong Muslim political front for the realisation of Japanese Imperialistic ambitions.

(ii) The League Racket.

The next phase was characterized by the exploration of China, conducted and financed by the Exploration Department of the South Manchuria boundary administration. Muslim generals and soldiers were included in the survey. The reason for this was clear. Difficult ones were to be got rid of, stooges to be taken in hand and warned up.

After the Japanese occupation of Manchuria the Japanese in July 1932 started in Changshan the first practical organization for Chinese Muslims, known as the Islam League. They hoped that by this means they could persuade the Muslims in Manchuria to accept their rule. The majority of the residents were, however, opposed to it, or looked upon it with contemptuous apathy. So in the winter of the same year the Japanese set up a traitor Li Chichun a rebel from Tientsin, to rule this group of Chinese Muslims. This effort was abortive because the Muslim leaders despised the Japanese all the more for attempting to put the administration of their province in the hands of a rebel.

(iii) Doping the Youth in Manchuria.

The Islam League in Manchuria has been given rich endowments, and through it the Japanese hope to dominate the Muslim youth in Manchuria for war and political work. Any young Muslim under 25 with pro-Japanese inclinations is sent to Japan for instruction. Among the serious activities of the Islam League is the indoctrination of anti-communistic slogans. Religion is only a secondary consideration to the Japanese. All they require is a cloak and a tool with which they can swiftly seek and consolidate their material and political aggrandisement.

(d) The Offensive Against Muslims in China after 1937.

The Japanese Muslim offensive in China was intensified after 1937. The organization of the Chinese National Muslim League in Peiping was the first step to obtain the support of all the Muslim inhabitants in China for the Japanese new order in Eastern New Asia.

(i) The Organisation.

The control of the League was established in a N. Eastern University. Its standard carries a white cross and star upon a blue background. This was flown alongside the Rising Sun flag during the inaugural ceremony. Slogans were declared at the Convention with an appeal to China and Manchuria, to work for the overthrow of communism.

The cost of the activities of the League was fixed at 500,000 dollars annually. The Japanese advisers of the League controlled the financial affairs.

The real power was however in the hands of T. Shinzo, the chief adviser. He was a graduate of the Commercial College in Japan. He went to the U.S. to study political economy in Columbia University. After his American training he was appointed to the faculty of the Tagore International University at Santiniketan. Then he went to Afghanistan where he was accepted as a Muslim and adopted Abdulla as his Muslim name.

The "Chinese National Muslim League" exploited ruthlessly mosques and other Muslim possessions in occupied territories, assessed the resources of Chinese Muslims for the development of their own (Japanese) programme of economic exploitation. During the last three years the League has started 394 branches. The amount of damage they are trying to do to the morale and prosperity of the Muslims all over China can easily be imagined.

(ii) From the North to the South.

The Chinese National Muslim League in Peiping planned a new office in the North West area, under the auspices of the Japanese Military Department in North China. By its support another North West League was established in Sujiwan. But the office of the Chief official is vacant for the lack of a qualified person. The Chinese knew their enemy quite well by now and were in no mood to offer docile co-operation. In Canton the S. Muslim League was organized in 1933, as a special service department of the army. Its offices were housed in a mosque constructed during the Tang dynasty, in memory of Saad Abu Wakkas, the Arab leader who travelled to China in 631 A.D. to spread Islam, and is believed by the Chinese to be the paternal uncle of the prophet.

The Chinese Muslims are now one with Generalissimo Chiang Kai-shek in exterminating these hypocritical and marauding pests, and whether it is to build roads or use firearms, they are no whit less eager or less efficient than the others in their earnest endeavours to prove their hatred of the aggressors. (vide Guidance Notes No. 138 dated 13.3.42).

2. EGYPT.

(a) The Battle Reviewed.

It is now possible to present a relatively clear picture of Rommel's duel with Alexander at the beginning of the month, of his failure to overwhelm the forces opposed to him, and of the significance of the Eighth Army's victory for the future.

(i) August 30 - September 1. Rommel Attacks.

During the night of August 30, the long-expected happened. Rommel launched a full-scale offensive aimed at the Nile Delta. In the centre of our lines his infantry, supported by artillery and machine-guns, launched an attack. He penetrated as far as our forward positions, but was then ejected with heavy losses.

This was a feint; the real attack was to come from another quarter. For that purpose, the entire strength of the Afrika Korps was employed, supported by Italian forces consisting of two armoured and several infantry divisions, and by the full weight of the Axis air force in Egypt. The German armour comprised the desert-hardened 15th and 21st Panzer Divisions, and the enemy also had the 90th Light and a complete new infantry division, the 164th.

The Eighth Army had expected the attack some days earlier while the moon was at its full, and was fully prepared when columns of tanks, armoured cars, guns and lorry-borne infantry, with thousands of supply vehicles streaming in their wake, rumbled through the greying darkness towards the southern extremity of our minefield zone. As this huge mechanized caravan nosed its way round the British left flank, it was engaged by light mobile columns containing high-speed tanks, anti-tank gun batteries and other elements specially designed for swift movement, which have played a notable part throughout the engagement. These mobile columns danced about in front and on the flanks of the advancing host, skirmishing, harassing and getting in a swift, hard knock whenever a chance occurred.

Enemy armour, passing through the British mine-belt, turned north behind our lines. The German 90th Division, supported by Italian tanks, having got as far eastward as Deir-el-Muhafid at the south end of our lines, halted and dug themselves in. Rommel's intention was to encircle the entire British forces. With the bulk of his infantry containing the Alamein positions to the west, and the 90th Division enclosing them on the south, German armour was to reach the sea and complete the cordon.

But late in the afternoon, his advancing columns came up against a ridge 15 miles south of the Mediterranean which was held by United Kingdom infantry and artillery with tanks on either flank. The enemy attacked; but at nightfall he was obliged to fall back with heavy losses. Meanwhile other British armoured columns, continuously attacking from the rear, knocked out a considerable number of his tanks.

(ii) September 1 - 3. Rommel Held.

On September 1 fighting continued and Rommel's losses, particularly in transport, were serious, but he maintained his position. During the night, however, he fell back slightly to the west and formed a kind of laager with his tanks and artillery protecting his more vulnerable transport. There he remained quiet during the day (September 2), apparently hoping that we would counter-attack; but our armour refused the invitation while our artillery and bombers wrought havoc in his lines.

On September 3 it was found that he had again moved slightly south and west, though his protective screen of cars and anti-tank guns was much in the same position as before. But considerable movement of transport going westwards could be observed, and columns were passing just south of the strongpoint at Deir-el-Muhafid. Again our air force delivered a rapid series of devastating bombing attacks. During the night, New Zealand and U.K. troops at the south end of the El Alamein lines attacked the German 90th Light Division at Deir-el-Muhafid, and secured the position.

(iii) September 4 - 5. Rommel Retires.

On the morning of September 4, and again in the afternoon the enemy made strenuous efforts to recover this strongpoint, and three counter-attacks in turn were repulsed with heavy losses. The enemy's armour was now definitely falling back, and his transport was making for the gaps in our minefields. Rommel was retiring in good order, but was being harassed throughout by our armour, our light columns and our bomber aircraft.

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By the morning of September 5, the enemy's armoured screen was no further east than the lost position of Deir-el-Muhafid, and such forces as were east of our minefields were rapidly thinning out. Only one or two strongpoints, easily defensible because of the nature of the terrain, were being retained.

(b) The Credit Balance.

(i) A Tried Weapon.

Rommel has been frustrated in his full-scale attack and has been forced back almost to his original positions after receiving a thorough and costly trouncing. Whereas our own losses have been comparatively light, enemy losses in men and material have been severe. The result is a useful credit balance in our favour, and justifiable confidence that our armour, guns, infantry and aircraft have been integrated into a fighting instrument which is being wielded with originality and dexterity. An outstanding feature of the new technique has been increased fire-power obtained by more effective artillery concentration and achieved without loss of mobility. This engagement has in many ways represented the triumph of gun over tank.

(ii) The Supply Question.

Moreover, a most encouraging sign for future operations has been the official announcement that our submarines during the past few weeks "have taken very heavy toll of shipping on Axis supply lines in the Eastern Mediterranean" -- and this in addition to similar successes achieved by the R.A.F. and the Fleet Air Arm. Previously Rommel had been receiving a substantial proportion of reinforcements and supplies shipped across to him, and it was that fact more than anything else which converted the Axis threat to the Nile Delta into imminent peril. If the British submarines and air force based on indomitable Malta can continue to deny sea passage to a considerable part of the supplies upon which Rommel depends, the presence of a new army in the Delta (as revealed by Mr. Churchill) and the remoulding and re-equipping of the Eighth Army can enable us to await further developments "with good heart".

(c) Limitations of Victory.

At the same time, it would be folly to exaggerate our recent success into a decisive victory. Rommel took heavy punishment, particularly in tanks and lorries, which he may find it difficult to replace; but, as late as September 6, the G.H.Q. in Cairo was still reporting that our mobile columns were harassing Axis rearguard detachments east of the minefield area.

It is now clear that this rearguard which we have not yet been able to dislodge is a powerful force which Rommel perhaps intends to maintain in order to provide a springboard for future operations. The Eighth Army is hitting the enemy's tail as he withdraws, but it is not an attempt to chop it off. The enemy is weaker and we are stronger both materially and morally as the result of the engagement; but in mechanised warfare (particularly in the desert) one rash move can transform a promising advantage into a menacing inferiority -- as the Battle of Knightsbridge proved.

(d) Conclusion

Generals Alexander and Montgomery have a good hand, and are playing it cautiously, for on them depends the future of the southern front of the Allies. After the lull required for regrouping and supply, there is bound to be more very heavy fighting. Without attempting to read the mind of the British Command, it is pertinent to remark that the ideal would be to put Rommel in a position of being obliged to attack again owing to wastage of his resources.

3. YOUTH AND THE WAR.

(a) Sir Stafford Cripps' Address.

At a Youth Rally in Nottingham on August 30, Sir Stafford said that great publicity had been given in the past to the contribution that the Hitler Youth has made towards the establishment of the so-called "New Order", but that little has been heard of the part which British Youth and the Youth of the United Nations have played, are today playing, in the salvation of freedom, democracy and decent standards in the world.

The method of democracies may be slower and less spectacular than those of the enemy, he said -- they may lack the "glib glamour" of Goebbels' false propaganda, but nevertheless they demonstrate a solidity and a determination which will in the longer run show more staying power than the robot-like efficiency of the Axis powers.

(b) President Roosevelt's Address.

President Roosevelt, too, speaking to the International Students Service on September 3, laid stress on the robot-like pattern of Youth organisations that Hitler was trying to create in Europe. It was not a pattern devised by youth, for youth, it was a pattern devised by Hitler and imposed on youth by forms of mental forcible feeding -- "a diet of false facts, distortions, prohibitions, all backed by the guns of the Gestapo".

(c) What They Mean.

(i) Youth Is A Free Agent.

Both Sir Stafford and President Roosevelt laid stress on the undesirability of dragging the nation's youth to a set standard of thinking and action. The Democracies do not treat their youth as if they were mere automatons meant to carry out the crazy whims of their masters who press the buttons. The Democracies do not pump into the brains of youth notions and principles which they may not understand, and which at any rate, they are never given an opportunity to test in the light of cool reason and mature experience. The Democratic way is not to retard the growth of the mental faculty but to help in its growth by free discussion, thought and action. The emphasis is on the creation of a citizen who can discern right from wrong, who can arrive at his convictions and maintain them by his own mental development, and despite all discouragements.

(ii) Youth Works Out Its Own Ideals.

Youth is, after all, the age of idealism; where then, is the idealism if the ideal is not of the youth's own choosing, if it is supplied ready-made by a megalomaniac who is the self-appointed Messiah of a new world-order? The totalitarian system is convinced that it represents the "general will" without giving any convincing arguments; the democratic system only makes that claim when it has been given that mandate in the most convincing terms.

(iii) Youth Fights For Them With Conviction.

The way the Youth of the United Nations has reacted to Hitler's war is the measure of the difference between its training and that of Hitler's Youth. It was false promises, cajoleries and threats that led the Fascist Youth into war: it is the benumbing influence of Fascist philosophy, which discourages true thinking, that assures Hitler that his war will be continued today. The Democratic Youth, on the other hand, never felt that war could resolve the problems that beset the world, and the last Great War left them disillusioned, cynical and pacifist.

But then came the remarkable transformation -- the cynics and pacifists of yesterday became the heroes and warriors of today. Was the Youth which in 1940 swept the skies clear of the German menace and saved Britain from Nazi bondage trained by a philosophy that deified war? Or was it the spontaneous upsurge of Youth which saw that Nazidom would only aggravate and increase the evils that were already so plentiful in the world? The Youth of the United Nations is fighting today without the background of the martial philosophy of Hitler's Youth, and who can doubt the final result? It is not the tangible threat of dive-bombers and panzer corps alone which spurs them on to action. It is the knowledge that out of this war there will be created a world which they themselves will inherit. Hence, the greater and nobler the effort today, the greater and better will the world be tomorrow.

(d) Youth Fights An Underground War.

It is this same conviction that sustains the Youth of China, and it is the same hope that makes the young men of France and all the occupied countries prefer the firing squad rather than a lifetime of slavery and degradation. By sabotage and other acts of violence they fight an underground war as our comrades and allies.

(e) Role of Indian Youth.

(i) The Common Cause With Democratic Youth.

The cause of Indian Youth is also the cause of the United Nations, though certain apparent but superficial differences may temporarily hide the real issue. Today when political feeling is running high in this country, it is easy to forget the true issues at stake. Not a single political party, which is of any importance in the country, has equivocated on the moral or the political necessity of defying and defeating the Axis menace to India and the world. Are not sabotage and acts of violence against the Government, then, calculated to hinder and jeopardise the war-effort against the common foe? It is a contradiction in terms to profess hostility to Japan and Germany and at the same time to indulge in activity which weakens the war-effort and so directly helps them.

(ii) A False Analogy.

The parallel of sabotage in the occupied countries against Hitler does not hold true in the case of India. The Youth of the occupied countries were always opposed to the Nazi ideology and the Nazi regime, and today they are maintaining and carrying out their convictions by sabotaging the Nazi occupation of their country. In India today, when the country is threatened by foreign aggression, the main object of resistance is not the present government which is now a declared interim government but the threat of invasion which aims at India's perpetual slavery.

(f) Conclusion.

The present government may not have the moral backing of some sections of our people but it is at one with the professed object of all Indian parties in fighting the Axis danger. To sabotage its war effort, is therefore to sabotage the war purpose of all India. It is a case of cutting off one's nose to spite one's face, of self-inflicted wounds. Britain may not please everyone on certain points of policy, but she has unequivocally promised complete independence after the war. Against the Fascist design of degrading Youth she promises opportunities in which Youth may maintain its right to free thinking and free action. Against the Fascist design of enslaving the country she promises self-government and freedom. In the struggle for national independence we should not mistake the wood for the trees. Everyone is agreed that the danger which threatens India most today is the Axis menace.

It is therefore clear that the dictates of cool prudence and reason as well as consistency with declared profession, all point to cooperation in the war effort with a government which is also one with all parties in warding off the danger to Indian hearths and homes. That way, the way of effort and sacrifice and cooperation for a common overriding purpose, lies independence.

"350 - 15.9.42"

232ND BI-WEEKLY GUIDANCE NOTES ON THE WAR SITUATION
DATED 19TH SEPTEMBER 1942.

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It is recommended that these notes be filed for record, as reference to previous notes saves time, paper and repetition.

POLICY

1. Publicise European Group's pledge to stand by Britain's undertaking to India, and emphasise that Britain has renounced any guarantee of her commercial interests as condition for settlement.
2. Seventeen of Lyttelton's critical eighty days remain to go, and perhaps the most dangerous. Without anticipating early slackening of tension show that United Nations have stood the test and are moving steadily towards real offensive power. Repeat that every day of Stalingrad's defence is a day lost to Hitler.
3. On small reconnaissance patrols by British landing parties in Europe comment should be confined to quotations from British official communiques, if and when issued. Avoid raising Second Front issue, but where necessary stress that whole question is governed by strategic considerations which will not be prematurely divulged. At the same time show that neither bombing offensive nor commando raids nor opening of other fronts are regarded in London and Washington as substitutes for European land-offensive.

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RUSSIA.

(a) The Battle for Stalingrad.

(i) The German Method.

Press reports about the struggle for Stalingrad tend to alternate between gloomy prophecies of immediate collapse and reassuring headlines about the Russian defence. The explanation appears to be that the Germans prepare a tremendous concentration of men and equipment and then deliver a terrific blow on a narrow front which, by its sheer weight, forces the defenders to give ground. A lull then follows while the Germans regroup, bring up supplies and repair their heavy losses with fresh reinforcements. During such periods the Russians, whenever possible, deliver counter-attacks. It is the latest of these blows which has carried the Germans to the northwest outskirts of the city.

Underneath this alternation of effort, there are definite signs that the Axis battering-ram, notwithstanding the ferocity and concentrated force of its blows, is now only gaining yards whereas a week ago it was frequently gaining miles. Without indulging in optimism, or ignoring the fact that the Russian defenders are in a very tight corner indeed, it is worth recalling that when the Russian defence reaches the present stage, it does not suddenly collapse. The final result may be a success, as at Moscow, or a defeat, as at Sebastopol, but resistance will continue until every defence work is turned into rubble and it becomes humanly impossible to go on fighting.

(ii) The Defence of the City.

By ruthless exploitation of his superiority in men, and even greater superiority in armour and aircraft, von Bock has succeeded, by a series of concentric thrusts, in driving the defences into a narrow arc immediately fronting the city. So far he has made no appreciable impression upon this arc, except in the North-West. It is a tough proposition, for with the changed character of the fighting, his tanks are becoming less usable. Broadcasting from Stockholm, Mr. David Anderson has given the following description of the city's defences.

"Every house and building in Stalingrad has been turned into a fortress. On the outskirts of the city, cement bunkers, iron turrets with revolving towers, tank traps, minefields and artillery positions besides the usual barbed-wire entanglements, guard the entrances to the city. Inside these defences stands a Russian force determined to die rather than surrender. This may sound like Russian propaganda, but in fact this is what Berlin says today."

(iii) Timoshenko's Northern Army.

In fact the task confronting the Germans before Stalingrad is very similar to that with which the Russians are faced at Rzhev, on the Moscow sector. The fate of Stalingrad may be decided away from the city itself, and not inside it. In the opinion of a Swedish military expert, the main Russian force is not inside the Stalingrad defences but to the north of the northern panzer wedge to the Volga. If he is correct, the issue of the struggle may depend on the ability of the defenders inside the city to hold out long enough for Timoshenko to bring up reserves, and then strike south against von Bock's left flank between the Don and the Volga. Such a move would fit in with the counter-thrusts further west from Kletskaya and further west still from Voronezh. Recent German activity along this east-west stretch of the Don indicates that they are uneasy about their long and exposed left flank.

(iv) Deciding Factors.

Whether the defenders of Stalingrad can hold out long enough to enable Timoshenko to develop such a counter-stroke, depends on two things -- their powers of physical endurance, and, secondly, on the ability of the Russian command to reduce the local supremacy of the Germans in the air by a strong concentration of Stormoviks. If Stalingrad holds, the German design for 1942 and 1943 falls to the ground, and they will be in considerable difficulties. If Stalingrad falls, a large part of von Bock's army of a million men, between 2,000 and 3,000 tanks and almost as many planes will be released for action elsewhere.

(b) The Battle for the Caucasus.

(i) The Terrain.

From the Military viewpoint the Caucasus should be regarded as three distinct areas: Northern Caucasus, the Caucasus mountains, and Trans-Caucasia. The first of these regions, between the Don, Volga, Terek and Kuban rivers, is a treeless steppe, a vast monotony of plain which is fertile towards the west but little more than a sandy silt desert on the Caspian side. Axis thrusts across these featureless plains are rather like the action of grappling irons thrown out in various directions to get a grip.

(ii) Novorossisk.

The Axis drive has brought them to the Black Sea naval base of Novorossisk, which had taken the place of Sebastopol. The fall of the port into German hands will ease greatly the problem of enormously extended lines of communication by opening a direct sea route from Constanza, and it is interesting to note that recent German press reports state that light German naval units have now come down the Danube into the Black Sea. But, before this sea route can be operated with safety, it will still be necessary to put the Russian Black Sea Fleet out of action. Even with Novorossisk gone, Russian warships still have the harbours of Tuapse, Sukhum and Poti, and the roadstead of Batum at their disposal.

(iii) The Drive to Batum.

The situation thus depends on the ability of the Germans to force a passage over the western extremity of the Caucasus range and then push down the road which follows the Black Sea coast southwards. This highway passes through many tunnels and through cliffs along the seaboard, and has many steep gradients and hairpin bends. A resolute force could make progress along it extremely difficult, but it cannot be assumed that an Axis drive along the coast to Batum is impossible. The capture of Batum would probably be the prelude to a seaborne invasion of Trans-Caucasia, but it would meet strong Russian forces supported by the British and Indian troops of the reinforced Ninth Army.

(iv) The Drive to Grozny.

The other major thrust of the Axis is following the oil pipeline and railway which runs south-east from Rostov to the Grozny oilfields, and thence to Makhach, on the Caspian. Russian

resistance at Mozdok has stiffened considerably during the past few days, but the Germans are now over the Terek River and bitter fighting may be expected among the oilfields between Mozdok and Grozny. The main purpose of this drive, apart from depriving the Russians of Grozny oil, is evidently to cut the railway which runs from Baku (the principal oilport of Trans-Caucasia) through Kisliar, on the estuary of the Terek, to Astrakhan and so to Central Russia by a railroad which runs well to the east of Stalingrad. Given adequate and timely supplies and equipment, the defence of the triangle Grozny-Kisliar-Makhach, which covers the last land link between Trans-Caucasia and the rest of the Soviet Union, should be stubborn.

(v) The Main Range.

Axis Alpine detachments are already pushing southward into the passes of the Caucasus range, but it is difficult to believe that a serious invasion of Trans-Caucasia can be effected across the mountains. The Caucasus is a complicated mountain mass varying in width from 30 to 120 miles. A large part of the range is over 10,000 feet high, and extremely precipitous. There are no tracks that are possible for wheeled traffic even in summer, and all of them are extremely difficult even for pack transport.

There are two roads through the mountains. One of them is the Georgian military highway connecting Orjonikidze and Tiflis (132 miles), which can be kept open throughout the winter but is rendered dangerous by serious avalanches from October until April. The other is the Ossetian military road from Alagir to Kutaisi (149 miles), which is little more than a track over the Marmison pass and is only free of snow from July to September.

The apparent lack of organised resistance to the Axis thrusts into the northern approaches of the mountain mass was disquieting, but here (as elsewhere in the Caucasian area), there are definite signs of Russian resistance stiffening and a consequent slowing-down of Axis advance.

(vi) The Caspian Coast Road.

Lastly, there is the coast route along the Caspian from Makhach to Baku to be considered. A road and a single-track railway follow the flat coastal strip between a sheer mountain wall and the sea. At the Derbent "gate" this strip narrows to a width of 2½ miles. Again a small but well-armed and resolute force could bar the passage of an army.

(vii) German Intentions.

Looking at the picture as a whole, it seems probable that the German plan is to acquire sufficient control of the northern exits of the Caucasus to seal the range and prevent serious incursions against their 500-mile flank in the Caucasian plains between the Black Sea and the Caspian. Thus protected in the south they hope to interrupt -- and keep interrupted -- the main oil supply of the Soviet Union from Baku both overland and by sea to Astrakhan. The entire plan falls to the ground unless Stalingrad can be captured.

2. THE SOUTH WEST PACIFIC.

(a) Operational Facts.

Early in August U.S. marines invaded the Solomons and forestalled the Japanese. A little over a month later the Japanese have effected a landing on Guadalcanal. Fighting between the marines and the Japs is severe; the enemy have been repulsed from the airfield and American marines are holding their positions. So far the Japanese have lost at least 165 aircraft and 20 ships sunk or damaged.

(b) Some Inferences of Strategy.

It would be unwise and artificial to separate enemy activity in New Guinea from what they are endeavouring to do in the Solomons. They are all of a piece. What Britain accomplished successfully in Madagascar, Japan has been trying to do unsuccessfully in New Guinea. The Japanese have felt bad enough so long as Port Moresby stood alone, but with the American forces in the Solomons they cannot help thinking that their Far East outposts have been rendered definitely insecure, by this growing accumulation of the United Nations bases.

To the Japanese, since the Battle of the Coral Sea, their hold over New Guinea was mainly a preventive measure, a tactic by which they proposed to prevent Allied interference with major Japanese strategy in the Pacific. And Japan has begun to experience great uneasiness at the sight of the United Nations military forces in the New Zealand Australia area, for they inevitably mean serious impediments to her high policy elsewhere. So the primary consideration that impels Japan is to keep the Allies as much as possible merely on the defensive. Hence her moves towards Port Moresby, her plans to take Guadalcanal which occupies the centre of an arc which begins at Cape York and ends at the Fiji Islands.

(c) Not Willing to be Extravagant.

One significant feature is Japan's seeming reluctance to be prodigal with her military resources in these areas. While in one phase of the Solomon's action the Japs lost 96 aircraft over Guadalcanal at the cost of 8 American aircraft, in the push towards Port Moresby the Japanese have been as economical as possible. They have concentrated on the use of man-power. Men are sent cleverly camouflaged to creep through the lines one at a time and assemble in the rear of Allied forces. Machine power is given a secondary place.

(d) Ju-Jitsu Technique.

The use of a small force to gain a key strategic point is a well known Jap game. The Japanese do not reason like a boxer who hopes to win by a knock-out punch; but like the Ju-Jitsu wrestler they seek to gain hold of a person by using only moderate strength for a fall. Points of leverage are all that the Japanese want now. But this is just the periphery of their strategy. Their real purpose is much bigger. Siberia and India, Australia, Alaska, and China are all possible enemy objectives. The goals are big. But they are big for the Allies also and the Japanese know that each day adds strength to the defensive blocks of the Allies, and with the inevitability of gradualness is transforming them into powerful springboards of offensive action.

3. BRITAIN -- AIR WAR.

(a) Contrast with Two Years Ago.

(i) Offensive Operations.

Apart from all the activity over occupied territory and over the sea, ten major offensive operations were carried out by R.A.F. bombers against targets in Germany during the first 15 days of September 1942. Saarbruecken, Karlsruhe, Duisburg-Ruhrort, Frankfurt-am-Main, Dusseldorf and Wilhelmshaven were each heavily attacked and Bremen was bombed twice in force. These ten incursions cost the R.A.F. 91 bombers.

Two years ago the Battle of Britain was reaching its climax and the Luftwaffe's raids were comparable in numerical strength (though not in bomb-load) with the present R.A.F. raids. In the first 15 days of September 1940 the Luftwaffe lost 696 aircraft over Britain.

(ii) U.K. Civilian Casualties.

In the first half of September 1942 the Luftwaffe was over Britain on only one day in every three and on every other night. They flew mostly in ones, twos and fours, and the peak was reached on the night of September 8/9, when 12 hostile aircraft were reported over E. Anglia. Even so, ten aircraft were shot down over Britain in the course of those 15 days. The Battle of Britain has been superseded by the Battle of Germany.

Civilian casualties are a good index of the decline in enemy air activity over Britain. In 1940 the average monthly toll of British civilians killed in German air raids was 3,869; in 1941 the monthly figure averaged 1,647; in 1942 it has so far averaged 325. In September 1940, 6,955 civilians were killed; last month the corresponding figure was 403.

(b) Three Years: 1939-1942.

(i) Britain.

Official Air Ministry figures of comparative losses in three years of war tell their own story. Over Britain the enemy lost a total of 3,915 aircraft against a British loss of 891, made up as follows:-

		Axis	R.A.F.
1939/40	...	1,549	383
1940/41	...	2,080	501
1941/42	...	266	7
		3,915	891

The figures for 1939/40 cover the opening phase of the Battle of Britain, the figures for 1940/41 the remainder of the Battle of Britain, which reached two peaks -- day-bombing in August-September 1940 and night-bombing in April-May 1941. Since June 1941, when the main bomber force of the Luftwaffe turned east against Russia and south to the Mediterranean theatre, enemy air activity over Britain has been comparatively slight and the defenders have lost only seven planes in a whole year.

(ii) Hitler's Europe.

Parallel with this decline of enemy offensive activity in the West has run the gathering momentum of British offensive action. When compared with the average British raid of 1942 those of 1939/40 seem more like offensive reconnaissances. Although offensive operations normally entail heavier losses than defensive operations, R.A.F. losses over Hitler's Europe in 1939/40 were only two-thirds as large as the German. After the fall of France the bombing of Germany began in real earnest and losses in 1940/41 conformed to the orthodox belief that heavier casualties are usually suffered by the attacker. British losses were almost double the enemy losses. In the third year of the war they were almost treble. Here are the official figures for losses over Western Europe:

		Axis	R.A.F.
1939/40	...	1,082	671
1940/41	...	662	1,173
1941/42	...	744	1,993
		<u>2,488</u>	<u>3,837</u>

Yet it is known that casualties in raids on Germany have never been higher than five per cent of the total force sent out. It follows that a minimum of 40,000 sorties were flown against Hitler's Europe in 1941/42. At a conservative estimate, no more than 4,000 sorties were flown against Britain in the same period.

(c) Fourth Year: 1942/1943.

The fourth year of the air war in W. Europe has opened with many auspicious signs. Flying Fortresses of the U.S.A.A.C. in Britain are carrying out frequent daylight attacks on targets in occupied territory, dropping bomb-loads of about 100 tons in an average attack. These are but the vanguard of an air force which will occupy 180 aerodromes in Britain. Canadian bombers made their first raid on Germany when they attacked Frankfurt-am-Main on September 8. They were over Germany again on September 13 and 14 when they bombed Bremen and Wilhelmshaven. Eventually there will be 40 R.C.A.F. squadrons based in Britain.

American and British factories must now be turning out aircraft at the rate of about 7,500 monthly. That means that close on 5,000 planes of operational types are being added to the Anglo-American strength every month. Even taking into account the demands of other fronts, this represents a steady increase in the offensive air strength for use against Germany and German-occupied Europe. The Air Staff will be able to plan raids on a more ambitious scale, being assured of a speedier rate of replacement than heretofore. In 1941/42 the 1,000-plane raids were a phenomenal performance which could not be repeated often because they involved the risk of heavier losses than the British aircraft industry could support. When American strength becomes fully effective in Europe, Air Marshal Harris will be able to put into effect the plans he was unable to carry out in the third year of war.

4. FRANCE

FRENCH WORKERS FOR GERMANY.

(a) The Plan.

On June 22, Laval announced that Hitler had decided to liberate a large number of French agricultural workers who were prisoners of war in Germany, if France promised to send industrial workers to work in German factories in return. M. Andre Phillipe, the former deputy for Lyons, who is now with the Fighting French, explained Hitler's plan in a broadcast from London on September 14. He told how Germany, in order to try to win the war this year, has taken 500,000 men out of German industry, put them in the Army, and hopes to replace them by workers from abroad. Laval, he said, promised that 300,000 men would be sent from France.

(b) Its Meaning.

(i) An Unfair Exchange.

Hitler's plan is not such a fair exchange as would appear at first sight, because the number of Frenchmen in the Reich will increase, and not decrease, after the proposed barter. For as the Petit Parisien has pointed out, it will take three skilled metal workers for the release of one French prisoner of war. Germany will, therefore, still hold the trump card in the shape of more Frenchmen within the Reich, as a weapon for still greater blackmail in the future.

(ii) Harmful For France.

Though French agriculture has, in no small measure, suffered due to scarcity of agricultural workers, this agreement will only benefit the Nazis. The intended increase in French agricultural products will, in any case, be taken away by the parasite Nazis, while they will enjoy the still further advantage of having increased French industrial labour in their country.

(c) Laval Falls Into Line.

(i) Recruiting Offices.

Un-
Laval has instituted 75 recruiting offices in the Occupied Zone and 16 in the Occupied, and has appointed M. Benoist Mechin as head of the Paris office. Special trains are chartered to leave for Germany every week, but despite his desperate efforts to please his Nazi masters, he has not been able to achieve much. All that he has been able to do so far is to force some 30,000 men, less than 5,000 of whom can be really called skilled workers. He has, therefore, turned to other sources to fulfil his promise of 300,000 men for German factories.

(ii) Deportation of Jews.

It was reported on September 5 that Laval has agreed to surrender to Germany all Jews of so-called foreign origin in the Occupied Zone, in addition to some 10,000 Jews from the unoccupied region. Mr. Hull has condemned this treachery towards those "unfortunate people who

had sought to obtain refuge in France in accordance with her traditional hospitality", and has described the mass deportation of Jews as "revolting and fiendish". Both the Vichy and Paris Radios have attacked the Archbishop of Toulouse for saving special mass for the workers forced to go to Germany, and Laval recently dismissed General St. Vincent, the military governor of Lyons, for refusing to take part in the persecution of Jews.

(iii) Conscription of Colonial Workers.

The Moscow Radio reported on July 25, that Laval had begun forcing the natives of French African possessions to go to Germany. Reports affirmed that they were being used in Germany for heavy and dangerous jobs. There were large numbers of coloured workers from Morocco and Algiers in a chemical works in Augsburg being used on experimental production of new poison gases. This plant was formerly staffed by Poles, but after two months many of them had died of general poisoning.

(d) The French Reaction

(i) Hostile Workers.

Though French workers have been offered many tempting baits to go to Germany, there is no doubting the hostile attitude towards this selfish game played by Laval. As early as November last, the Nazi-controlled Radio Paris complained that: "Of 16 colleagues (sent to Germany) eight were what we call 'professional unemployed'. They went to Germany not to work hard but for other motives----- There was even talk of sabotage. Actually no sabotage took place, as that would have been too dangerous, but there were cases of cal'canny, sulkiness, absenteeism, and constant criticising".

(ii) Sabotage of the Nazi War-effort.

The dramatic and stirring May Day call which reached General de Gaulle's headquarters in London reflects the true spirit of French workers today. It declared: "Our country is still at war. We are not the accomplices of traitors. Germany has forced some of us to work for her, but we are ready to do everything to help you to sabotage the enemy's production and to accept as justified the bombing of factories working for Germany".

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26 SEP 1942

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233RD BI-WEEKLY GUIDANCE FOR THE WAR SITUATION,
DATED SEPTEMBER 22, 1942.

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POLICY

1. New Russian push in Voronezh area should be played up as evidence of undiminished Russian fighting, spirit and capacity, aided by British supplies. Until situation is clarified avoid any suggestion of a definite move to relieve Stalingrad by pressure elsewhere.
2. Allied reinforcements in New Guinea and Solomons are proof of recovery from Pearl Harbour and subsequent Japanese blows at Pacific communications. This recovery will remain important whatever the immediate local results of operations.
3. Continue to represent Madagascar operations as purely practical military precaution. They may be linked with British and Indian feat of clearing Italians from entire African area menacing Indian Ocean routes.

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1. INDIA.

(a) What Does the Enemy Say?

The Axis radios are never tired of parading what they call their sympathy for India and Indian "independence". They are talking of "India for Indians" and India's "Golden Opportunity", and in order to bring about chaos and disruption, so necessary for the fruition of their nefarious designs, over a dozen transmitters in Europe and East Asia try their best to engineer, prolong and intensify internal disorders and sabotage in India. A constant ferment of unrest is the enemy's ideal and all efforts for compromise and settlement are derided. Thus while Germany's stooge radio, operating from Hamburg but characteristically miscalled Azad Hind advises on September 10, to "bring war production to a standstill", another German radio station, the Indian National Congress broadcast in Hindustani, on September 11, belittles the efforts of "a handful of admirers of the British Government and obscure men who are striving to bring about a compromise between the British and the Indians." And now that Berlin approves of the Congress attitude, this so-called Congress radio blares out: "Our saviour, Mahatma Gandhi, has given his blessing to the course of action we have decided upon." Japan always hypocritically professes to be friendly to all Asiatic countries, particularly India. "We would like to tell you", declared a Japanese commentary in Urdu on September 10, "Japan never had, nor will have, any evil designs on India." But the meaning of Nippon's technique becomes abundantly clear by recalling Tokyo's broadcast in Chinese on April 6, 1942. Said this Jap radio: "During the past five years of the incident, Japan has not regarded the Chinese people as her enemy."

(b) What Does the Enemy Want?

Japan and her Axis partners in crime may have plenty of sugar-coated phrases for India but these mean nothing. Tokyo itself is our authority for this latter statement. In a most revealing broadcast from Tokyo, which betrays the real purpose underlying Japan's hypocritical sponsoring of Indian independence, the Japanese told their own people, on June 18, 1942, that a move for immediate independence in India "will greatly weaken not only England but also America and Chungking." And what about India's place in Japanese exclusive "Prosperity Sphere"? This is what a Berlin broadcast told the Germans on March 18, 1942, quoting directly from the Japanese newspaper, Tariko Shimbun: "The conquest of India and Australia is an indispensable condition for the setting up of the New Order in Asia." Admiral Hiraide further clarified the point in the March issue of the paper Fujin Keren: "We must bring India and Australia completely under our control." Should there still be any doubt left about the Japanese mentality about India -- and after all they have to recprocate Hitler's own ideas about the "Oriental mountebanks" it is effectively dispelled by the words of a Japanese lieutenant who fell a casualty to our forces. This is what this soldier of the "Rising Sun" says: "Indians are a cowardly people, fit only to be slaves."

(c) What Are the Enemy's Methods?

Having discovered what the enemy really wants and what status India is designed to have in his scheme of things it is instructive to study his methods. These are (i) to spread confusion and work for civil war, (ii) to prevent a settlement at all costs, and (iii) to sow seeds of dissension between India and her friends.

(i) Not deterred by the fact that Indian recruiting figures, during the months that the Axis hate-propaganda has been at full blast, have established new records, Indian audiences are continually asked (as by Azad Hind on September 9): "Can any sane and self-respecting man think of joining the British Army? Is it not an insult to yourself and your nation?" And they hope to create confusion by spreading stories such as "Further troops have arrived from the United States. These include coloured detachments. So India's old civilization is to be outraged by the presence of these barbarians" (Italian News in English September 8). The German Indian National Congress radio is at great pains to make out that the scheme of sabotage and arson is exactly as the Congress wanted it to be. Last spring, Rome's fake "Himalayan Radio" actually told the Muslim tribesmen of North-West India to take up their swords and "make war on the Hindus".

(ii) The next and perhaps the most significant part of the Axis game is to see to it that there is no settlement between Britain and the Indian parties. Whoever has worked for understanding between the two has fallen foul of the Axis. Sir Tej Bahadur Sapru and Dr. Jayakar habitually come in for abuse and lately Dr. Mukerjee has had his fair share. Now that the Congress programme seems to fit in with the Axis plans, there is nothing but praise for Congress leaders. But this was not always so. It was on January 5, 1942 that Rome in a Hindustani broadcast declared "Gandhi and some other Congress men are pleading for aid to Britain against the so-called aggressors Are they not ashamed of talking in this manner? Thousands of Mahatma Gandhis can be sacrificed." Similarly, a German agent, Dr. Farooqi broadcasting from Berlin on February 4, 1942, criticised Nehru thus: "He (Nehru) will be a mere tool of British machination, because he was brought up and educated in England and his ideas have been strongly influenced by the British environment." Thus, it was quite natural that the Japanese in their Urdu broadcast on July 14 should have stigmatised Mr. Rajagopalchariar as a traitor.

The threat technique was forcefully illustrated on April 6, 1942 when Tokyo feared that Sir Stafford Cripps was dangerously close to success. So, simultaneously with the bombing of Vizagapatam and Cocanada, Tokyo exclaimed "Japan is anxiously waiting for your decision this way or that, she cannot afford to lose time..." We can well understand the announcement from Helsinki radio on April 13, that "Cripps' disappointment in India is as great a success to the Tripartite powers as a major military victory."

(iii) The most sinister, and at the same time, the most discredited, weapon in the Axis armoury is that of "Divide and Conquer". Attempts to divide India from Britain and U.S.A. are pitifully common but the Axis does not stop there. She even hopes to sow seeds of discord between India and Chungking. On July 20, 1942 Tokyo's English broadcast deliberately represented the Chungking paper Ta Kung Pao as saying: "Britain will do well to give only nominal independence to India." On the same day, however, German propaganda was engaged in the task of enlarging upon disagreement between Chungking and London. The German people were, therefore told: "What leading Chungking circles thought about British Colonial policy is clearly proved by the 'leader' of the influential paper Ta Kung Pao which advocates India's independence."

So the Axis hydraheaded mendacities have but one purpose: the subjugation and enslavement of India. When Saigon says "Refuse to co-operate with the Government in any way" and Singapore shouts "Follow your movement", India is aware that she is asked to commit suicide.

2. RUSSIA.

(a) Line Ahead for Line Abreast.

Last summer the German Command conducted a single comprehensive advance in Russia along a 2,000-mile front which brought the Axis armies within sight of Leningrad and Moscow. This summer the German offensive has exchanged the previous method of advance in "line abreast" for advance in "line ahead". The military objective was narrowed to a southern thrust aimed at control of the Volga line and conquest of the Caucasus and the northern gateways to the Middle East, while the deep fortified zone from the upper Don to the Baltic was merely to be held until Russian power had been undermined. Having smashed through the central sector of the Anglo-Russian front, the Axis armies would be well placed to deal with a crippled and isolated Soviet Union on the left; and on the right flank the territorial bloc (vital to the United Nations) of Persia, Iraq, Syria, Palestine and Egypt could be assailed by converging attacks by von Bock in the north and Rommel in the south. As Berlin has proclaimed, it is a supreme German effort for decisive victory.

(b) Stalingrad.

(i) The Fourth Week.

The concentrated drive against Stalingrad is now in its fourth week. That fact will almost certainly be regarded by military historians as one of the determining circumstances of the war. In the opinion of military experts in more than one neutral country, the battle for Stalingrad has already prevented the Germans from carrying out their planned conquest of Trans-Caucasia this summer.

(ii) Crescendo.

Each day fighting round the Stalingrad arc reaches such a pitch of fury that one is tempted to say "This is the climax" -- and the day that follows sees the crescendo continue. It is now reported that the Russian Command is throwing in fresh reserves of artillery and infantry over pontoon bridges across the Volga. Permanent bridges have been blown up and the new slogan of the defenders is: "There is only one way out, and that leads through the German lines."

On their side the Germans are constantly increasing their pressure by a stream of reinforcements including Italians, Hungarians and Rumanians. Swift alternating blows north-west, west, south-west and south of the city defences gain individual strong points at heavy cost, but so far they have failed to break the defence. All reports agree on the rapidity of thrust and counter-thrust; guns are firing over open sights, and the contending infantry are so close to each other that the German Stukas are frequently obliged to withhold their fire because of the danger of hitting their own side.

Neither the lavish German expenditure of reserves nor the contraction of the Russian defence belt can go on indefinitely. The Russians are fighting with the sort of exaltation that possessed the defenders of Sevastopol; but whereas the Crimean fortress was isolated at the end of a peninsula, Stalingrad can receive supplies and reinforcements across the steppes beyond the Volga.

(iii) Should Stalingrad Fall.

The effects of such an event have already been considered (230th Bi-Weekly Guidance Notes, Sept. 12, 1942, p.5). It would be unnecessary to repeat these remarks but for the expression of such pessimistic views as those of Reuter's Military Correspondent in his despatch from London dated September 17. Realism does not mean gloom and despair can be as unrealistic as boasting. The fact is that the fall of Stalingrad might have been a disaster if it had happened a month or only three weeks ago. It would have made it possible for the Germans to have mounted a concentric attack on Moscow from the west and south. They would still have had a chance of knocking Russia out of the war as a major factor before winter set in. But now it is clear that even if the city falls, the Russian army will be intact and that no fresh major offensive can be mounted before the autumn rains turn the soft Russian plains into one big tank-trap.

The Germans may still win a tactical victory but the major strategic triumph which they had planned has already escaped them. Why then, do they continue in their gigantic efforts to take the city? Because, if they did not, they would expose their long northern flank to a great counter-attack, and would be threatened with disaster. The spectre of disaster drives them on into attempting to achieve a victory which once might have been resounding, but which now can be no more than Pyrrhic.

(iv) The Don Flank.

The key to the Volga situation as a whole is the line of the Don from Aletskaya to Voronezh. So far the Red Army has not been strong enough to exploit this strategic position along the German left flank, but all efforts to dislodge them from it have failed. If the onset of winter finds the Russians still holding that flanking line, chances are that they will win the battle of the Volga, even though they may have lost the battle for Stalingrad itself.

(c) The Caucasus.

Meanwhile, the furnace in front of Stalingrad is consuming divisions which would have been invaluable in a battle for Grozny and for advance along the Black Sea coast beyond Novorossisk. The defence of the Caucasus region, at one time disquietingly weak, has been granted precious time. Now Soviet resistance in that area, not only as regards manpower and equipment but also in morale and sense of unity, is progressively stiffening. Steps have been taken to rouse peoples of every race in the Caucasus to fight against the common enemy. A meeting was convened at Ordzhonikidze which was attended by over 3,000 representatives of Ossetians, Chechens, Circassians, Lezgins and other races of Daghestan, as well as by the Kalmyks and Cossacks of the Don, Kuban, Terek and Sunza area. Impassioned speeches were made in various languages, and the oath was taken that "united as one fighting family", they would "smite the Germans so that in future no foreign invader should venture into their land." On September 6 a similar gathering of representatives of Azerbaijan, Georgia and Armenia was held at Tiflis.

3. MADAGASCAR

(a) The Operations.

(i) Lack of Rancour.

Three columns, after landing and taking respectively the west coast ports of Ambanja, Majunga and Morondava, began rapidly converging on the capital, Antananarivo. According to The Times correspondent with the British forces in Madagascar, French and Malagasy troops have been fighting "with spirit but without spite", and the civil population has shown itself well disposed and friendly. Indeed the lightness of casualties on both sides is an indication, in the first place, of British forbearance -- warships refrained from opening fire in support of the landing parties -- and, secondly, that the French and Malagasy garrison were not disposed to offer tenacious resistance in the cause of Axis collaboration. Moreover, the Antananarivo broadcasting station has been reporting the developments without excitement or rancour, and has not repeated the anti-British propaganda contained in Vichy reports.

(ii) A Distasteful Business.

The taking of French lives, however few, is a most distasteful business. As an official announcement has pointed out, the operations are a strategic necessity and "the primary consideration of our troops is to cause no French casualties unless action is forced." These operations are indeed the initial step in implementing the British and American pledges that Madagascar will remain French.

(iii) The Importance of the Abyssinian Campaign.

A further point is worth noting. Had it not been for the brilliant East African campaign in which a small British Empire force hustled a powerful and strongly established Italian army out of Somaliland and Eritrea, and finally eliminated it as a fighting force in the mountain fastnesses of Ethiopia, occupation of Madagascar would have been poor protection for the Mozambique Channel. With the Italians still holding the ports (and airfields) of Kismayu and Mogadishu and offering hospitality to Axis raiders, convoys making for the Red Sea would have had a perilous time of it.

(b) Axis Reactions to Madagascar Episode.

(i) The Axis and West Africa.

The entry of Brazil into the war on the side of the United Nations was greeted by a spate of propaganda from the German-controlled press and radio in the Reich itself and in France, alleging that Washington and London had forced Brazil into belligerency in order to have the use of her ports for attack on French West Africa. British intervention in Madagascar was the signal for a renewal of the campaign. Its purpose appears to be twofold. First, it is an attempt -- and a singularly unsuccessful one -- to whip up French indignation at being "robbed" by Britain and American "Imperialists" and so make Franco-German collaboration palatable. Secondly, it is probably being used as a useful device to cover up the pressure which the Germans are putting on Laval to accept some form of German control in French West Africa.

(ii) Laval and Fighting French Territories.

It has been officially denied by Vichy that there are German troops in Dakar or that Germany has asked for bases in French West Africa, but there are reports that Laval has agreed to two German observers going to Dakar and that the Gestapo will control the French gendarmerie and police in Morocco. There is no doubt that Laval would welcome the opportunity of joining with Germany in an attack on the Fighting French African territories. The determining factor will be the attitude of the powerful and well-equipped French army in North-West Africa and of the French Navy. Meanwhile Laval is working hard to convince his countrymen that the Allies are threatening the French empire while the Germans offer pure and disinterested friendship. He is trying to prepare French opinion and French forces for action against us on the plea of defending the empire.

"350 - 22-9-42."

234TH MI-WEEKLY GUIDANCE NOTE OF THE
DATED SEPTEMBER 26, 1942.

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POLICY

1. Signs of Russian recovery at Stalingrad are further evidence of Russian skill, resources and indomitable spirit. But do not treat battle as decided or likely to end soon.
2. Successful arrival of Allied convoy disposes of German claims to have closed the northern supply route to Russia.
3. Series of Allied raids in Libya with heavy Allied air attacks are evidence of increased strength as well as confidence. But do not infer that Allied offensive is imminent. The enemy is still strong and may attack. Avoid speculation about Rommel.
4. Avoid speculation about second front, but if necessary stress that this will be joint Anglo-American enterprise, and of command being decided by purely military considerations.

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1. <u>THE SECOND FRONT.</u>	
(a) <u>Hope Deferred.</u>	
(i) <u>The Anglo-Soviet Treaty.</u>	

There are signs that discussion and speculation with regard to a Second Front may again come to the front. There are several reasons for this. The Foreign Office communique issued at the time of the signing of the Anglo-Soviet Treaty last June, contained the statement that "a full understanding" had been reached between Britain, the U.S.A. and Russia, "with regard to the urgent tasks of creating a second front in Europe in 1942." This statement did

not promise a second front in 1942 but only recognised its urgent desirability; nevertheless it has been regarded by many as a definite promise of such a front this year.

(ii) Moscow Visits.

Following the treaty there have occurred in succession, the Anglo-American military conference of July and the visits of Mr. Churchill and Mr. Wendell Willkie to Moscow. Mr. Churchill was in some quarters supposed to be fixing the actual date with Mr. Stalin. If a Second Front is to be opened at all this year, it is argued, ought it not to be opened almost immediately? And if it is not opened at all will not Russia have been let down? The heroic defence of Stalingrad has added an extra sense of urgency to these arguments.

(iii) Substitutes No Answer.

Everyone is agreed upon the necessity of aiding Russia in every possible way. For this purpose convoys have time and again braved the perils of the Arctic route and not flinched from heavy losses. Factories in Britain have worked as never before, and the British people are warned by Lord Tooton that shipping for Russian supplies will come before shipping for food for Britain. Everyone is equally agreed that an offensive in Egypt or the air offensive over Germany, valuable though they may be, are not complete substitutes for a second front in Europe. Why then, is not a second front in Europe opened immediately?

(b) Aid to Russia the Paramount Principle.

(i) Maintenance.

Since the Second Front is a project designed primarily to help Russia, it must be judged from that point of view. A Second Front which failed would injure Russia in the long run far more deeply than it would help her for the time that it actually existed. The losses involved would require replacement and this would mean another prolonged period during which Russia would be exposed to the full weight of the German war machine. But if Russia endures for a little time longer, it will be possible for the Allies not only to open but to maintain a second front which will sound the death knell of the Nazi power. The question of a Second Front must, therefore, be decided solely from the military standpoint.

(ii) The Six Conditions.

In the 222nd Bi-Weekly Guidance Notes dated August 15, page 4, six conditions for the opening of a second front were listed. These may be recalled and are quoted below.

- (1) There must be air mastery to establish a solid bridgehead.
- (2) There must be sufficient shipping to transport and supply permanently a force sufficient to compel the enemy to transfer his principal strength from East to West.
- (3) The equipment of that force must be equal in quantity to anything which the enemy can bring to bear against it.

- (4) We must be sure that the opening of a second front in Europe would not disastrously affect the defence of Egypt and India.
- (5) We must be certain of our ability to reinforce the new front from Britain and America.
- (6) We require the power to harass and interrupt enemy communications.

All these conditions hold good today. The problem is not only one of establishing a bridge-head but of maintaining it. The consequence of an eventual retreat would be that Germany would be given a further lease of time in which to concentrate upon Russia the whole weight of her resources. An unsuccessful second front would be much worse than no second front at all.

(c) The Peoples of Occupied Europe.

There is a further consideration. There is no doubt that should France be invaded, there would be widespread popular French support. The commando raid on St. Nazaire showed that, and pro-Ally and anti-German feeling is much stronger now than then. A premature landing and subsequent retreat would expose these patriots to Nazi vengeance, whose full ferocity only the peoples of occupied Europe know, and would put back the clock of liberation indefinitely.

(d) A Joint Operation.

Finally it may be noted that the Second Front will be a joint Anglo-American operation. Therefore not only Britain but also America must be ready to sustain what has once been begun.

(e) Conclusion.

A Second Front will come, and it will come as soon as there is a reasonable chance of success and the means of maintaining it. It should be remembered that it is not only a question of effecting a landing, but of advancing into the interior of Germany. A Second Front cannot stand still; it must go forward or else it will go back. That is why it requires such careful preparation. That is why only military considerations can enter into the final decision, and that is why no one can forecast the day and the hour except that inner ring of leaders who have all the facts and figures before them.

2. RUSSIA.

(a) The Russian Campaign.

(i) Stalingrad.

The improved situation before Stalingrad is a matter for gratification but not for premature jubilation. While it may be that the Russians have finally stemmed the German offensive, while it is possible that Timoshenko's forces north of Stalingrad may be playing the part of Blucher to Stalingrad's Wellington in a decisive battle, it is too early yet to count upon this. There are other possibilities also. One is that the Germans, finding Stalingrad too costly to take but still being strong enough to take the offensive, may divert their efforts elsewhere. German hints that Stalingrad is not worth taking, reported from Switzerland, may be a sign of this.

(ii) Possible Diversions.

There are two points where such a diversion might take place. The most probable on the face of it, would be the Caucasus, where the much wanted oil fields lure the German on, and there might still be just time, if not to penetrate the high passes, to force the two coastal routes and to effect a landing in Transcaucasia from the Black Sea.

The other possibility would be a direct attack on Moscow from the west in the hope of taking it before full winter arrives in late November.

(iii) Nazi Dissensions.

Reports of Nazi dissensions, of quarrels between Hitler and his generals, should be treated with caution. Those who have believed such things in the past have generally done themselves no good. A good general, like a chess player, always assumes that his opponent will make the best move while being ever ready to take advantage of any false move which may be made. There are some hopeful features in the latest developments, but the time has not yet come either to jubilate or to speculate about possible triumphs.

(b) The Russian Convoy.

(i) Summer Hat-trick.

The safe arrival of another large convoy in Northern Russia shows that Nazi boasts, from July on, that the Arctic route had been definitely closed are of a piece with Goering's about the inviolability of Western Germany. Three large convoys are known to have arrived in the summer months in May, July and September. In the first, the cruiser Edinburgh was lost, but the bulk of the convoy got through. The second suffered heavy losses, but nevertheless arrived. The third, after eight days of continuous attacks, has got through with much fewer losses than the second.

(ii) Satisfactory features.

There are three particularly satisfactory features about this convoy. There were only small losses among the ships, Russian planes and Russian destroyers helped in the escort protection when it entered Russian waters, and the German battle fleet, including the Tirpitz and two other battleships, did not venture to attack.

(iii) Winter and Aid to Russia.

The worst season for Arctic convoys is now over -- the season of perpetual daylight with the opportunity it gives to aircraft, and of southward drifting pack ice, involving a close approach to the Norwegian coast. With the Equinox past, darkness is rapidly lengthening in the Arctic, and visibility will be reduced still further by fogs and storms. As hardships increase, dangers from aircraft will decrease. The Germans know this, and that is why they are so anxious to convince their own public that they have taken heavy toll of this convoy. But the mere fact of this convoy's existence shows that the German claim to have closed the route altogether is nonsense.

3. WESTERN DESERT.

(a) The Three Raids.

(i) Battle of Supplies.

While the enemy is making every possible effort to reinforce, as fast as he can, his panzer divisions in the Western Desert, the Allies are fraying his supply lines by air, sea and land and inflicting heavy damage on his accumulated war material. The Allied sea-borne night raids on Tobruk and Benghazi, carried out simultaneously on September 13, and the one on Jalo oasis two nights later, are pointers towards a greater intensification of these harassing operations.

(ii) Choice of Objectives.

In this connection the choice of objectives was significant. Tobruk, apart from being the most advanced Axis supply base served by the best harbour between Alexandria and Tripoli, is also Rommel's administrative centre in North Africa. It is the supply terminus of air and sea-borne reinforcements from south Greece and Crete and of land and sea-borne reinforcements from Tripoli and Benghazi.

Benghazi, well over 500 miles in the rear of the battle-front at El Alamein, is yet another junction of land and sea supply routes from Tripoli and Sicily respectively. It is besides, an important base in Cyrenaica for the Luftwaffe and the Regia Aeronautica. The oasis of Jalo, some 215 miles south-south-east of Benghazi, captured by Indian troops during the November (1941) offensive, is an important desert outpost guarding the southern approach to Benghazi and the Gulf of Sirte region.

(iii) The Balance Sheet.

Considerable damage was inflicted on the enemy in all the three places. Landing in face of strong opposition allied forces inflicted heavy damage on Tobruk's deck facilities and stores. At Benghazi over 30 aircraft were damaged or destroyed on the ground and heavy casualties were inflicted on enemy troops and motor transport. The oasis of Jalo was captured and retained for about six days. Having destroyed ammunition and supply dumps Allied forces withdrew and returned to their bases.

(b) The Mystery of Jalo.

Of the three operations the one at Jalo appears the most mysterious. How were Allied land forces able to make a round trip of at least 1,000 miles (in enemy territory) from the El Alamein front to Jalo and back? The explanation seems to be that this force, composed of light mechanised vehicles including motorised petrol-carriers, was landed by sea probably somewhere in the region of Benghazi and made its way at great speed to Jalo, about 215 odd miles away. Here the Italian garrison was surprised and killed or captured. Having destroyed all supplies, the force, at the end of six days filled its petrol-carriers with Italian petrol and made its way back to the Allied controlled area in Egypt -- a matter of about 500 miles. The entire operation demonstrates a remarkable piece of Allied military ingenuity, planning and dash.

(c) Losses.

In all the three operations comparatively small forces were employed. Considering the hazards, and extent of the operations and their undeniable success, the loss of the two British destroyers -- Sikh and Zulu cannot be considered heavy. Losses to Allied personnel are not yet known, but considering that only a few hundred men were landed at Tobruk, they too cannot be heavy.

(d) Conclusion.

(i) Axis Interpretation.

Axis broadcasts, fumbling for explanations have described these raids as an "African Dieppe" and "another second front". They were meant to be neither. Rather, they are reminiscent of Drake's exploits in the Bay of Cadiz in 1587, popularly described at the time as "singeing the King of Spain's beard". They were in the nature of "cutting-out expeditions", directed towards neutralising, as far as possible, the enemy's supply bases in North Africa. No more was intended. That the raids largely achieved their object is obvious both from Allied communiques and from the grotesque interpretations of Axis broadcasts, and their widely contradictory claims of Allied losses. The raid on Tobruk was the only one of the three which was not a complete success, for it was intended to hold the town like Jalo, and withdraw only after having inflicted complete destruction. Instead, thanks to the preparedness of the enemy, only partial destruction could be inflicted.

(ii) Demonstration of Vitality.

Apart from the highly successful results obtained, the raids offer an impressive demonstration of the vitality, dash and morale of the 8th Army. They will also serve to keep the enemy guessing from Benghazi to the El Alamein front and from Tobruk to Jalo and Giarabub, where, when and in what fashion they will be smitten next time.

4. BURMA. -- CONDITIONS TODAY.

(a) Communications and Currency.

There are hardly any buses in use at the moment, and those that are being used are expensive to a degree. Train service is haphazard and unpunctual. The Japanese have, however, issued passes to employees in harbour installations, factories, etc. which enable them to secure priority in exploitation of such transport facility as there is. There appears to be some river traffic, but the Burmese boatmen are shy of bringing their motor boats out for they know from bitter experience that no sooner are these seen on the river than the Japanese military authorities confiscate them for their own use.

A feeling of insecurity as to financial conditions is rife. Only recently Japanese broadcasts made a great fuss over the fact that the currency system has been adjusted "to the Japanese decimal system". The result has been a general invitation to Burmans to hoard Rs.10 and Rs.5 British Burma notes. Inflation has already reared its ugly head. The price of rice and kerosene has risen very high. Sugar, cigarettes, coffee are out of the market.

One can hardly get any salt or even a box of matches. The Japs have feverishly set about erecting a match factory in the Shan States. The Burmans have philosophically resorted to manufacturing flint lighters. Metals are preordained to be Jap property. Hardly any one cares to live in a town. Most of the people have fled into the districts.

(b) Agriculture and Industry.

This year both at Rangoon and further north the rains have been poor. There have been good crops from the delta areas but apparently not elsewhere. The Chettiers, who were big landlords, have suffered heavily at the hands of the Japs. Their bullocks have been seized from them. They have been made to pay exorbitant dues for the most fantastic reasons. Most Burmans have refused to cultivate their land for the simple reason that, if they do have any rice on their fields, they know the Japanese will grab it.

So far as industry is concerned the picture is encouragingly gloomy. The smelting works in Tavoy were still a gaping futility in May. There are a few rice mills working under strict Japanese supervision. The Yenangyaung oil installations are a ruin. Some reports announce that a few German technicians are directing the drilling of new wells.

(c) Hmongvis.

Japanese broadcasts and other propaganda unblushingly emphasized the fact that they had the priests in their pocket and so in effect the whole of Burma's mind. But that is far from the truth. The Japanese soldier has little or no respect for the priest. Monks have been driven out of monasteries, which have been converted into barracks. Priests are registered and made to pay a tax of four annas for the privilege. All of them are searched for arms. Many humiliations have been imposed on them publicly. Gradually but increasingly, despite all propaganda, the priests are finding out the grim truth and there are clear signs of resentment and hatred toward their alleged "liberators".

(d) Thakins and the "Burma Independence Army".

(i) The B. I. A.

The B. I. A. has had its short lived vanity punctured by the Jap Army already. They had the time of their lives in the early days, looting, confiscating, and generally lording it over the country, and earned the just execration of the harassed peasants. Composed of a few Thakins, and mostly free looters, the B. I. A. could not have any other record. But their day is already over. Their previous orders have been rescinded by the Jap military authority, many of the soldiers have been disarmed and in general their prestige is at a low ebb. Burmese can always appeal to a Jap soldier if they find the alleged "Independent Army" men uppish. So the result is they make themselves scarce wherever there is a Jap military garrison.

(ii) The Thakins.

Even Thakins are not very much in favour. On one occasion a Thakin, banking on Jap favour, boarded a train without a ticket. He was beaten up by a Jap soldier, and the Japanese, fearing a Thakin reprisal in the shape of a general uprising, diverted the train to a different destination.

The Jap soldier in general is very rude. Their general deportment leaves much to be desired. Young women dare not go out in public. While the vanity of the army is great, it still does not feel secure in its new surroundings.

(e) Some Impressions.

(i) Confidence in Allied Return.

There is a supreme confidence in the return of the Allies to Burma. The people miss the elements of judicial administration greatly. Government servants are aloof in their attitude towards the Jap rulers. There is a report that even Ba Maw pleaded indisposition as an excuse for escaping theills of office. Most Burmans who were taken in by the promise of "Independence" are very bitter against their so called "Asiatic Friends".

(ii) The Chettys.

The Chettys have been gravely persecuted. The Thakins naturally wanted to get rid of them, but the Japanese decided to keep them for exploiting their wealth. In consequence they are between the devil and the deep sea.

(f) Provincial Animosity.

True to their Machievellian technique the Japanese have employed every available resource to nourish social or provincial animosity. The most notable is the use of the antipathy between Karens and Burmans, and the Shan States and Siam. The B. I. A. was sent to collect taxes in the Karen area. They misbehaved as usual. The Karens rose in revolt. The Japanese said that Burma could not be given "Independence", if its army could not control a minority. The embers of distrust between these people have been skilfully fanned into a flame by subtle Jap political strategy.

The Shan States, having had a taste of Jap rule, are said to have sought an alliance with Siam. Japan however praverified for reasons of defensive strategy. The Siamese for their part are alleged to have asked the Japs for a slice of territory south of Moulmein. Japan not merely refused the request but lopped off some Siamese territory from Victoria point and transferred it to Malay. No wonder Bangkok Radio bewails so continuously its hard lot.

(g) Conclusion.

The general picture is one of unrelieved gloom for the Japanese. The people feel they have been badly taken in; rivalries are useful instruments, but not for long. They recoil on the user like a boomerang. The people recall with hope and invincible confidence General Alexander's phrase "Some day the other way round".

"350 -- 26/3/42".

CONFIDENTIAL

235TH BI-WEEKLY GUIDANCE NOTES ON THE WAR SITUATION,
DATED SEPTEMBER 29, 1942.

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POLICY

1. General Wavell's statement shows that offensive spirit inspires Indian Command equally with others. Note small effect of disturbances on war effort and undiminished flow of recruits to Indian Army.
2. Russia will stand. But five weeks' campaigning still to go and do not expect any dramatic reversal of fortune.
3. Balance Soviet Propaganda Chief's statement that German forces are being withdrawn from West to East with his statement that union between Soviet, Britain and U.S.A. grows firmer and firmer. Russia wants Second Front now, but recognises it will come as soon as military conditions permit.
4. Emphasise General Hartley's distinction between scorched earth and denial of military facilities. Use of aeroplanes against saboteurs is conditioned by the principle of minimum force necessary to prevent damage.

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4. UNITED STATES.

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1. INDIA.

- (a) General Wavell's Speech.
- (i) Confidence.

General Wavell, master of brevity of speech, caution of forecast and surprise in action, permitted himself, in his address to press correspondents in New Delhi on September 28, to be more hopeful about India and specific about the war as a whole than ever before. The man who six months ago could admit bluntly that mistakes had been made in Malaya, that further losses might be expected, and then leave his audience with increased confidence in his powers, will be believed now that he has assumed a more confident tone.

- (ii) Offensive Spirit.

While the tone of the speech was perhaps the most significant thing about it, there were several specific statements of importance. The Commander-in-Chief revealed that he had been planning the

Burma ever since it was lost. This marks a definite change over from the defensive to the offensive outlook on the Indian front, and may be compared to the situation six months ago, when the same wise chief was telling India to prepare for attack. A Japanese attack from Burma must not for a moment be ruled out of the bounds of possibility, but the significant thing is that an Allied attack on Burma is now a possibility.

- (iii) The Disturbances and The War Effort.

General Wavell was reassuring about the effect of the disturbances upon the war effort. "I am satisfied with the situation here", he said "the important thing is that 70,000 recruits continue to come in every month".

- (iv) The War in General.

On the war at large General Wavell was equally positive. "The Russians are going to hold on and we will do our very best to help them". He warned, however, that there are five more weeks of campaigning weather still to go. "Hitler's New Order", he said, "is not going down anywhere in Europe. Just as with Napoleon, Europe can see it is being plundered. We don't need to worry about Italy".

- (b) General Hartley's Statement.

- (i) Scorched Earth.

General Hartley's answers to two questions in the Council of State on September 25 merit attention because they help to clear up a subject of recent controversy and to put a quietus to certain Axis canards. The first question is that of Scorched Earth. The General drew a sharp distinction between scorched earth and denial of military facilities to the enemy. Scorched earth means not only the destruction of objects of military value such as bridges, railways and munition factories. It means the burning of crops and homesteads, the destruction of the whole country side. It means logically the emigration of the whole population. The great trek to Western China was part of the Chinese scorched earth policy. Absolute scorched earth has not been achieved either in Russia and China; there have only been approximations to it in varying degrees. This policy of scorched earth is not for India. Instead there will be the recognised military policy of denial of facilities by the destruction of whatever may help the enemy. This destruction is more extensive than in the past because more things may help him such as airfields, railways, and industrial plants. But this destruction is a very different thing to the destruction of what will enable the civil population to live. Wellington's denial of facilities in the retreat from Burgos in Spain in 1811 shows that this is a perfectly legitimate process in a friendly country. The Spaniards then recognised it as such.

- (ii) Air Action Against Rioters.

General Hartley secondly stated that riotous crowds had been machine-gunned from the air since August 9 at four places in Bihar or Bengal and at one place in a State. This gives the lie to Axis canards of wholesale bombings of towns (mentioned in Guidance Notes No. 228, section 2(b), p. 7., dated September 5, 1942). All the places mentioned by General Hartley were outside towns and at none were bombs dropped.

It should be noted that the action taken was preventive not punitive in each case. A plane can either fire its machine-guns over the heads of rioters or saboteurs or direct their bullets at people actually engaged in disorder. In either event, when action is taken in the open country, as in the instances mentioned by General Hartley, the firing is controlled and not indiscriminate. Bombs cannot be dropped near enough to a crowd to scare it without actually injuring it. Bombs near any inhabited place are necessarily to some extent indiscriminate in their action. It is clear therefore that the resort to machine gunning from the air instead of indiscriminate bombing represents just the difference between Allied and Axis technique. Ribbentrop boasted that he would cow occupied Europe with dive-bombers and tanks -- indiscriminate terror. In India the method used has been that of discriminate prevention, and is an illustration of the great maxim of British and Indian law in the case of riot, that only that degree of force should be used which is necessary to quell disorder.

2. JAPAN.

(a) Japan's Next Move.

(i) The Problem of Retention.

The concentration of Japanese forces in the South-West Pacific, their repeated attempts to regain their foothold in the Solomons and their determined drive towards the keypoint of Port Moresby all point to the conclusion that the Japs are focusing their attention on the immediate objective of cutting the communications between the United States and the Allied base in Australia.

A vast empire has been conquered from Indo-China to the Indo-Burmese frontier and from the Philippines to New Guinea -- an empire linked to Japan by Manchuria and the occupied provinces of East China, and by temporary maritime supremacy in the West Pacific. Having conquered, her problem is to retain and consolidate.

(ii) Four Threats.

This enormous territorial bloc is exposed to attack from four different quarters: from Vladivostok in the north; from full-scale naval action against ocean supply routes in the Pacific; from the Indo-Burmese frontier in the west; and from Australia in the south.

(b) Siberia.

(i) Rumours.

The first of these four potential threats (from Vladivostok) does not become an actuality unless and until war breaks out between Japan and the Soviet Union. For many weeks now there have been rumours that a Japanese invasion of Siberia was imminent. In spite of the fact that Japan has now approximately one-third of her land forces concentrated in the north, such indications as there are regarding the German-Japanese plan for early military action by Japan in Siberia are on the whole negative. Official Japanese declarations that the dismissal of Togo as Foreign Minister portends no change in Japan's fixed policy of neutrality as regards the Soviet Union are as trustworthy as the pledges given in Washington immediately before the assault on Pearl Harbour.

(ii) Russian Strength.

The Red Army of the Far East is known to be formidable in numbers and equipment, and the Soviet authorities have announced that the reserves transferred to the European front have come from Western, not Eastern Siberia. That, of course, is not to say that a Japanese attack may not be launched at dawn tomorrow. The theory that the Japanese place the elimination of the sea and air menace from Vladivostok against Tokyo and their industrial centres high up on their list of priorities must rest on the calculation that the Soviet Union (in the middle of a life-and-death struggle with Axis armies) is contemplating a challenge to Japan which she avoided over a year ago when the Russian resources in the west were still unimpaired.

(iii) Japan and Germany.

It seems probable that in Japanese eyes the conditioning factors are the extent to which Germany will be able to cripple the Russian military machine in the immediate future, and the pressure which the Allies will be able to exert on the Japanese empire in the south and west. So, though action against Russia may result, in varying proportions, from Russian weakness and from Japan's sense of security in her southern conquests, it seems certain that Japan will require to see some advantage for herself as well as for the Axis as a whole before she strikes. Such is the totalitarian way. However, hints from neutral sources that Germany is desperately looking to Japan for relief and aid which is being withheld, should be treated with reserve, for it would certainly suit Germany to create such impression, if a Japanese blow in the north were in fact about to be struck.

(c) The Central Pacific.

Of the three other possible quarters from which the new Japanese empire could be threatened, the Central Pacific as the scene of a full-scale naval assault upon Japan's ocean supply routes can probably be ruled out of present calculations. It may be presumed that the time for that is not yet.

(d) India.

(i) Gathering strength.

Now that the monsoon season is drawing to an end, a Japanese invasion of India is possible. It would also be hazardous, as General Wavell has said. In addition to troop reinforcements, there are many indications that the Allied air strength in India is mounting rapidly, and the terrain between Rangoon and the Indian frontier presents appalling difficulties for supply columns -- difficulties which have been increased by the very thorough destruction carried out by the British in their original retreat. That, of course, cuts both ways. But the Japs have got to be expelled from Burma before the isolation of Free China can be brought to an end and the forces of Chiang Kai-shek be made into an Allied spearhead against the land corridor which links Japan with her southern conquests.

(ii) Japanese Movements.

One would have expected that even if a Japanese over-land invasion of India were not in immediate contemplation, heavy troop reinforcements would have been despatched to Burma in order to seal the western gateway of the conquered area; but there appear to be no concrete signs of a major move of this kind. And yet the Japanese have carried out a considerable withdrawal from the province of Chekiang, leaving two of the "bomb Tokyo" airfields which were captured last June with so much blowing of trumpets, to revert to the Chinese. Since this withdrawal, there have been no more boasts from Tokyo of a knockout blow to Chungking by Japanese concentric operations from east and west.

(e) South West Pacific.

(i) The Allied Chain.

There remains the South-West Pacific. And in this area tension is clearly rising. Unless the Japanese can cut, and establish themselves astride, the Allied cordon which links America with Australia, there can be no security for them in the south, and that is tantamount to saying that their gains as a whole will remain unconsolidated and in jeopardy. If Vladivostok, the Soviet maritime provinces, the Aleutian Islands are a desirable chain of outworks for the Japanese empire in the north, a barrier in the south, consisting of a chain of sea and air bases, stretching from and including the Carolines and isolating Australia and New Zealand, is vital.

(ii) Importance of New Guinea.

Conquest of New Guinea and its keypoint, Port Moresby, and the reoccupation of the Solomons group are for the Japanese essential steps in an indispensable programme of consolidation. It would, therefore, be folly to suppose that Japan has not concentrated the maximum possible hitting power by sea, air and land in this area, or to underestimate the ferocity and skill which she will employ, in trying to overcome the setbacks which the Americans and Australians have inflicted on her.

In New Guinea the force which attempted a flanking drive against Port Moresby from Milne Bay has been wiped out, but the Japanese advance across the jungle-clad Owen-Stanley range has been a remarkable feat. Despite the heavy and continual American and Australian air attacks on this difficult supply route, a grim struggle in front of Port Moresby has begun and is likely to continue with growing fury. The Japanese are faced with the prospect of losing the initiative, upon the retention of which all their gains depend. That is a measure of the effort which they are bound to make in the near future.

Events in the South-West Pacific, on the Indian frontier, on the Siberian border and in the streets of Stalingrad are all pieces of a single mosaic.

3. THE CO-PROSPERITY SPHERE.

(a) Japan.

Accounts by Allied nationals returning from Japan and Occupied China under the recent exchange arrangement are

throwing interesting light on the internal situation in those countries. In general, they confirm earlier impressions. Life for the ordinary Japanese is definitely "austere", but not unbearable. Government regimentation and police supervision have been intensified, but have been accepted by the people as a whole. War enthusiasm seems to be less than might have been expected in view of Japan's spectacular successes, but the national morale is steady and there is a general atmosphere of grim determination. The air attack on Tokyo, it appears, made a deep impression, but since then anti-aircraft defences have been greatly strengthened.

(b) Co-Prosperity at a Discount.

(i) Transport and Market Difficulties.

According to other sources, the situation in the conquered countries is becoming progressively worse. The rich natural resources of these regions are cut off from their normal world markets, and the shipping stringency which Japan is beginning to experience is preventing the transport to Japan of the full quantities which even that limited market could absorb. Little progress seems to have been made with repairing the damage done before the Japanese arrived. The result is a drastic drop in the standard of living of the native people. The general picture is one of economic stagnation, confusion and misery.

(ii) Greater East Asia Ministry.

By way of compensation for what is lacking in practical reorganisation on the spot, the Japanese are hard at work compiling and publishing "blue-prints" for the "Co-Prosperity Sphere". The most notable development in this direction has been the establishment of the new Greater East Asia Ministry. Its administration is to extend to the whole area under Japanese influence, including Siam and French Indo-China, but excluding the old colonial territories of Korea, Formosa and Southern Sakhalin, which as regards their administration are to be assimilated more closely than before with Japan proper. The Ministry will handle all matters political, economic and cultural, leaving to the Foreign Office, in the words of the communique, only "purely diplomatic" affairs. It will incorporate in itself various hybrid administrations such as the China Affairs Board, its Manchurian equivalent, and that wartime creation, the South Seas Development Council, which has been called into existence during the last ten years of Japanese expansionism. Even diplomatic and consular establishments in the East Asian sphere are to come under the Ministry's jurisdiction. Its personnel is to be taken from the Army and partly from the Navy.

(iii) Another Militarist Triumph.

The setting-up of this new organ of state is a logical attempt by the Japanese to solve the problem of establishing a co-ordinated control over their vastly extended dominions, and at the same time is an outward and visible sign of transfer of political power from the hands of "bureaucrats" to those of the military caste who have been recently described by the former American Ambassador in Tokyo as ruthless, rapacious, cruel and utterly bestial, in contrast with the decent civilian element.

(iv) Throwing off the Mask.

By their action the Japanese Government have implicitly discarded almost the last shreds of their pretence of respect for the sovereignty of French Indo-China and Siam and they are evidently apprehensive of the effect on popular feeling in these countries. Japanese propaganda made great haste to announce the "warm welcome" given at Bangkok, Saigon and Hankow to the news of the formation of the new Ministry, and to assure Siam that there was no need to anticipate any modification of relations with Japan.

(v) A Cry from Siam.

The other side of the medal is seen in able broadcasts from Bangkok intended for home consumption which continue to refer with surprising frankness to the wretched conditions in Siam under the "Co-Prosperity" regime. A recent talk on the Bangkok wireless referred to rapid exhaustion of stocks of foreign goods while nothing has been imported except a very little from Japan. "We must act quickly or die of starvation", said the speaker. "The situation is very grave. Thais must work and cease gossiping". Three days later he picked up the thread of his discourse and said: "Some Thais are saying 'Hang that Bangkok announcer. Let him talk as much as he likes about work. We will still refuse, since we have enough to eat. Why should Thais work?'"

"Soon", the speaker went on, "you will be singing another tune; we must make what we need, or die. We have chosen our fate, and must go on to the last". This insistence on hard work has a very obvious connection with Japanese schemes for building railways and power dams with forced Siamese labour. Evidently, the easy-going Siamese are not at all relishing the first intimations of what it means to have Japan as their taskmaster.

A similar position in Burma was described in the last issue of the Guidance Notes (No. 234).

(vi) Conclusion.

Japanese military power, like the German, is formidable and at its peak, but "Co-Prosperity", like the Germanic "New-Order", is so rotten that it is already breeding seeds of its own destruction.

4. UNITED STATES.

Progress in Shipbuilding.

(a) The Goal.

Mr. Churchill's message of congratulations on the progress of American shipbuilding puts the seal on a year of wonderful achievement. In January 1942, President Roosevelt set 8 million deadweight of new merchant shipping as the goal for U.S. shipyards for the year. American factories and shipyards are today working full steam to realize and even exceed the 8 million mark. It was on September 27, 1941 that the first Liberty ship of 10,500 tons was launched: today, a year later, an American shipyard has completed in record time a Liberty freighter -- 13 days after the keel had been laid.

(b) Production in the last 4 months

The figures for the last four months show the progress in American ship-building.

In May	58 ships were constructed of	632,000 tons
In June	66 " " "	731,000 "
In July	71 " " "	790,000 "
In August	68 " " "	753,000 "

(c) What it means.

Some very interesting conclusions arise from these figures. They show:-

- (i) The average monthly production of these 4 months, viz. 726,500 tons is about 60,000 tons more than the monthly figure which would be required to produce 8,000,000 tons at the end of the year.
- (ii) The figure for June 731,000 tons represents an improvement of 450 per cent in production since Pearl Harbour.
- (iii) The tonnage produced in May and June exceeded the total production by either America or Britain in 1941.
- (iv) Each month's production is 6 times greater than the average month of American production in 1941.
- (v) Not all the ships produced are Liberty ships, but consist of cargo vessels, tankers and other type of merchant ships.
- (vi) Allied shipbuilding is in excess of Axis sinkings.
- (d) The Eight Million Mark will be exceeded.

The announcement that the aggregate construction for the year to date is about 5,450,000 deadweight tons of merchant shipping, means that American shipyards have only to build 2,550,000 tons, or 637,500 tons a month for the remaining four months to achieve the President's goal. Judging by the fact that American production has been about 700,000 tons a month recently, it is evident that the 8 million mark will be surpassed. It was announced some time ago that by the time the year is out American production would be in the neighbourhood of 1 million tons a month.

"350--29/9/42".

No. 236 - pages nil

CONFIDENTIAL

(237TH BI-WEEKLY GUIDANCE NOTES ON THE WAR SITUATION,
DATED OCTOBER 6, 1942.
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POLICY

1. Lyttelton's 80 days have passed without any irremediable deterioration in the position of the Allies, but even if Stalingrad stands till the winter we still have a long way to go. The defensive tone of Hitler's speech is, however, noteworthy.
2. Goering's speech shows that Germany has consistently been starving occupied Europe to feed herself. Stress British wisdom in refusing access to occupied countries of supplies earmarked in advance for such diversions.
3. American shipbuilding alone compensates for losses claimed by Germans themselves. Note the expanding elasticity of Allied production against what is at best the static maximum of German effort.

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1. RUSSIA.

(a) Russian Achievement at Stalingrad.

(i) A Grave Position.

After 40 days and nights of continuous bombing and gunfire, conditions inside Stalingrad are becoming more difficult. The air is polluted by fire and smoke, and there is not a safe spot anywhere. The situation was never graver. So runs the latest report from Reuter's correspondent in Moscow.

(ii) An Astounding Feat.

There is no need to describe once more what has been told so vividly by press correspondents and radio commentators of the conversion of a built-up area 40 miles long into a fortress with every house a defence point and every corner a machine-gun nest. When Stalingrad appeared to be almost within the German grasp, an astonishing thing happened. A Campaign of rapid movement was halted and converted into a long-drawn-out siege, as though the sprawling industrial city was by nature a prepared fortress like Sebastopol or Gibraltar.

The prolongation of the defence of Stalingrad is an astounding feat, due first and foremost to the resilience of Russian morale. It is another demonstration of the truth enunciated by the great strategist Clausewitz, that the final factor in any military engagement is the "Will".

(iii) Weakness of the Position.

The inherent tactical weakness of the Russian position is that they are fighting with their backs to a river a mile wide across which the bulk of their supplies and reinforcements must be ferried and their wounded evacuated. Hitherto smoke screens and the fire of the Volga gunboats have evidently played a large part in keeping the pontoons and ferries going, but latest reports indicate that they are now within range of German field batteries on high ground overlooking the river and to the north-west of the city. It is this situation at the rear which is critical.

Axis forces by means of constant airborne reinforcements and concentrated gun and mortar fire are slowly creeping forward house by house, but, given continued flow of supplies and reliefs, the Russians defenders could probably prevent a break right through the centre of the city to the river bank for a considerable time.

(iv) The Fate of Stalingrad.

It is too soon to write the epitaph of Stalingrad. Indeed, that name may continue to occupy a prominent place in war news for many months to come, but the issue of the struggle for Stalingrad itself clearly depends more and more on the result of Timoshenko's counter-offensive in the hilly but open country to the north-west, which is trying to break through the "belt" with which the Germans closed the northern end of the Don-Volga strip.

(b) Stalingrad's Value to the Germans.

Many commentators are taking the line that the capture of ruined Stalingrad now is of little more than prestige value, since the Volga supply route between Trans-Caucasia and Central Russia has already been closed. That, surely, is to misconceive the situation. The Germans are in desperate need of the city itself, battered though it is, for winter quarters. The alternative is the holes in the ground of the frozen, featureless steppe. They need it as a southern "hedgehog" (comparable with Orel, Vyasma and Rzhev further north) for the "east wall" which is to contain the "crippled" Red Army. And, more than all, they need it as a protective bastion for their long and precarious line of communication trailing through the Northern Caucasus to Grozny and the mountain passes.

(c) The Russian point of view.

(i) German offensive canalised.

Let us now look at Stalingrad -- so far as evidence permits -- from the point of view of the Russian Command. Timoshenko has succeeded in canalising the one great offensive which the Germans have attempted on the Russian front this year and to which they have devoted a million men, with tanks, aircraft, guns and supplies in proportion. It seems probable that the Germans gave him his chance by departing from their usual method of tackling one objective at a time and by attempting simultaneously the capture of Stalingrad and penetration of the Caucasus range. The Russian collapse at Rostov and along the lower Don perhaps deceived them into over-confidence.

(ii) Stalingrad and the Caucasus.

Too little attention has been paid to the remarkable feat of the Russians in halting the headlong drives on Grozny and down the Black Sea coast to Batum. A few weeks ago the German press was confidently anticipating the internment of the Russian Black Sea Fleet in Turkish waters, the seizure of the Grozny oilfields, and the arrival of Axis forces on the shores of the Caspian. The Russian stiffening all along the line of the Caucasus range is as important as the prolonged defence of Stalingrad itself.

It is surely foolish to contend that the continued resistance of Stalingrad is now mainly a matter of prestige for the Russians. If any considerable force of airborne troops, guns and aircraft could be switched from the Stalingrad sector to the Caucasus, the position near Mozdok and south-east of Novorossisk, where the opposing forces seem at present to be evenly matched, would become serious for the Russians.

(d) Timoshenko's Counter-Offensive.

(i) Threatening the Don.

Timoshenko's offensive against the German left flank (which is much more extensive and weighty than was at first apparent) is primarily designed to relieve the pressure on the Stalingrad garrison by striking at the German "belt". His drive has been slowed down -- but not halted -- by fortified positions which the Germans prepared in anticipation of such attack, but every day that the city's defender can hold on and continue to pin down Axis divisions, panzer formations and anti-tank batteries, is of the greatest value in assisting an offensive which, if its momentum can be maintained, will threaten the whole German position in the Don elbow.

(ii) The Importance of Voronezh.

Since the beginning of the German summer offensive, it has frequently been stressed that Voronezh was the key to the situation. The stubborn Russian defence, followed by their passing to the offensive on that sector, provides Timoshenko with a powerfully positioned right wing. It would be an unwise underestimation of Axis power to expect Timoshenko to achieve a decisive break-in behind the army massed in front of Stalingrad, but it is a fact that Russian pressure against the German left flank all the way from Voronezh to the outskirts of Stalingrad is steadily mounting. It is not impossible that the German invasion of the Caucasus may be defeated along the banks of the Don.

(e) Conclusion.

It is said that Hitler dismissed Bock because the latter wished to follow up the capture of Stalingrad with a northward drive against Moscow, while Hitler himself insisted on a switch to the south -- still hankering after the Persian and Iraqi oilfields. The task of the Russian Command is, by the application of grinding pressure, to prevent the Germans from doing either.

All indications point to the conclusion that both the Wehrmacht and the Red Army are fully extended in an all-out struggle for mastery. The war on the Eastern Front has reached a decisive stage.

2. WAR AT SEA: UNITED NATIONS' SHIPPING LOSSES.

(a) Enemy Propaganda Treatment.

(i) Constructing a News Bulletin.

Dr. Goebbels, his associates and satellites, seem to consider the United Nations' shipping losses as a perennial news item that can be expanded or contracted (as regards broadcasting time and emphasis) to fit the needs of the moment. News-value, as understood by the Berlin radio, is an ersatz product. Here we might recall Dr. Goebbels' own historic dictum: "News is trickery by which to defeat the enemy" (address to Berlin University, December 1, 1941).

From a study of enemy radio propaganda over a long period it is apparent that, when the news from other fronts is bad for the Axis, shipping "news" is built up to fill the "front page" and to distract attention from failures elsewhere. Conversely, if the news from other fronts is good from the Axis viewpoint, then shipping news is relegated to the status of a five-line paragraph on an inside page.

(ii) How it works.

In the first four months of this year, Japan was forging ahead in the Pacific theatre and Germany looked forward confidently to a successful Spring offensive in Russia and in Libya. While our shipping losses were by no means ignored, Berlin radio's monthly claims in that period averaged 554,325 tons -- a very modest figure (at least, for Dr. Goebbels).

In May the only big news from the Pacific was of Allied victory in the Coral Sea engagement; in the West Hitler Spring offensive (both in Russia and in Libya) was in temporary difficulties. Shipping losses in May, according to Berlin, were 924,000 tons -- a sudden jump by 67%.

In June Rommel broke through to Egypt, the Caucasus offensive gained momentum and, though the Japanese suffered a big naval defeat at Midway, Berlin radio had no difficulty in filling the "front page" with news other than shipping. The month's claim fell to 886,000 tons. Further successes in Russia during July and August brought the claims tumbling steadily, first to 815,900 tons, then to 808,000 tons.

In September the news was not so good for the Axis. The Japanese had lost half the Solomon Islands and were meeting little success in their efforts to regain them. Rommel was still well held in Egypt and for a whole month the German soldiers had been fighting and dying in their prolonged effort to take Stalingrad. Add to all this the fact that U.S. shipyards alone turned out during September 93 new ships (total 1,009,800 tons) and you understand why Dr. Goebbels has pushed his shipping losses claim for September right up to 1,011,700 tons.

(iii) Certain Inconsistencies.

Berlin radio announces daily the number of ships claimed as sunk in the preceding 24 hours. On the second day of each month detailed figures are given for the number of vessels and total tonnage sunk in the previous month. But these figures rarely tally. By totalling the daily claims made by the Berlin radio during August 1942 we arrive at the figure: 339 ships (excluding warships, which are announced separately). But the round figure for the month of August broadcast from Berlin on September 2 gave the number as only 125. In other words, the daily claims were, on average, no less than seven ships in excess of the all-in claim. A similar thing occurred in September, when daily claims totalled 281 vessels and the monthly statement gave the total as 161. These discrepancies reveal how Dr. Goebbels puts into practice his principle that "news is trickery".

(b) United Nations Shipbuilding Progress.

American shipbuilding progress is a big headache for the men who concoct the shipping claims transmitted from Berlin. Even their exaggerations must have a "ceiling" if they are to be believed at all (e.g. if Berlin announced that 5,000,000 tons of Allied shipping had been sunk in the previous month, the most gullible listener would become sceptical). American replacements are fast approaching that "ceiling", beyond which Dr. Goebbels' staff dare not venture.

In the first quarter of 1942 German radio claims of Allied losses exceeded American replacements by 111 per cent, in the second quarter they were only 35 per cent higher, in the third ONLY THREE PER CENT.

Before President Roosevelt made his urgent call for 8,000,000 tons of new merchant shipping in 1942, Admiral Land had formulated a programme which was then regarded as rather optimistic. Here it is:-

1942	No. of Ships	Total Tonnage
1st Quarter	90	1,000,000
2nd "	146	1,400,000
3rd "	154	1,646,000
4th "	184	2,000,000
Grand total for 1942		6,046,000

1943	No. of Ships	Total Tonnage
1st Quarter	220	2,270,000

President Roosevelt's programme got off to a bad start. In the first quarter of 1942 only 70 ships (of Admiral Land's 90) were built. But there was a remarkable recovery. In the second quarter the total was 160 ships (1,768,000 tons)-more than Admiral Land planned for the third quarter. In the third quarter of the year American yards have broken all records by turning out more ships and a bigger aggregate tonnage than Admiral Land planned for the first quarter of next year. (The figures for the third quarter of 1942 are 232 ships and 2,553,700 tons). In other words, American yards have turned out as many ships in the past three months as they did in the first six months of this year.

To this astonishing progress must be added the very useful bonus which is coming from Canadian shipyards. The United States is producing new vessels at the rate of three every day. Canada's present rate is one every three days. In 1942 Canada has so far completed 50 cargo vessels of 10,000 tons. Only one of this type was built in Canada last year.

Nor should we forget the effort made by the comparatively limited number of shipyards in the United Kingdom. This year they will add about 1,500,000 tons to the United Nations' Merchant Fleet, and by the end of the year the enemy will have to sink our shipping at the rate of more than 1,500,000 tons monthly if he is to keep pace with the combined replacement by the United Nations' shipyards.

3. THE BALKANS.

(a) Reports of Discontent.

Persistent reports are coming out of neutral countries, particularly Turkey, that various satellite rulers in the Balkans are becoming more and more disillusioned about the prospects of Axis victory and, terrified by the rising popular discontent, are looking round for means of escape from their dilemma. Such reports should be treated with great reserve, for it is noteworthy that they are being industriously publicised from Axis sources.

(b) Hungary and Rumania.

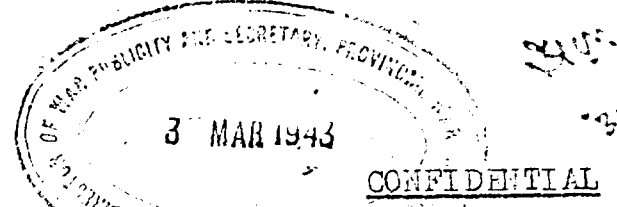
(i) Hungary and the War.

Though there is no evidence available in London, there may be substance in other reports to the effect that Hungary (who has hitherto got off lightly) is to be ordered to make a more substantial contribution to the Russian campaign and that parts of Transylvania ceded to her two years ago are to be handed back to Rumania. In a recent issue of Hungarian Tatblatt, a flattering reference to Hungary's future in economic collaboration with Germany ended on this warning note: "Of course there can be no doubt that this work will also demand sacrifices - sacrifices actually in Hungary's economic war effort which, as far as it concerns agrarian exports, might come very near to the limit of what Hungary can contribute having regard to her own supply position."

(ii) Rising Tension.

Tension between Hungary and Rumania has reached a point where only German control is preventing an explosion. Apart from Rumanian bitterness over the loss of large parts of Transylvania, there has been a growing sense of grievance because the Rumanian divisions in Russia were being decimated while Hungary was holding back and husbanding her man-power in order to dominate her neighbours later. Frontier clashes have occurred, and the Germans have been obliged to make official reference to a "regrettable incident" in the Northern Caucasus where a Rumanian contingent being ordered to take up a very dangerous position while a Hungarian force was directed to hold a comparatively safe position on the flank, became so infuriated that they opened fire on the Hungarians, who returned the fire.

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276TH BI-WEEKLY GUIDANCE NOTES ON THE
DATED FEBRUARY 27, 1943.

The Hungarian press is now conducting a campaign designed to expose the tyrannical measures being applied in those districts of Transylvania which are under Rumanian rule. Following is an extract from an article on conditions in Rumanian Transylvania which has recently appeared in Lagvarnemzet of Budapest under the title "Prohibited". "Meetings in public places or on private premises for listening to the enemy or secret broadcasts and for spreading misstated Rumanian or allied radio news are prohibited. No news about troop operations or concentrations or whereabouts must be spread or be commented upon. All meetings on public premises or in private flats are prohibited, whatever their purpose, and it is forbidden to despatch uncensored correspondence from one place to another. Any expressions discrediting the army or officers are forbidden. No hope must be expressed that the territory of the Rumanian state will be reduced."

(c) A Balkan Entente.

The series of interviews recently given by Hitler to various Balkan puppet rulers is thought in several quarters to indicate that some sort of German-dominated Balkan entente is about to be proclaimed with the usual pageantry -- possibly timed to smother the screams of Hungary.

(d) Conclusion.

The importance of the Balkan dissensions and the Croat and Yugoslav revolts at this stage of the war should not be exaggerated. Germany intends to keep an iron grip, and it is not without significance that there are reports of the building of fortifications all along the east coast of the Adriatic. But when Germany is finally thrown on the defensive, the Balkans will then become a source of grave and growing weakness to the Reich.

4. UNITED STATES.

THE ANTI-INFLATION BILL.

(a) Congress Passes the Bill.

It was in the second week of September that President Roosevelt issued his warning that, he would set aside or circumvent a definite requirement of law if Congress did not repeal, or amend by October 1, the statutory provision which forbade the fixing of maximum prices for farm products below certain prescribed levels.

After much hesitation and argument the Farm Block in the Congress has at last fallen in line with the President, who has taken immediate action in stabilising farm prices and wages throughout the nation and in fixing "ceilings" for agricultural commodities including cheese, butter, potatoes and flour. The President has also instructed the Price Administrator, Mr. Henderson, to fix rent "ceilings" throughout the country.

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It is recommended that these notes be filed for record, as reference to previous notes saves time, paper and repetition.

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P O L I C Y.

1. Use the failure of German thrust in Central Tunisia to show that, despite local and transient enemy successes, General Alexander retains strategic initiative. It is now all the more important for Rommel to make a serious stand at the Mareth Line.
2. While giving full publicity to the magnitude of the Red Army's achievement, recall Stalin's order, which said: "The enemy armies are not yet defeated ... That is why in our ranks there must be no room for complacency, carelessness or self-conceit". Point to the facts that, as compared with three months ago, German southern armies are now defending a line only half in length, that their supply lines are much shorter, and that the thaw is bound to set in, to show that the pace of Soviet advance may slacken.
3. Run home the fact that, contrary to definite plans, three times in three weeks Hitler has failed to address the German nation in person. Show that this threat, contained in his proclamation to the Reichstag, of compulsory mobilisation of manpower in occupied territories is an index of his desperation under the pressure of present Russian offensive and prospective Anglo-American action.

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1. THREE SPEECHES: GOEBBELS, STALIN AND HITLER.

(a) Introduction.

Last week the world was presented with two fundamentally divergent view-points on the conduct, as well as the objectives, of the war. This divergence has existed since the outbreak of hostilities: but now it attains an unprecedented clarity and definiteness. Goebbels, Hitler and Stalin crystallised the issues in no uncertain manner, and left little doubt that the war was being fought to enslave the world on the one hand and to liberate it on the other.

Stalin spoke on the 25th anniversary of the foundation of the Red Army, but Hitler, too busy stemming the onrush of the Soviet drive, missed the opportunity to address the German people in person on the occasion of the 23rd anniversary of the founding of the National Socialist Movement. Stalin addressed his people in tones befitting the occasion: Hitler's proclamation, read out at the Opera House in Munich, was nothing but an apologia for the retreat of his armies. Stalin spoke with confidence in ultimate victory: Hitler spoke with the frustration of a man who knows that victory has eluded his grasp.

(b) The "Bolshevik Bogey".

The main theme of Hitler's proclamation as well as of Dr. Goebbels speech at the Sportspalast on February 18 was, "The world has to choose between a Europe under the military protection of the Axis and a Bolshevik Europe". The meaning of this sentence in Dr. Goebbels speech was clear -- to convince people abroad that Bolshevism is the scourge of the world, while Nazism is its protective shield, and that Britain, by joining forces with the Bolsheviks, was a partner in a colossal crime.

(i) Mr. Eden's Reply.

Mr. Anthony Eden, speaking on the occasion of the Red Army Day, however, gave Dr. Goebbels the most effective answer. Referring to the "Bogey of Bolshevism", Mr. Eden declared: "Fortunately, we do not find it hard to recognise this highly coloured figure. He was used to frighten Europe while Austria was seized, Czechoslovakia was swallowed and Poland threatened. Now this Red Bogey is out again in the company of another figure. We are asked to contemplate Hitler as the saviour of European civilisation; what mockery! Hitler the only begotten of this hideous war. Hitler, the ravager of Warsaw, of Rotterdam, Belgrade and Coventry and of countless Russian cities". Continuing, Mr. Eden made it quite plain that the only doctrine for which Hitler ever stood was the doctrine of the Herrenvolk -- the doctrine that all Europe must slave and starve for the German overlords.

(ii) Stalin's Reply.

But Bolshevism is only an excuse for dragging the peoples of the occupied countries into a war which is not their own. And Dr. Goebbels himself made this clear. "The German nation is now facing the most serious phase of this war", he said, "in which it has to make up its mind and stake everything in order to preserve all it possesses and to win all its needs for future existence". There is no mention of Germany's lofty aims in this candid profession, but only a reiteration of the desire to keep Europe in bondage.

Stalin's speech, on the other hand, brought out the contrast. "The Red Army", he said, "is the army of protection of peace and friendship among the peoples of all countries. It was created, not for the conquest of other countries, but for the defence of the frontiers of the Soviet. The Red Army always respected the rights and independence of all peoples".

(c) Europe to be Mobilised.

(i) For Germany's Gain.

The next theme of Dr. Goebbels and Hitler was: "The Soviet Union has increased the Bolshevik war potential during the last 25 years to an extent which we have completely failed to conceive and appreciate". Hence the conclusion: "Everybody during these serious days of our fatal struggle will be asked and, if necessary, forced to fulfil his duty". Hitler elucidated this point by saying: "We shall consider it as natural not to spare foreign lives, at a time which demands such severe sacrifices from our own people".

...Once.

Once again did the Nazi leaders make it plain beyond all doubt that the peoples of the occupied countries would be mobilised to fight in a war which was being fought to preserve for Germany "all it possesses" and ensure its needs "for future existence".

(ii) For the Gain of the Nazi Hierarchy.

Dr. Goebbels then went on to list a number of drastic decrees ordering the complete mobilisation of the home front, but made it plain that he was not "aping the Bolsheviks". This is significant, for it shows quite clearly that the Nazi hierarchy intends to preserve the prewar social order in Germany even after the war. Dr. Goebbels himself made it clear. "I do not aim at a structural change in economy", he said, "but solely at total victory". Considering that a beneficial change in the economic structure can only be made at the expense of the Nazi hierarchy itself, it is not surprising that Dr. Goebbels should have stressed so significantly that "the present regulations are exclusively emergency measures".

(iii) What it means to Europe.

Seen in this light, the Nazi proposal to mobilise the whole of Europe acquires a sinister meaning. A ruthless comb-out, a drastic regimentation of the resources of the Occupied countries, will bleed to death the economic life of Europe. "We shall not draw in a superficial or perfunctory manner on the rich war potential of our country", warns Dr. Goebbels, but "also of the important parts of Europe at our disposal. The available reserves will be exploited, and that as rapidly and thoroughly as organisation can achieve".

(d) The reason for the Mobilisation.

(i) Hitler on the Defensive.

Why is Hitler compelled today to take these drastic steps? Why is it that he (who talked of imminent victory not so long ago) is now forced to think and act in terms of avoiding defeat? The growing strength of Britain and America is one answer, and Stalin supplies the other.

(ii) Stalin Enumerates the Reasons.

Stalin gave the following reasons which explain the desperate plight of Hitler today:-

(1) Hitler began the war with technical superiority over the Soviet Union. But during the 20 months of war the production of Soviet guns, tanks and planes had increased, while, at the same time, enemy losses in these categories had increased. During the latest 3-month offensive the enemy had lost over 7,000 tanks, 4,000 planes and 17,000 guns.

(2) Hitlerite Germany began the war having numerical superiority in mobilised and available troops in comparison with the Red Army. But in the 20 months of war the Red Army had accounted for 9,000,000 enemy soldiers, of which at least 4,000,000 had been killed. During the last three months alone, 700,000

had been killed and 300,000 taken prisoner. Even if Hitler managed to make up this deficit by mobilising the man-power of Europe, Stalin told his people that "it will be necessary to take not a little time for their training; again, time is not waiting".

(3) The Hitlerite Army entered the war against Russia after nearly two years' experience of large operations in Europe, but the Red Army had now at last mastered the strategy needed to defeat the enemy.

Stalin, however, gave this warning: "The struggle against the German occupants is not yet finished; it is only developing and will grow. It would be foolish to suppose that the Germans will leave even a kilometre of our land without a fight".

(e) Conclusion.

In their respective speeches Goebbels and Hitler used the pretext of the "Bolshevik Bogey" as the last argument to cajole and force their own people, as well as the people of the occupied countries, to throw in unreservedly their lot with the Nazi party and its war with Russia. At the same time, however, they could not hide the fact that what they were really fighting for was not to "save" European culture, but to perpetuate Nazi Germany's stranglehold on the peoples of Europe. Stalin, on the other hand, made it clear that the Soviet Union was not fighting to enslave other people, but to defend the integrity of his country's frontiers. In that fight the Soviet Union had proved that victory would go to the United Nations, but that there was still a hard struggle ahead. Stalin spoke with the assurance of a colossus who feels the stirring of fresh and virile blood in his veins; Hitler spoke like a dazed giant who feels a benumbing chill creeping down his spine.

2. TUNISIA.

(a) Land Operations.

(i) The Three Enemy Drives.

Following their recent withdrawal westwards (see 275th Bi-Weekly Guidance Notes, dated February 23, 1943), and the consequent loss of three forward airfields, the Americans abandoned the towns of Feriana, Sbaitla and Kasserine. The next series of developments arose out of the German occupation of the Kasserine Pass, three miles N.W. of Kasserine town which is on the railway to Sousse, midway between Feriana and Sbaitla.

From the Kasserine Pass the enemy fanned out in three strong armoured drives. One, consisting of two parallel columns moved in a north-westerly direction towards the Allied base and rail-head of Tabessa (just inside the Algerian border), 40 miles away; the other moved almost due north towards Thala, 30 miles from Kasserine and about 25 miles N.E. of Tabessa; and the third moved in a north easterly direction.

The drive to Tabessa progressed 10 miles before it was thrown back almost to its starting point. But the northern drive was halted by the Anglo-American forces only 3 to 4 miles south of Thala. The north-easterly

....drive

drive did not, it seems, get anywhere in particular. Coupled with these three drives came the enemy's attack near Medjez-el-Bab, in the northern sector, designed, in all probability, to pin down the British First Army and prevent it from sending reinforcements to the Americans.

(ii) Failure of Enemy Plans.

Had the enemy succeeded in getting to Tebessa, Allied operations in the central sector would have received a considerable setback, and the occupation of Thala would have seriously affected the British First Army's entire southern front. At present, it is not, however, clear whether the enemy's moves beyond the Kasserine Pass were merely in the nature of a 'defensive-offensive' (that is directed towards protecting his flank and rear while engaged in checking the Eighth Army's advance), or something more ambitious. Whatever his intentions, he has completely failed to achieve his objective, and the recapture by the Anglo-American forces of the Kasserine Pass threatens his recent local gains between Sbeitla and Gafsa. Besides, his failure has cost him considerable losses of men, equipment and materials.

(iii) Obstacles Before the Eighth Army.

With regard to the position in the S.E., the enemy's evacuation of Ben Gardene, Fom Lathouine and Medenine (fortified outposts of the Mareth defence system), has inspired the view that Rommel does not intend to fight for his Mareth positions. Recent developments in this sector do not justify this view. The three outposts, evacuated by the enemy, could hardly have offered prolonged resistance, and Rommel must have realised that they were not worth the serious effort needed to hold them. But as the Eighth Army advances towards Mareth, in the heart of the defences, opposition is becoming stiffer, and, judging by the increasing intensity of the artillery exchanges, Rommel, it would appear, intends to make a stand. There is no doubt that behind the Mareth defences he has prepared another defensive position at the Gabes gap. But that by itself is not sufficient argument in favour of his withdrawal.

(b) War in the Air.

The air war in Tunisia resembles that in the Western Desert. It is part of the land war directed against the enemy's supplies and supply lines. Bombing raids on Italy by aircraft based in England are part of the preparation as much as raids on Sicily, Sardinia and the Tunisian ports by machines based in North Africa and Malta. The Allied air forces are carrying out a process of softening for the main assault by the land armies. At the same time they have effectively demonstrated in the operations near Thala that, despite the lack of suitable airfields, such as the enemy possesses, they are more than a match for the Luftwaffe and the Regia Aeronautica combined. The use of American Flying Fortresses in a coordinated land and air counter-attack was something new and contributed not a little to Allied success.

(c) Axis Shipping Losses.

Though the enemy is getting supplies from across the Mediterranean by sea and air, he is paying a heavy price in shipping losses.

And while we are busy comparing our shipping losses with our shipbuilding progress, we easily overlook the fact that the Axis Powers are losing ships faster than they can be replaced.

On November 11, last year Mr. Churchill revealed in the Commons that one in three Axis supply ships had been sunk in the Mediterranean by British submarines and the R.A.F. Now the First Lord of the Admiralty has revealed that since the battle of El Alamein upto the end of January this year, Allied naval and air forces had sunk in the Mediterranean 136 Axis supply ships and damaged another 112. Since the beginning of February 14 more enemy ships have been sent to the bottom in the Mediterranean. As against this loss, the total estimated Axis shipbuilding during the last four months is said to equal only half of their Mediterranean losses.

(d) Conclusion.

But, despite the shipping losses, the enemy is getting considerable supplies through, and the whole Tunisian war is now entering a stage when one must expect hard fighting both for the British Eighth Army in the S.E. and the Anglo-American forces in Central and Northern Tunisia. Obviously, the enemy commands strong, well-equipped, forces with formidable air support based upon numerous well-appointed airfields. In view of his strength and the excellence of his communications (which, moreover, have the merit of being short), compared with those of the Allies, the recent setbacks were not unexpected. And, in any case, the task before the Allies is bound to be hard before ultimate victory in Tunisia is gained. That the Allies are determined on the expulsion, as speedily as possible, of the Axis forces from North Africa, is clear from the establishment of a unified Allied command under General Eisenhower and the appointment of General Alexander to command all land forces in Tunisia.

3. CHINA.

(a) Medicine In Modern China.

From the recent publicity given in America and elsewhere to Madame Chiang Kai-shek's work for the wounded soldiers, it should not be difficult for anyone to see China's sensitive awareness to the medical needs of modern China. What complicates the position now is, not just the overwhelming urgencies of war, grave as they are, but an aspect of Japanese warfare that makes life, in parts of war-drenched China, a diseased nightmare -- the weapon of bacterial warfare as practised by Japan.

(i) Training of the Army Medical Personnel.

Generalissimo Chiang Kai-shek and his indefatigable wife have given much thought to the training of the army medical personnel. More than 5,000 men and women are being trained every year or are given refresher courses for the army medical service. The men who train the young people are tried and tested exponents of medicine, supplied by the Army Medical College, The Reserve Medical Officers Corps, or the Emergency Medical Service Training School.

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A word about the Army Medical College would not be out of place here. No less than roughly seven hundred doctors and other senior medical personnel graduate each year from this institution, while from its two branch institutions appear annually at least a hundred trained men. Formerly, at the turn of the century, the college was established in Tienstin, but later was moved to a place in Kweichow province, where, under the inspiring presidency of the Generalissimo, it has carried on its work with sustained and uninterrupted efficiency.

A unit of reserve medical officers in Kweilin, under the general supervision of the college, gives refresher courses. Since 1937, this body has supplied the army medical service with at least 4,000 well trained officers.

(ii) Field Training.

Field training for all classes of personnel is given by the Emergency Medical Service Training School and its branch schools. This institution comes under the jurisdiction of the Ministry of War, and with Dr. Robert Lim as the Director, has turned out many a "ministering angel" in khaki. By 1942 the School had trained about 7,000 people.

(b) Highway Health Stations.

Besides the organization of the anti-epidemic Corps, a civilian general health service, China has attempted to supplement these organizations with highway health stations.

Each highway station is built according to a general plan. The wards in them range from 20 to 40 beds, and have attached to them an out patient department and a small laboratory. These stations were first established in 1939 along the northwestern highway from Chungking to Chongtu and Lanchow in the province of Kansu. The idea caught on like a forest fire. In cooperation with the Ministry of Communications, other stations and mobile units were constructed to serve the road workers, engaged upon the communication links forging Szechwan with Sikang. And wherever the government have decided to move people out of congested areas, one of the first things done is to establish a health station in the newly determined area.

A glance at the statistics reveals the nature of the work carried out by the stations. In 1941 about 450,000 people were inoculated against small-pox, cholera and typhoid; about 700,000 were rendered what is called "curative service" -- i.e. visits and emergency calls, and about 4,000 accouchements.

(c) Bacterial Warfare.

If it was only disease that existed as an "act of God" that the Chiangs had to grapple with, the situation would be bad enough. But Dr. Yung has given reasons why he considers the outbreak of plague in Changteh in early November 1941 was a Japanese gift to China. It is worthwhile looking into the matter.

Plague is primarily a disease of rats, and men contract the infection from them. After the disease appears in rats, and their mortality rate becomes appreciably high, rat fleas come on the scene. These insects prefer usually rodent blood to human blood, but if they do not find any suitable hosts, then they attack human beings.

(i) Changteh's Isolation.

In Changteh, before the outbreak of the epidemic, there was no high mortality amongst rodents. Even in December Dr. R. Pollitzer, a noted epidemiologist working in this area, found no signs of infected rats. The first infected rat was discovered by the doctor at the end of January 1942, and from that time onwards the infection spread so rapidly that an epidemic of plague amongst human beings became inevitable in April. And what made things even more significant was the fact that there was, up to that time, no known record of

(i) The Issue.

The President's purpose in going to the Congress was obvious. He found that while industry was being steadily regimented to the needs of war, that while its wages and output were regulated to serve the purpose of a more comprehensive war production, agriculture was still operating in terms of a comparatively "free economy". The prescribed minimum levels for farm prices were, for instance, substantially above present prices, which the President considered too high. If the President did not intervene, there would soon be an inflationary crisis in the country with industrial wages fixed by law but agricultural prices left untouched.

(ii) Roosevelt's Argument.

The President's argument was, therefore, clear. The workers would demand more wages to buy their food at the existing high level of farm prices. This would mean putting more money into circulation which, while reducing the value of money itself, would still not fulfil the worker's desire to catch up with rising prices. This would bring in inflation, which would affect not only the farmers but other branches of industry also. It would not be wise to give the consuming public more money, for the amount of consumption goods was steadily decreasing. By September of this year the war took nearly 40% of the country's total production and this figure was steadily rising. If farm prices could be established, the most fruitful cause of inflation would be eliminated, and America's Economic War machinery could work as a whole with complete harmony amongst its interdependent parts.

(b) Significance of the Bill.

(i) United War Effort.

Not only does the American farmer constitute nearly one fourth of the voting population but he is also the best organised politically -- labour not excepted. He commands more votes in the House and Senate than any other political bloc and is better represented on the critical committees. His alliance with the Administration henceforth is, therefore, a symbol of American unity for victory. He also need not have any worry about the future, for after the war he will play an important part in world-reconstruction. The continent of Europe will have to be fed and it will be a part of the job of the American farmer to achieve this task, on the basis envisaged by Mr. Hull's "Ever Normal Granary".

(ii) President Within His Rights.

While the Bill was still being discussed there arose the controversy whether the President was not exceeding his powers in threatening to set aside a specific injunction of Congress which forbade him from interfering with prices. It is, however, clear that as Commander-in-Chief of the Armed Forces, the President felt that the existing farm prices were hindering and threatening the war effort. He would have been, therefore, justified in taking the necessary measures if the Congress had proved obdurate. In this he would have been fortified by the precedent of two great war Presidents. President Lincoln freed the slaves during the Civil War as a military measure, in his capacity as C-in-C. Early in 1917, before America's entry into war, President Wilson asked for Congress authority to arm American merchantmen, and when it was refused, he acted without that authority, again in his capacity as C-in-C.

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238TH BI-WEEKLY GUIDANCE NOTES ON THE WAR SITUATION,
DATED OCTOBER 10, 1942.

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POLICY

1. Stress general acceptance of principle of self-determination and Attlee's statement that British offer remains open and is not rigid. Parliament united in condemnation of present civil disobedience movement and attempts at dictatorship. Restoration of order and fairplay for all essentials of any settlement.
2. Chaining of British Dieppe prisoners illustrates German habit of proceeding to brutal extremes at any opportunity. Increasing Nazi brutality is an index of increasing desperation.
3. Danish crisis shows what those who trust in non-violence for protection may expect from the Axis.

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1. INDIA.

(a) The Commons Debate.

(i) A Step Forward.

The second reading of the new India Bill has provided an occasion for another debate on India. In this debate, the speeches of Mr. Greenwood, for the Opposition, and of Mr. Amery in opening and of Mr. Attlee in winding up, were notable. Though much of the ground covered was old and many of the things said were familiar, certain broad impressions and certain new features have emerged.

(ii) Civil Disobedience and Dictatorship.

The first broad impression was the general condemnation of the Civil Disobedience movement from all sides of the House. On one thing Parliament and, behind it, the people are clear; there can be no settlement with those who launched a subversive movement at the most critical moment of the war until that movement is called off and the acts of violence to which it has led are disavowed. Another clear impression was the general determination not to allow any one party to secure sole control of the government to the prejudice of others who have equal claim to consideration. There can be no party-state in India if there is to be a free and contented India.

(iii) Self-Determination Recognised.

If Parliament was clear on these negative issues, it was equally clear on the positive side. There was a general recognition of the principle of self-determination for India, and an equally wide recognition that self-determination means independence if India so desire Mr. Amery was explicit on this point. "What was offered to India was control over her destinies within the partnership of the British Commonwealth or without that partnership, if she preferred to forego it ...". The Independent Labourite, Mr. Maxton, went out of his way to express his belief in Mr. Amery's sincerity: "The Indians were promised complete independence, even to breaking with Dominion association, if so desired."

(iv) Anxiety for Settlement.

Equally clear was the anxiety of all parties for a settlement at the earliest moment that it could be made honourably to all concerned. The fact that the Viceroy has continued his talks with Indian leaders is evidence of the Government of India's desire for a settlement at the earliest possible moment, and the voice of the Commons has made it clear that the British people are no less anxious. The political situation is not stagnant or static, but is in a state of temporary and unstable equilibrium.

(v) Planning and Fighting.

What are the conditions of a settlement? It is clear that, apart from the calling off of the Civil Disobedience movement, the salient condition is an agreement between the parties on the future structure of the country. The ambitions of the various groups must be integrated into the needs of India as a whole; it is only in this way that compromises can be agreed to without a sense of loss or grievance. The very difficulty of agreement between the parties is a proof of the nearness of complete self-determination. Political negotiations have taken on a new sternness and intractability because they no longer consist of bargaining for the trappings of office, but of manoeuvring for the substance of power. When each section sees itself as a unit of a larger whole -- India -- that bargaining and manoeuvring will be transmuted into planning -- planning the future India. The integration of rival claims will come by the recognition of the equal partnership of the various communities. Planning not bargaining, is the need of political India today, as fighting, not indifference, is the call to India in the great world arena. By fighting, India will secure the possibility of independence; by planning she will be able to turn that possibility into reality when victory comes.

(b) Gandhi and the Axis.

(i) Gandhi Jayanti.

The Axis radio references to Mahatma Gandhi on his 74th birthday, which fell on October 2nd, reveal once again that the Berlin-Tokyo-Rome Combine praise only those who advocate and follow policies, whatever the intent of the authors, calculated to serve and advance its project of conquest of the world and its enslavement. Their estimate of people as well as personalities changes with the changing wind: their heroes of today may well be the scoundrels of tomorrow. They will stay high in the Axis hierarchy only if they play their game and, having done so, silently eliminate themselves.

(ii) Axis Contradictions.

A comparison with what the enemy radios have been shouting during the last week with what they were saying only a few months ago is as interesting as it is instructive. "We, the Indians," declares the German Azad Hind News in Tamil on October 1st, "are glad that Gandhiji did not come to a compromise with the Government. To come to terms with the British would defeat the aim of Mahatma Gandhi's movement for freedom, to which he has dedicated fifty years of his life." Yet it is the same Gandhiji about whom these very Indians living under Nazi domination were saying things entirely different. In the course of a Talk from Berlin on February 4, 1942, Dr. Farooqi severely criticised the policy of the Indian National Congress, adding: "Gandhi's principle of non-violence and Ahimsa has miserably failed to achieve any effective results. The majority of the people in India, being disappointed with the fluctuating policy of the Congress,

are now forming different parties with a view to attain independence in the near future." And lest there be any doubt as to what the Nazis really felt, Berlin, in its Hindustani broadcast, had no hesitation in proclaiming on April 10th, 1942: "Mr. Gandhi and Mr. Nehru are miserable British agents." A day earlier, of course, Berlin had told the Indians: "The Indian leaders are the deluded henchmen of London."

Now, Japan tells us, as on October 2nd, that "Gandhi, this great man in history, is characterised by his meekness, his undaunted spirit, his spirit of sacrifice and his unwillingness to be utilised by others." Germany also hypocritically concurs in praising "Gandhi's unflinching sacrifices and devotion to the cause of India." But the world will surely remember the previous venomous diatribes of the Axis partners, the signatories to the Tripartite Pact, against the same person and ask "why this volte face?" One has only to set these contradictory statements side by side to realise that the Axis stands self-condemned and its utterances will convince only those who refuse to see. And none are so blind as those who will not see.

(iii) The Contrast.

The United Nations' attitude, on the other hand, has been most consistent. In spite of Gandhi's politics, his moral eminence has been ungrudgingly realised by the great leaders in the Allied countries. When he had completed his three score and ten, remarkable tributes were paid to him: men like General Smuts and Lord Halifax - his opponents in the past -- joined in paying their homage to a truly remarkable man. Even now, living amidst the clash and clang of political controversy, the facts are seen in their true perspective. The dominant note is one of disappointment, sorrow and, in some quarters, anger that one so morally distinguished should have seen fit to pursue a barren path -- a path that implies so much frustration to his own people and delights the enemies of India and the other United Nations. The regret is the more poignant when it is realised that in this supreme world crisis India has been refused the unequivocal lead that she had a right to expect from her leaders. This attitude was aptly summed up by the NEW YORK TIMES soon after the Congress Working Committee had passed its fateful resolution authorising Civil Disobedience. The paper wrote: "Mahatma Gandhi is one of the great souls of his generation. If mankind adopted the spiritual essence of his teachings, there would be no more wars. Yet, the effect of Gandhi's saying and doing what he is now saying and doing may mean the defeat of everything for which he stands."

2. THE WAR -- A NEW PHASE.

(a) The Eighty Days.

The eighty days set by Mr. Oliver Lyttelton on July 18th ended on October 6th. No great disasters have occurred, though the Germans have made large advances, and there is a natural tendency to ask "What happens now?" and perhaps to think that, because the period of greatest danger is past, all danger and the need for great exertion is past too. On the other hand, the pessimist may argue that, since the Axis still seems strong after eighty days, Mr. Lyttelton must be consigned, like so many others before him, to the company of the false prophets.

(b) Then and Now.

(i) July.

In mid-July, the war situation was dark and threatening. Rommel was knocking at the gates of Alexandria and no one knew whether he would be held at El Alamein or not. The Germans in Russia had achieved a break-through on the Kharkov front and were advancing into the Don loop. Shipping losses, specially off the Atlantic coast, were so high as to offset the expanding American shipbuilding programme and delay the realisation of a second front. The Japanese, in spite of the Midway and Coral Sea battles, seemed firmly entrenched in South-west Asia.

(ii) October.

To-day the Germans have advanced still further, through Rostov to the Caucasus and into the streets of Stalingrad. But the city still stands and the Caucasian oil is still denied to Hitler. Both of these were declared to be German objectives in Hitler's recent speech. Above all, the Russian army is intact and vigorous. The Battle of the Atlantic goes on, but building has for three months out-paced sinkings. The Japanese have been placed on the defensive both in the north and south-west Pacific.

(c) What Has Happened.

That has happened is that the Allies have avoided a disaster, at a time when one was possible which would have prolonged the war perhaps for years. By this fact they have made victory not only possible but probable. It was said of Queen Elizabeth that what chiefly happened during her reign was 45 years, because by successfully avoiding a series of dangers when England was weak, she laid the foundation of her future greatness. In the same way, by avoiding dangers when they were still weaker than the Axis this summer, the Allies have laid the foundation of future victory.

(d) No Relaxation.

There is one condition of this victory -- unavoidable and indispensable. It is that there should be no relaxation in effort on land, sea and air, in the factory or in the training field. Any such relaxation would mean that the crisis would not be over, but be more acute than ever. The Allies can win, provided an all-out effort continues to be made. They will win because this will be done. But no one should harbour any illusion that the way will now become less hard, or the exertions required less arduous.

(e) Preparation for Assault.

The new phase into which the war is now visibly moving may be described as that of preparation for assault. The Axis is passing to the defensive and the Allies to the offensive. But the concentration of forces is not yet complete enough, or the weather cleant enough, for the assault to be launched. When that assault comes, it must be delivered with unerring insight, overwhelming force and clockwork precision. The preparations for these assaults (there may be more than one) will occupy the Allies in the coming months. These preparations involve labour, thought and sacrifice, and it is upon the adequacy of these that the success of the Allies will depend.

3. PACIFIC OPERATIONS: ALEUTIAN ISLANDS.

(a) Evacuation of Attu and Agattu.

The report that the Japanese have evacuated Attu and Agattu does not mean that they have abandoned altogether their operations in the Aleutian Islands. The enemy is still firmly entrenched on Kiska Island, which is 200 miles further east and therefore 200 miles closer to the U.S. Air and naval Base at Dutch Harbor.

Attu and Agattu were occupied as preliminaries to the seizure of the much more important island of Kiska, which has a reasonably good harbour and can be used as a base for seaplanes, light naval forces and even cruisers.

(b) Increased scale of American attack.

Recently the scale of American attack on Kiska and shipping in the neighbourhood has increased considerably. There are two main reasons.

(i) New U.S. air bases have been established in the Andreanof Group -- barely an hour's flight from Kiska. The new aerodromes accommodate fast pursuit planes and heavy bombers carrying loads up to four tons apiece.

(ii) The Aleutian Islands are no longer fog-bound. The fog, which reaches up to 10,000 feet in midsummer, is caused by the fact that cold currents travelling south through the Bering Strait meet the warm stream flowing north-eastward from the China Sea. Fog has hampered operations since the initial Japanese landings in June. With the approach of winter it has now lifted to give the American airmen a better chance of finding their targets, attacking them with precision, navigating their aircraft on the homeward journey and landing safely at their bases.

(c) "Defensive Character" of Japanese Operations.

Tokyo Radio has persistently emphasised the "purely defensive character" of Japanese moves in this area. While this is obviously intended to reassure the Soviet Union, it is interesting to recall that on June 20 a Japanese broadcast in Japanese alleged that Japanese operations here had thwarted American plans "to attack Japan Proper with the Aleutian Group as a base".

4. TURKEY.

(a) Anglo-Turkish Chrome Agreement.

Negotiations for the renewal of the Anglo-Turkish chrome agreement, due to expire in January 1943, have started at Ankara between the British Ambassador and the Turkish Premier.

It will be recalled that, according to the Anglo-Turkish commercial agreement, Turkey had undertaken to supply Britain with practically the entire output of her chrome till January 1942. But last October this period was extended for another year, despite the prodigious attempt made by Dr. Clodius at the time to seduce Turkey from her economic undertakings to Great Britain.

(b) Turco-German Economic Agreement.

The Turco-German trade agreement then signed provided that Turkey would supply Germany with only 90,000 tons of chrome a year (and not 150,000 tons, as demanded by Clodius) and that, too, after the expiry of Turkey's agreement with Britain and on condition that war material ordered from Germany to the value of £18,000,000 was delivered to Turkey by the end of 1942.

(c) Turkish Chrome.

Turkey is the third largest chrome-producing country after Russia and South Africa, its production reaching the 200,000 tons a year mark. With the discovery of new chrome deposits in the Province of Hatay (ex-Sandjak of Alexandretta), this production mark is likely to touch a still higher level.

Chrome is the chief mineral from which metal and commercial chromium compounds are obtained, and as chromium is an important ingredient in the manufacture of high-class steel, it explains the Nazi hankering after Turkish chrome. While the Allies could avail themselves of their chromite resources in South Africa, U.S.A. and India, for Nazi Germany Turkish chrome is of substantial importance.

(d) Anglo-Turkish Trade.

Hence the recent Nazi anxiety to pile up their fictitious commercial claims on Turkey in order to secure more chrome from her on a reciprocal basis. In contrast to these spurious German claims,

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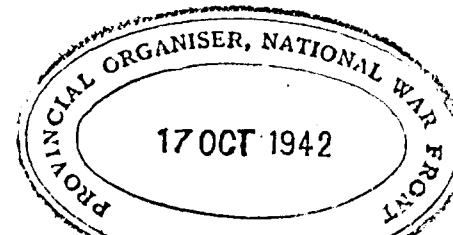
stands Britain's genuine and conspicuous effort to satisfy Turkey's economic requirements. British goods alone, imported into Turkey since March 1941, are valued at £8,500,000; while through the good offices of the U.K.C.C., Turkish cash imports from the sterling area have now been raised from £2,000,000 - £2,500,000 a year in 1940 to £10,000,000 - £12,000,000. The total purchases of Turkish commodities by the U.K.C.C. since 1941, has amounted to £9,000,000, including the recent contracts for the purchase of 12,000 tons of sultanas and raisins of an approximate value of £1,300,000, and larger quantities of copper, skins, mohair, vallonina, hemp, flax and olive oil than those bought last year. This does not include chrome and tobacco which are handled by other British organisations.

A significant feature of this steady development of Anglo-Turkish trade is the close and cordial co-operation between the Turkish Government and British semi-official institutions, which implies that Turkey is cognisant of British efforts to render her every possible economic assistance.

(e) Turkish Trade and Neutrality.

It must, however, be emphasised that Turkey's decision to dispose of her chrome will be guided by her policy of strict neutrality. The Nazis will in all probability once again exercise all pressure possible to obtain a favourable revision of their last year's agreement. But Turkey has never been deterred by Nazi intimidation or blackmail. Whatever her decision, it will be in keeping with the fundamental principles of her national policy and her alliance with Great Britain, both of which were recently stressed by the Turkish Premier.

"350 - 10.10.42"



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P O L I C Y

1. Emphasise that Anglo-American decision to give up extra-territorial privileges in China is the completion of a process begun by Britain in 1926. It is a sign that the principles of the Atlantic Charter are being applied to Asia. Abolition in China, as in Turkey and Persia, made possible by the pooling of world legal methods and codes. Stress that this action demonstrates Anglo-American confidence in the stability of Chungking regime.
2. Growing weight of Allied raids on Rabaul demonstrates steadily mounting Allied strength in South-West Pacific.
3. Stress that Hitler's new defensive strategy means that the European nations will be enslaved and broken up to supply the deficiencies of German manpower. The New Order means general slavery.

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1. GERMANY: HITLER'S NEW POLICY OF STRATEGICAL DEFENCE.

Hitler's speech was a tacit but clear admission that the strategical initiative had passed to his opponents. Although the advantage of interior lines still remains with the Axis, the loss of superior striking power as the result of expanding Anglo-American war effort and the imminent prospect of having to withstand simultaneous pressure all round the clock, will necessitate progressive dispersion. The German plan of achieving decisive and final victory by concentrating on each opponent singly and in turn has failed.

For the United Nations this means that the most perilous stage of the war has passed, and that is certainly ground for solid satisfaction, but it does not mean that victory is yet within our grasp.

Although he has lost the race against time, Hitler is confident that he can now make time his ally. His recent speech, coupled with those of Ribbentrop and Goering, amounted to a declaration that Germany is about to adopt a policy of strategical defence. It is a momentous decision, and it is clearly of utmost importance that we should understand its implications.

It does not mean that the Wehrmacht will never take the offensive again. On the contrary, there will be swift concentrated blows whenever and wherever opportunity arises. It does mean that German leaders on the threshold of the fourth war winter are planning to convert the Reich and German-occupied Europe into a self-sufficient fortress capable of withstanding an Anglo-American siege for an indefinite period.

(a) Battle Fronts As Germany Sees Them.

(i) Russia.

Let us look at this proposition as far as we can through German eyes. They are well aware that they have failed to break up the Soviet Union or destroy the Red Army as a fighting machine. Surprisingly frank admissions on that point by General Dietmar and other German military commentators in recent weeks are now explained. Berlin is confident that the original purpose of her attack on Russia can be secured by an alternative method.

The experience which they gained in front of Leningrad and Moscow, and afterwards in holding the Russian counter-offensive last winter, has taught the Germans that a web of fortified positions protected by minefields and supported by mobile field and anti-tank batteries can offer formidable resistance to tank formations. In fact, the superiority of a fast armoured unit working in close co-operation with dive-bombers over a static defence, which was so marked a feature in the campaign against France, has been profoundly modified by the emergence of a new defensive technique. Moreover, the Germans evidently came to the conclusion that Russian commanders were not so skilful in offensive operations as in defence.

During the winter, when the German army had almost reached the limit of endurance, it was saved from catastrophe by its network of fortified positions at key points such as Rzhev, Bryansk, Vyasma, Orel and Kharkov. Again this summer, while the main Axis offensive was concentrated in the south, the German Command relied on this defensive system to prevent a break-through by Russian diversionary assaults, and once more it successfully took the strain. Hitler's boast that, once they were in Stalingrad, they would never be got out of it, seems to indicate that the plan is to extend this east wall to the Volga and then rely on it to hold the Red Army indefinitely. It is further assumed that the striking power of the Russian forces will steadily diminish as the Soviet war potential declines as the result of lost resources of oil, iron, and coal, and will thus permit the German garrison to be progressively reduced.

(ii) Western Europe.

In the west, where a fresh and extremely formidable enemy is liable to appear at any time, the Germans are putting their faith in the same sort of fortified network, and here they enjoy the strongest of all defensive positions -- a fortified coastline. Just as they rely on progressive weakening of the Russian military machine by depriving it of necessary raw materials, so they are counting on the U-boat to starve the British-American offensive.

(b) Attempts to Become Self-Sufficient.

(i) Raw Materials

Having bolted and barred the doors leading to Europe from east and west, and also from the Mediterranean, the Germans look forward to harnessing the whole of enslaved Europe to their own war machine. They have now seized so large a part of Russia that they probably command sufficient wheat, iron, coal and nickel (though not yet oil) to carry on indefinitely.

Goering's exultant outburst well illustrates the vital function which captured Russian resources are expected to perform under the new plan. "Do not forget that we have taken from the Russians their best territories. Swamps do not interest us. There they may remain. We did not intend to expand in this direction and become reptiles. But we have planned properly and taken that part which is useful".

(ii) Man-power.

A necessary complement to raw materials is man-power. There is overwhelming evidence to show that the Germans are determined to convert all Europe into an enormous Nazi workshop manned by helots. The initial stage has already begun in Poland, Czechoslovakia and France. The intention is to carry it out by a scientific and carefully planned terror. "It will consist", as one observer has remarked, "in breaking up European nations, and its means will be the physical destruction of the recalcitrant, systematic starvation of the useless, and mass deportation of the useful rest on a hitherto unimagined scale. Its agents will be Himmler and his henchmen, and its instrument has been created in the armed SS". A right setting for its full realisation, it is added, might seem gloom and despondency after an unsuccessful rising and military disappointment.

Behind deep belts of minefields and pill-boxes, the Germans intend to harness the whole of conquered Europe's man-power, raw materials, food and factories with modern scientific precision and cold-blooded savagery. Their purpose is to make conquered Europe self-sufficient and so defy us to turn them out. It may seem crazy, but doubtless the angels in heaven thought that Lucifer was defeated.

(c) Weaknesses of the German Plan.

(i) Reckless Assumptions About Russia.

What (if any) are the weak spots in this comprehensive plan? Let us consider in turn its three main aspects -- the east wall, the west wall and the European interior. First of all, the German expectation that they will be able to contain the Russian armies in the south by means of a continuation of the fortified belt down to Stalingrad ignores the fact that their enormously long lines of communication on the Stalingrad sector and in the Caucasus are dangerously exposed to Russian pressure for several hundreds of miles along the upper Don southward from Voronezh. The scale and weight of Russian counter attacks all along the line are increasing instead of diminishing.

The Germans assume that the fighting capacity of the Red Army will decline as the Russian war effort begins to die away from lack of fuel and raw materials. That danger can be temporarily met by increased Anglo-American supplies by way of Leningrad and via Persia and by reserve stocks accumulated in Central Russia and the Urals. The Russian Command has long envisaged the possibility of having to withdraw to the line of the Volga and pre-cautionary supply measures must have been taken accordingly. There are no signs of flagging on the part of the Russian military machine, but losses in foodstuffs and raw materials are so great that reoccupation of the Don basin and the northern Caucasus not later than in the spring of 1943 is clearly of first importance. The effectiveness of the German defence of Rzhev and elsewhere ever since last December shows clearly enough that a Russian advance on this scale must depend on drawing off a large proportion of the German army to meet Anglo-American attacks elsewhere.

(ii) An Allied Offensive in the West.

Burning to the western front, no knowledgeable person is disposed to under-estimate the difficulty and cost of landing and maintaining an army across an expanse of sea against fortified positions which would be formidable even if approached from land. The Dieppe raid proved that it could be done; it also showed that it will be a bloody business. The weakness of the German defence is the necessity for dispersion, for (as Hitler notulantly remarked) there is no knowing where the "lunatics" will strike nor in how many places.

The Germans won their conquests by novel methods of offensive strategy; they are being constrained to hold them by defensive measures. The technique of warfare at the moment favours the defensive because methods and equipment have been devised to counter the penetrative power of a panzer formation. It is the immediate task of the British and American military authorities to work out new combinations and devices which will invest the offensive with its old superiority. German defence methods in the coming months must be made as obsolete as were those of the French in 1940.

(iii) U-Boat Menace is being Mastered.

As for German reliance on the U-boat, it is probably true to say that the losses inflicted on Allied shipping have done more than anything else to save Germany from defeat this summer. Statistics are secret, but it is known that the submarine menace is now being steadily mastered as new devices and stronger escorts become available.

2. CHINA.

(a) The End of a Process.

The announcement that Britain and America are about to submit proposals to China for the abolition of extra-territorial privileges, welcome though it is, is not a sudden and isolated act, but the end of a process which has long been under weigh with both governments. Ever since the last war, the two powers have been pursuing a policy aimed towards this end. The first step was the admission of China into the League of Nations; the second, America's handing over to China for educational purposes of her share of the Boxer indemnity, which has greatly helped in building up the new Chinese educational system; and the third, the return to China by Britain of the Hankow and other concessions in 1926. It was the foresight of Sir Austen Chamberlain which divined that the then newly formed and somewhat turbulent National Government was destined to endure and unite China. Sir Austen had an eye for greatness and his eye fell on the new Government's military leader, Chiang-Kai-Shek. Since then, Britain has made it clear that she would abolish extra-territorial privileges as soon as the new Chinese legal system was in working order, and that moment has now arrived.

(b) Extra-Territoriality.

(i) Its Nature.

Extra-territoriality has a long history. In essence, it is an arrangement by which strangers living in a foreign country are allowed to live in a community, observe their own customs and administering their own law in their own courts. This seems common sense, but when the power to which the strangers belong is strong, extra-territoriality has been apt to slide into encroachment of sovereignty.

(ii) Recent History.

In modern times, the history of extra-territoriality dates from the Ottoman Turkish Empire. The principle was embodied in the "millet system", by which the subject non-Muslim communities, such as Greeks and Armenians, were allowed to govern themselves by their own law. Foreign merchants, including the English Levant company, were treated in the same way. The decline of the Turkish power turned what had been a Turkish administrative convenience into a serious political danger. What had been designed to save trouble became a badge of political inferiority. The same course of events occurred in China. First granted as an easy way of dealing with unwanted foreigners, it led to the growth of a series of compact foreign settlements, supported by formidable power, in the midst of China.

(c) A Common Law for the World.

The justification of extra-territoriality was difference of law and custom; the solution of the political problem as raised in modern times was, therefore, amalgamation of law and custom. This is exactly what has been happening right round the world, as a result of the free movement of ideas. The Code Napoleon, itself inspired by the principles of Roman law, has been the basic inspiration of all these new systems of law, though sometimes one of its offshoots, like the Swiss Code, has been favoured in preference to the parent stem. But, in general, it may now be said that the whole non-Anglo-Saxon world acknowledges the principle of Roman law, while Anglo-Saxon law is itself deeply influenced by Roman concepts.

(d) The Atlantic Flows into the Pacific.

The abolition of extra-territoriality means the recognition that a common standard of public conduct and justice exists. The abolition has another significance. Along with similar action in Persia, it means that the principles of the Atlantic Charter are being applied to Asia. The Atlantic has begun to flow into the Pacific.

3. PRISONERS OF WAR.

(a) Manacling of Prisoners of War.

(i) German Reprisals.

On October 8, at 12 noon the Nazis put 107 British officers and 1,269 other ranks captured at Dieppe into fetters as a measure of reprisal against the alleged British action in tying the hands of the German soldiers captured in the Dieppe raid and latterly in the raid on the Channel Island of Sark on October 4.

(ii) The British Case.

On October 10, the British government issued a statement saying that in the Dieppe raid an order was issued without authority to the effect that "wherever possible the hands of prisoners of war will be bound so that they cannot destroy their papers", but that in fact no prisoners brought back from Dieppe had their hands tied. The order was, nevertheless, countermanded.

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Campaign that could best be called "A Strength Through Fear Movement", which is reminiscent of a similar movement in the later stages of the last war. As in the last war, the intention of the movement is to galvanise the German people into violent resistance by the blood-curdling accounts of what the Democracies would do to them if they lost the war. Hitler in his speech of September 30, for instance, described to the people the alleged torments that would be inflicted on them by Britain and America, if Germany were defeated in the war. He has told them that if Britain wins, all German children between the ages of two and six will be deported to foreign orphanages so that they may lose their German qualities. The basis of this story is that someone suggested this in a Free Dutch newspaper published some weeks ago. It was a letter from a quite unknown correspondent and the editor has expressly repudiated the suggestion. Hitler, however, seized upon this story and called it "Churchill's Atrocious Plan".

Similarly, some months ago, the Germans found a book by somebody who had proposed that all male Germans should be sterilised. The Nazis got hold of it and promptly told the German people that it was devised by Roosevelt himself.

(ii) Its Significance.

"We Germans must learn to hate", is the slogan of Goebbels' hate propaganda organised in Germany today. A more significant change cannot be imagined, for it is an admission of the fact that the Nazi leaders are not so sure that the people are wholly convinced of the intrinsic merit of their cause. They have now to resort to the stirring up of the twin passions of hate and fear to goad the people to a greater effort.

"350 -- 13.10.42"

CONFIDENTIAL

240TH BI-WEEKLY GUIDANCE NOTES ON THE WAR SITUATION
DATED OCTOBER 17, 1942.

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POLICY

1. Emphasise that American interest in India and desire for positive steps to end deadlock does not imply American approval of Congress methods. American opinion almost unanimously condemned Congress attitude and approved Government's action. That attitude is unaffected by natural American desire to do something.
2. Slackening of assault on Stalingrad and increased attacks in Caucasus suggest that Hitler is using his remaining strength to force a way to the oil fields before winter. Stress that Hitler committed himself in his last speech to the capture of Stalingrad.
3. Field Marshal Smuts' visit to London is another indication of Allied offensive-mindedness. In Cairo he planned for safety; in London he plans for victory.

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In the raid on Sark the hands of the Germans were tied in order that their arms might be linked with their captors, and no orders written or otherwise had been issued. The Geneva Convention, continues the British statement, contains no statement about the tying of hands of prisoners but prescribes humane treatment. Clearly this differs according to circumstances. It is observed that the actions complained by the German Government relate to an action in the course of battle. The Nazis have, however, tied the hands of British prisoners of war in their custody, far removed from the battlefield, and as an act of reprisal against prisoners of war are, however, specifically forbidden by the Geneva Convention.

(iii) The Nazi Logic.

Nazi chagrin at the Dieppe and Channel Island raids can be imagined, but the logic of their reprisals is forced and childish. German psychology cannot tolerate a reverse and at once proceeds to satisfy itself by sadistic and unreasoning reprisals against helpless soldiers or hostages. Mr. Harold Butler has described the Nazi fettering of British prisoners as an effort to stir up hate among the German people. "It is a good sign in a way for us," he says, "if the Nazis are so badly off in morale that they need this kind of pick-me-up".

(b) What It Means.

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There is, in fact, at present a German Home Propaganda p

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✓ 1. RUSSIA.

(a) Hitler and the Generals.

Recent events have tended to confirm neutral reports of differences between Hitler and his generals, specially Von Bock, who is now said to be in disgrace and even under arrest. It was reported that while Hitler wanted to halt at Stalingrad and confine further operations to an attempt to seize the Caucasus before winter, Von Bock wished to screen the Caucasus, while he took Stalingrad and then, wheeling north, to roll up the whole Russian position in the centre and north. For once Hitler was more cautious than his generals, and as usual he has got his way with his generals. Two signs tend to confirm this analysis. One is the fact that Hitler defined both Stalingrad and the Caucasus as objectives, though he hedged about the latter by saying that he would at least cut it off from the rest of Russia. Stalingrad, once taken, was apparently to become a defensive bastion. The other is the fact that attacks on Stalingrad have recently slackened, that German activity round Mozdok and Novorossisk has notably increased and that among the troops fighting there are said to be divisions moved from the Stalingrad front.

(b) Future Operations.

(i) Stalingrad.

It may be expected that further attempts will be made to take Stalingrad, for Hitler has expressly committed himself to its capture. But the Russian chance of holding it has now visibly increased. The autumn rains have begun, and though not extensive in this region they are sufficient to turn the Steppe, which in the summer is one broad highway for mechanised vehicles, into a vast quagmire. It will be a chilly prospect for any German troops which have to winter outside the city. This region is much colder than the Ukraine, for Russia grows colder as one goes east whence blow the bitter Siberian winds, the coldest winds in the world outside the Arctic regions.

(ii) The Caucasus.

In the Caucasus campaigning may go on for some time to come. It is true that the mountain passes are now due to be blocked with snow, but the two maritime routes are mild in climate and feasible for operations right through the winter. Their disadvantage from the military point of view is their narrowness and their distance apart. The defence is simplified by the knowledge that the enemy can only come by these two routes, and for once the Russians would enjoy the advantage of interior lines. It may be that the German plan is to take the Grozny oilfields, and to advance by both coast routes in the hope that, even if the whole Caucasian valley cannot be overrun, the Black Sea fleet may be immobilised at one end and communications between Baku and the rest of Russia across the Caspian disrupted at the other. Beyond the Caucasus stands the Allied 10th Army ready to respond to any Russian call for aid which may come.

(iii) The Centre and North.

The considerable fighting which is taking place on the northern and central fronts remains inconclusive. Its strategic purpose, apart from local objectives, was probably to prevent the despatch of further reinforcements to Stalingrad by immobilising reserves. Stalingrad's stand suggests that this purpose is being achieved.

(c) The Army Commissars.

The amalgamation of political Commissars with the military command is a clear sign of the welding together of the Russian army and people which the war has brought about. Originally Commissars were appointed like the Jacobin agents with the French revolutionary armies, to see that the officers (specially those of the old regime) suffered from no temptation to counter-revolutionary activity. With the passage of time they tended to become political instructors rather than Communist watchdogs over the officers, and they were eventually abolished. They were restored in the summer of last year, when their role was that of morale experts or "pep"masters. There has always been some, and recently a great deal, of overlapping between the Commissars and the officers, many officers performing the functions of Commissars and vice-versa.

The present transition, by which all Commissars will receive military training, was therefore easy. The change is now the less significant. Suffering and adversity are great unifiers, and what has now happened means that the present crisis has drawn all Russians so closely together that the words officer and patriot have become synonymous. The people of the Soviet Union are no longer divided essentially into Communists and non-Communists; they are only Russians united in a passionate defence of their fatherland.

2. WAR AT SEA.

(a) Operations in the Solomon Islands.

(i) An Allied "Tactical Blunder", Says Tokyo.

At the beginning of this month the spokesman for the Navy section of the Japanese Imperial Headquarters, Captain Hideo Hiraide, characterised the American offensive in the Solomons (began August 7) as "another Allied tactical blunder." Compared with the same Captain's mammoth lies about the Coral Sea and Midway actions, this statement appeared remarkable for its reticence. It now seems that he was anticipating, with customary optimism, the events now developing in the Solomons.

(ii) Enemy Battleships Present.

It is evident that the Japanese have rallied forces for a major effort to crush the American offensive. Having learned a lesson from the cruiser actions off Savo Island (August 8/9 and October 11/12), when they were repulsed -- first attempting to interfere with the landings by U.S. amphibian forces, later attempting to cover their own landings -- the Japanese have brought battleships into the area.

Battleships were employed in the fruitless thrust against Midway, but they were forced to withdraw by the loss of three aircraft carriers (and therefore the loss of air control in the battle area). In the Solomons it is a different story. Here the Japanese have ample land-based air cover -- the very factor which gave the Americans such a big advantage at Midway.

(iii) All-Out Enemy Effort.

It is possible that the Japanese have moved on to the defensive in New Guinea for the purpose of concentrating greater forces against the Solomons. That the Japanese should be unable to make a major effort in two adjacent sectors simultaneously is a good sign, as also is the fact that new Japanese aircraft are being rushed straight from the assembly lines to the Solomons (according to Admiral John S. McCain, October 13).

Confident of a successful Japanese counter-offensive, Captain Hiraide labels the Allied effort as a "tactical blunder"; but the very fact that this effort has obliged the enemy to pour such concentrations of air, land and sea forces into the battle is sufficient justification for the operations undertaken ten weeks ago. Furthermore, it proves that, for their first purely offensive operation in the S.W. Pacific, the Allies selected a group of islands whose possession was of vital importance to Japan's strategical plan.

(b) Merchant Shipping Situation

(i) Churchill's Statement

The Prime Minister, in his speech at Edinburgh on October 12, said: "The months of August and September have been, I will not say the best, but the least bad months since January. They have seen the new building of merchant ships substantially to outweigh the losses."

This statement proves the falsity of the Berlin radio's claim that in August and September 286 vessels were sunk. It is known that in those two months U.S. yards turned out 161 new ships, and it is estimated that Canada and the United Kingdom built about 50 ships in the same period, making a total output of 211 ships -- 75 fewer than the Germans claimed as sunk.

Incidentally, this German figure of 286 is based only on the monthly claims made by Berlin; by totalling the daily claims we arrive at the figure 620. On average, then, during August and September the Berlin radio claimed the sinking of ten Allied ships every day, whereas Mr. Churchill's statement implies that the true figure was nearer three.

(ii) Enemy Losses

While carrying on an intensive propaganda campaign to persuade the Allies to publish details of their shipping losses, the enemy radio conveniently overlooks the fact that no coherent statement of Axis merchant shipping losses has ever been broadcast from Berlin, Rome or Tokyo.

Germany, who began the war with a merchant fleet of 4,500,000 tons, has had at least 4,000,000 tons sunk, captured or damaged, in addition to the 250,000 tons which has been laid up in Central and South American ports for more than three years.

Italy began the war with 3,500,000 tons and has lost 2,366,000 tons (two-thirds of this total being sunk for certain).

Japan began the war with 5,500,000 tons and, while no accurate estimate of her losses can be made, it is known that American submarines alone have sunk 79 Japanese vessels, probably sunk 20 more and damaged a further 24. Using these figures as a guide, it might be said that Japan has lost at least 1,000,000 tons in ten months' operations in the Far East.

III. IRAQ

(a) Cabinet Reshuffle

(i) The Premier's Letter

On October 6, it was revealed that General Nuri Said, the Premier, in his letter of resignation to the Regent said: "After the Cabinet had achieved the greater part of its task, certain differences arose among some respected colleagues" which made it "impossible for me to carry on my duty".

(ii) A Domestic Issue

The differences, referred to by the Premier, arose out of internal economic matters relating purely to domestic issues which had no bearing on the broad principles of Iraq's national policy.

(b) The New Cabinet.

The fact that the Regent entrusted the same Prime Minister with the task of forming a new Cabinet is at once a pointer to the internal nature of the crisis and a guarantee that national interests will continue to govern the policy of the new Government.

With few exceptions the Premier has retained his former colleagues in the new Government, but the portfolios have been reshuffled. The introduction of Abdul Illah Hafiz and Ahmad Mukhtar Baban means introducing younger blood into the Cabinet. Both men have been Government officials, and their wide experience of administration is confidently expected to contribute towards the strengthening of the new Government.

(c) Popular National Policy.

Throughout the short-lived political crisis, life in the country remained perfectly normal. It was realised everywhere that the Cabinet resignation resulted, as Iuri Said declared, from differences of opinion among members on issues which did not in any way concern foreign policy.

That this foreign policy, based on the Anglo-Iraqi Treaty has with the wholehearted approval of the people and the press has been overwhelmingly manifest since the abortive coup d'etat of Rashid Ali eighteen months ago. But for that brief interruption Iraq's external policy throughout this war has been guided by her treaty relations with Britain.

4. AMERICA.

(a) American Publicity Methods

It is very important to cultivate a sense of proportion in judging of American press comment. America not only contains a population of 130,000,000 people, but a population of 130,000,000 reading and talking people. This great public is served by more than 2,000 daily newspapers; a number of radio networks, and a system of public lectures to which no parallel exists either in India or Britain. Comment is unrestrained and forthright in America; the British taste for understatement in American eyes is a drug if not a vice. Young nations, like young men, express their thoughts in challenging speech, fully expecting that the qualifications which the wisdom of elder statesmen might suggest will be supplied by equally virile retorts from those of different views. The breezy obiter dicta of Mr. Willkie are a good example of the American method of discussion.

(b) Recent Statements in Perspective.

With these facts in mind, the recent statement of Mr. Luce of LIFE and TIME will be seen in its proper perspective. It is not so much a declaration of policy as a debating point thrown out in aggressive form designed to provoke discussion. From papers and journalists great and small replies have already come. The importance of these naturally varies, but even if P.M., an afternoon tabloid paper, be put on one side, the comment of the Herald-Tribune, the

recognised organ of the opposition in America, is weighty and impressive. It shows in itself that the opinions expressed by Mr. Luce are individual rather than nation wide, and do not represent any organised political attempt to embarrass the President. The Herald-Tribune wrote "It hardly seems necessary to assure our British allies, friends and partners, that such exercise of an individual vocabulary bears no recognised relation to the mind of the American people. There is an interest in war aims in this country. A deep one. But it is much too far from definite conclusions to be expressed in any such boyish sermon as that in which LIFE, in a moment of relaxation, indulged."

(c) American Opinion.

(i) No Countenance of Civil Disobedience.

What then, is happening in America? American opinion was definite and almost unanimous in condemning the Congress resolution which precipitated the present crisis. Equally clearly public opinion supported the Government's action in arresting the Congress leaders and keeping them under arrest until the movement should be called off. Any doubts on the subject were set at rest by the outbreak of violence with its evidence of a deliberate plan to hamstring the war effort. Mahatma Gandhi is widely respected in America, but his recent political leadership is equally widely deplored. Responsible opinion feels that so long as he maintains his present attitude he is where he ought to be.

(ii) Desire for a Settlement.

But America loves action. Just as many people demand action about a second front now and have found a mouthpiece in Mr. Willkie, people want some action in India now and have found a mouthpiece in Mr. Luce. It is the feeling that the United Nations should be as united as possible, the feeling that nothing should be neglected that might increase and cement such a unity. This feeling is shared in equal degree by the British people, by all well-wishers of India and by the Government of India itself. A discussion has been started which will sway backwards and forwards. It represents genuine sympathy for India and anxiety for the unity of the United Nations, but it would be folly to suppose that it threatens any fissure in the relations of Britain and America, or any intention to place any issue before that of winning the war. Movements of American opinion represent trends not conclusions; statements such as Mr. Luce's initiate discussions not policies. In the great forum of American opinion every view is freely and vigorously canvassed but through it all there is no doubt whatever of the fundamental unity of the two Anglo-Saxon peoples in their determination to win both the war and the coming peace.

(d) America and Britain.

America and Britain have long been dependent upon each other, and recent events have served to heighten their consciousness of this fact. Every Briton knows what his country owes to America in this war and the last; many thousands have relatives who have found a new life and new opportunities in the West. America knows that her phenomenal development in the 19th century was made possible by the screen of British sea power thrown round the old world, she knows that her ideas of freedom and law, as well as much of her flesh and blood come from old England. That very forthrightness and trenchancy which

sometimes alarms and sometimes perplexes comes from the old straight-speaking Puritans. Above all, both nations realise today the dire consequences of their failure to co-operate in the inter-war period and they are determined that it should never happen again.

5. JAPAN: THE ECONOMICS OF PLUNDER.

(a) What the Leaders Say.

Before analysing some figures showing up the lop-sided nature of Japan's domestic economy, a few extracts of her statesmen's speeches and newspaper views may be given as an illuminating hinterland for the economic philosophy of plunderers.

The Nichi Nichi, the celebrated organ of the military clique, wrote: "In the lowering of the people's standard of living, increased savings are of vital importance. One must live on one-third of his monthly income, allocating the rest for taxes, etc."

Shimada, the Navy Minister, told the Diet: "The Japanese race must take the lead, not only in the southern regions, but in the whole area comprising the Greater East Asia sphere. What's the use of occupying an area where the economy is in the hands of other people... They (the Japanese) must have no scruples about eliminating elements reluctant to conform to the sphere of the Japanese race."

Colonel Kato of the War Ministry was more blatant: "It is imperative that all measures necessary for Japan's own existence should be carried out resolutely. Too much consideration for the inhabitants might engender in their minds the tendency to presume on Japan's kindness with pernicious effects on Japanese rule... Chinese merchants on the spot are to be fully utilised. The inhabitants must be made to bear their share of the burdens."

(b) The Consequences of Mobilisation.

(i) National Expenditure.

The new programme based on total mobilisation deserves to be studied carefully. It shows the extent to which the military clique are prepared to hamstring the ordinary national life and consequently expect to loot from the areas under their control for lubricating their highly geared mechanism.

The scheme as it stands calls for an expenditure during the current fiscal year of 18 thousand million yen for war purposes, six thousand million yen for other government purposes, and an equal amount for the expansion of war industries. This expenditure is two and a half times as large as Japan's whole national income in 1930, and is larger than her inflated income figures for 1940. If it is remembered that a very onerous tax system, including monopoly receipts, can provide Japan only eight thousand million yen, at least 22 thousand million yen will have to be financed by bonds.

(ii) Bond and other Figures.

Finance Minister Kaya announced quite recently that the total national income is about 45 thousand million yen, but, even with this figure, the amount which will be available for living expenses will be roughly 150 yen per head per year. From a calculation of other figures, we arrive at only 11 thousand million yen for living expenses, which means that, compared with the previous year, there is at least a 12 per cent drop in the standard of living.

(iii) The National Debt.

At the outbreak of the China War, the national debt was placed at 10 thousand million yen. Before Pearl Harbour, it was quadrupled. In the nature of events, it can easily be presumed to have now passed the national income figure. Here a caveat has to be entered. No complete figure of Japanese military expenses can ever be recorded, for the Jap occupation armies live on the invaded countries and pay for part of what they take in military yen.

No one knows how much of this faked currency has been issued, but the Bank of Japan announced that it was able to decrease its note issue because other ways had been found to meet the country's "obligations". Though Kaya was optimistic about the integrity of Japanese currency without being related to gold, his colleague Kishi, of the Commerce and Industry Department, asked for a government subsidy of 20 thousand million yen to purchase gold, while Yuki, the President of the Bank of Japan was forced to say: "public confidence in Japanese currency is a vital question of the future".

(c) Japanese Assets.

(i) Allied Property.

Enemy assets in Japan under government control are estimated at nearly two thousand million yen. (Japanese assets in Allied countries are only about 9 hundred million yen.) This money is to be used by Japan for stepping up war industries. But Japan's chief asset is now in the process of becoming her liability, her shipbuilding industry.

(ii) Shipping.

The connexion of shipping with Japan's straitened economy has been eloquently indicated by the Chief of the Planning Board, Suzuki, in a speech before the Diet on October 6th: "It is extremely difficult to transport all the necessary materials in time, owing to the limited shipping space available. It was found necessary to transport them by land. This affects the railways... it needs the co-operation of the people."

The Japanese Oriental Economist placed Japan's post-war shipping needs for this transfer of booty at 20 million tons. The Japan Economic Federation put the present need at only 15 million tons. In 1938, Japan possessed a little over 6 million tons, but this included enemy shipping plus her mercantile fleet, which has since been seriously depleted. That is why the government has had to requisition all steamships over 100 tons and all motor schooners of over 150 tons.

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1. RUSSIA.

(a) Stalingrad.

The announcement by the German military spokesman that infantry assaults on Stalingrad were about to be replaced by systematic devastation with heavy artillery was clearly an excuse for taking a breather which the terrible losses sustained had rendered essential. The temporary slackening of attack appears to be the prelude to what the Germans hope will be the final assault. In any case, the experience of continuous bombardment at Ypres and Verdun in the last war does not suggest that shell-fire without massed infantry assaults could drive out the defenders.

It looks very much as though Stalingrad is about to become a Stalemate. If so, it will amount to a Russian victory of the first importance. The German defensive shield in the Don elbow protecting their supply routes to the Caucasus may be expected to hold during the winter months, but it will be under constant and dangerous pressure from the Russians. That means that defence will continue to be expensive for the Axis and will continue to pin down important concentrations which would otherwise be available for operations further south.

(b) The Caucasus.

The increase of German pressure in the Northern Caucasus may be the result of a diversion of certain divisions from the Stalingrad sector, but it is also possible that Hitler has decided that, with time running short, he can wait no longer for troops engaged there, and has drawn on his reserves in an effort to break the deadlock which the Russians have imposed in the regions about Novorossisk and Mozdok. He must feel that the least he must achieve in that region before winter descends is to gain control of the Ergenic hills which skirt the Kalmyk wilderness west of the lower Volga, acquire a footing on the Caspian coast line, capture the Grozny oilfields, and secure a strong defensive position along the lower slopes of the Caucasus range. Increased Axis pressure in all these directions is already evident, but little headway has yet been achieved.

(c) The Don and the Volga.

A fortnight ago it was remarked in these Notes that the battle for the Caucasus might well be won by the Russians on the banks of the Don and the Volga. Chances that they will be able to retain their striking power along the stretched and sensitive German flank during the winter months are steadily increasing.

2. BRITAIN -- AIR WAR.

Greatest Daylight Raid of the War.

(a) The Target -- Le Creusot.

Le Creusot, raided in daylight on October 17 by 94 unescorted Avro-Lancaster heavy bombers, is 300 miles south-east of Dieppe and has a population of 23,000. It is situated in a district which is rich in coal and iron, and has the most extensive iron works in France.

The main target of the British bombers was the munitions plant founded in 1836 by Adolphe and Eugene Schneider and taken over by the Nazis in 1940. The plant turns out steel, armour plate, guns, locomotives, electrical machinery, etc. A network of railways about 37 miles in length connects the works with the Canal du Centre.

(b) Mechanics of the Raid.

(i) Reasons for Attacking in Daylight.

The raid was carried out in daylight for two reasons. The first was the anxiety of the British Government not to inflict heavy civilian casualties on the French people, whose dwellings are in close proximity to the plant. The second was to ensure the maximum possible accuracy by aiming the bombs at a target that was clearly visible (the raid lasted from 6.9 to 6.16 p.m.).

(ii) Great Concentration Achieved.

Earlier in the war it was customary to send bombers to a target in relays at intervals of, say, 15 or 20 minutes. By this method the actual bombing by a force of 14 aircraft would be spread over a period of at least an hour. But experience has shown that concentration is desirable. "Cascade" bombing is now carried out wherever possible e.g., on the night of July 26/27, 700 tons of high explosive bombs and 175,000 incendiaries were dropped on Hamburg in the short space of 35 minutes. A similar technique was adopted in the daylight raid on Le Creusot, when 94 heavy bomb-loads were released in seven minutes.

(iii) Remarkably Small Loss.

A possible explanation of the remarkably small loss suffered (only one aircraft failed to return) is this very fact that the raid lasted only seven minutes. It would mean that the first aircraft to arrive over the target was not more than 20-30 miles ahead of the last. This flying column, while it had no fighter escort, yet mustered a total defensive armament of nearly 1,000 machine-guns -- a formidable deterrent to enemy fighters. In addition, although the actual bombing was done from about 4,000 feet, the flight to the target was made at hedge-height with the object of evading anti-aircraft fire and preventing enemy fighters from attacking the bombers on their comparatively vulnerable underside.

(c) Comparison with Earlier Daylight Raids.

The raid on Le Creusot has only two precedents. A comparison of the three raids is given below:-

Date	Target	Distance Flown Over Enemy- held Territory	Numerical Strength of Raiding Force	Maximum Possible Bomb-Load	Percentage of Casualties
August 12, 1941	Power Stations near COLOGNE	300 miles	54 Blenheims (of which 12 were lost)	50 Tons	22 per cent
April 17, 1942	U-Boat engine factory at AUGSBURG	1,100 miles	12 Avro-Lan- casters (of which 7 were lost)	96 Tons*	58 per cent
October 17, 1942	Munitions plant at Le CREUSOT	600 miles	94 Avro- Lancasters (of which 1 was lost)	752 Tons*	1 per cent

*It is probable that the maximum bomb-load (8 tons) was not carried, a part being sacrificed in order to gain speed and manoeuvrability.

In the raid on Augsburg four bombers were shot down by enemy fighters in a 15-minutes battle south of Paris, during the outward journey; eight reached the objective, but three of these were lost after they had released their bombs.

In the raid on Le Creusot there appears to have been no land-fighter opposition whatever. The official communique mentions only an engagement with three float-plane fighters (presumably over the English Channel) in which two fighters were shot down and no casualties were suffered by the raiders. The one machine lost is thought to have been hit by debris thrown into the air by the explosion of its own bombs.

The lesson from this latest and greatest raid seems to be that a large force of bombers with heavy defensive armament, by flying closely packed at a low altitude, can evade anti-aircraft fire and at the same time discourage enemy fighters from offering determined opposition. It has now been proved that a large force of heavy bombers can penetrate enemy territory in daylight without suffering heavier casualties than are generally incurred in night raids. Whether this applies to more heavily defended targets, such as those in the Ruhr and Rhenland, remains to be seen, but the outstanding success achieved on October 17 will no doubt encourage the Air Ministry to attempt similar raids against targets inside the Reich.

3. DENMARK

(a) German Demands.

Denmark has just passed through an acute crisis in her relations with the occupying Germans. It seems that something in the nature of an ultimatum was presented by the Germans to the Danish Government on the flimsy excuse that the King's acknowledgment of Hitler's birthday greeting had been curt. It has since been stated in Denmark that the acknowledgment in fact followed the usual formula for such occasions.

Reported details of the German demand vary, but they agree that Denmark was requested to allow all her ships to be armed with German guns and German gun crews, to furnish even greater amounts of labour and foodstuffs to Germany, and in general merge her economy in the German "New Order".

(b) German Provocation

At one stage it seemed that the Germans were bent on forcing the abdication of the King (who is the focus of Danish patriotic sentiment) and setting up a quisling regime under their puppet, Clausen. The so-called "Free Corps Denmark" comprising some 800 Danish Nazis (most of them of German stock) suddenly appeared in the streets of Copenhagen on leave from the Russian front.

The Stockholm paper Dagens Nyheter reports street clashes in the course of which members of the "Free Corps" behaved with deliberate provocation, causing casualties among civilian crowds with revolver shots, and creating general confusion. "Since the 'Free Corps Denmark' unexpectedly marched through the streets of Copenhagen, episodes and demonstrations have developed at a violent pace, especially at Burmeister and Wains, and have spread all over the country. The Danes are anxiously awaiting to hear whether the 'Free Corps', after the termination of their leave on October 12, are going to return or if they are to remain in Denmark".

(c) The Danes Pay Danegeld.

It is reported that the Danes have fended off the German demand for the arming of their ships by handing over entirely five vessels for German use in coastwise traffic. Other demands for more labour and foodstuffs will probably be submitted to in large measure, for the Germans have long since abandoned their original system of balancing Danish supplies with German imports, and the Danes are not now in a position to resist what has become a system of spoliation indistinguishable from that applied in conquered countries.

(d) Nazi Sands Running Out.

Denmark has secured a respite, and the Germans have for the moment held their hand as regards direct political control. But it is a respite only. There are many indications that Germany intends to make Norway, Denmark and Holland into a single territorial bloc which will be either ruled by a super-quisling under orders from Berlin, or be formally incorporated into the German Reich. Either of these measures would fit into the German policy of converting occupied Europe into a Nazi fortress within which all manpower and all material resources will be ruthlessly exploited for the benefit of the German military machine. With Commando raids peppering the continental front as a preliminary to a British-American assault, time is running short for such measures, and the subjugated peoples know it.

4. AFRICA -- LIBERIA.

(a) Its Importance.

Liberia, where American troops have landed, is a free negro republic in West Africa, between the British colony of Sierra Leone on the north-west, and the French colony of the Ivory Coast on the south-east.

It is at the southern extremity of Liberia, Cape Palmas, that the West African coast turns somewhat abruptly eastwards, and faces the Gulf of Guinea. As the coast of Liberia thus fronts the sea-routes from the United States and Europe to West and South Africa, it possesses a certain degree of strategic importance. U-boats in wait for Allied convoys can lurk along the coast-line, which has particularly few lagoons as compared with the adjoining littoral of Sierra Leone or that of the Ivory Coast.

Dakar, the Vichy base in French West Africa, lies 700 miles north-west of Liberia, but the British possessions of Sierra Leone and Bathurst are much nearer to Dakar than Liberia.

(b) Liberia and the United States.

The United States are specially bound to Liberia by ties that date back a hundred years and more. It was America that first selected Liberia as the most appropriate site for the first detachment of American freed negroes. From 1821 onwards, almost to the present day, negroes and mulattoes -- freed slaves or the descendants of such -- have crossed the Atlantic in small numbers to settle on the Liberian coast.

The founder of Liberia was a white American, Jehudi Ashmun, and the capital of the republic, Monrovia, is named after the President Monroe of the United States at the time of its foundation. In 1847, Liberia -- "the home of freed slaves" -- became an independent republic with a constitution based on the American model. Liberia was one of the fruits of the great emancipation movement, whose pioneers were Wilberforce and Clark, whose crowning mercy was Lincoln, and whose achievements include the abolition of the Slave Trade in 1807 and abolition of slavery throughout the British Empire in 1833.

(c) American Aid.

American aid to Liberia has been consistent and generous. Loans have been raised on her behalf by the United States, and it was President Roosevelt's intervention that settled the frontier dispute with French Ivory Coast in 1909.

During the last war, the Germans found in Liberia their last foothold in West Africa. Their treatment of the government and people was, however, so obnoxious that in August 1917, coincident with the visit of a British warship to Monrovia, Liberia declared herself in a state of war, and expelled the German. She was also a signatory of the Treaty of Versailles.

CHINA.

(a) The Financial Situation.

Financial retrenchment, taxation reform, promotion of war savings, and stricter supervision over local finances will feature in the Central Government's financial policy. Henceforth, according to Dr. H.H. Kung, Vice-President of the Executive Yuan and concurrently Minister of Finance, it will devote its major attention to transforming the Central Bank of China into a bank of banks, which will assist the Bank of China, the Bank of Communications and the Farmer's Bank of China, in discharging their respective functions, and supervise banking business and absorb idle capital.

(i) Dr. Kung's Statement.

Dr. Kung says that, although the expenditure of the national treasury in the last five years has greatly exceeded the pre-war figures, it cannot in any way be compared with Britain's and America's and not even with Japan's. As a matter of fact, the average war burden of the Chinese citizen is the lightest as compared with that of the citizen of any other country at war. The Finance Minister indicates that the note issue in the course of the war has not been excessive; that the amount of bonds floated has not been large when compared with that of other countries; and that the Chinese national currency has been so managed that the financial and economic programmes of the government can be carried out with a degree of stability.

(ii) How a long War Can Be Faced.

But as the war of resistance must necessarily be a prolonged one, Dr. Kung explains, the future financial policy must be so planned that it can cope with the military and political needs. With this object in mind, the Finance Ministry will intensify its retrenchment policy in order to enable the national treasury to finance the war and reconstruction budgets. Meanwhile, the Finance Ministry will introduce new taxes and adjust old ones with a view to increasing the national revenue through an increase of the tax burden on the rich. At the same time, the floating capital that is flooding the market will be absorbed through the promotion of war savings and public subscription to war bonds. Simultaneously, the Finance Ministry will endeavour to strengthen its supervision over local finances so as to lighten the tax burden of the inhabitants in the war areas and frustrate the enemy's exploitation programme. In addition, a centralised training of financial personnel and a closer scrutiny of the administrative records will be instituted.

(b) Year's Financial Measures.

Reviewing recent financial measures introduced by his Ministry Dr. Kung mentions the following:

(i) Unification.

The national financial unification, under which the provincial budgets are placed under the control of the Central Government, together with the land tax and business tax in various counties.

(ii) Adjustment.

The adjustment of new and old taxes and the introduction of government monopolies, as the result of which the government expects this year a tax revenue of ten billion national dollars, which will meet at least part of the wartime expenditure for the current year.

(iii) Credits and Loans.

The conclusion of foreign credits and the flotation of internal bonds. Under this Dr. Kung includes the credit loans, the stabilization loans, and the commercial agreements concluded with the United States, Great Britain, and Soviet Russia. Dr. Kung particularly mentions the lease-lend agreement, and the \$ 500,000,000 and \$ 50,000,000 credits extended to China by the United States and Great Britain respectively. Dr. Kung predicts closer financial and economic cooperation between China and other members of the United Nations in the future and mutual utilization of their entire economic resources.

(iv) Bond Sales.

The sale of domestic bonds, Dr. Kung reveals, will be pushed through voluntary and compulsory subscriptions. The first method will be applied to owner farmers, tenant farmers, public functionaries and those with fixed salaries. The second method will be applied to industrialists, business men, land owners, rich farmers, those engaged in free professions, and those with liberal incomes. Efforts have also been made to strengthen the financial administration, such as the adjustment of the tax-collecting machinery, a stricter control of the financial administrative machinery, the enforcement of the public treasury system, the training of financial administrators, and the adjustment of county finances.

(c) Control of Foreign Exchange.

With the outbreak of the Pacific War which resulted in greater Anglo-American assistance, the Finance Ministry has found it necessary to enforce the following policies:

First, to strengthen the control of foreign exchange through the Currency Stabilization Board and the Foreign Exchange Control Commission and through the opening of a foreign exchange market in Free China.

Second, to strengthen the reserve of the national currency through the recall of gold and silver, the mining of gold and silver, and the conclusion of credit loans with America and Britain, and the exercise of a cautious note-issue policy.

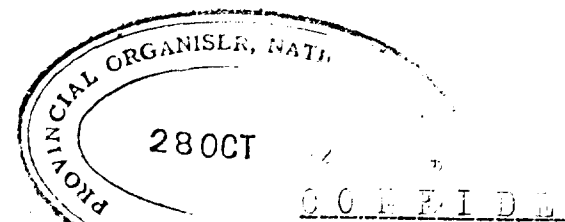
Third, to strengthen the supervision of banking business under which all modern and indigenous banks in Free China are required to register with the Finance Ministry. The banks are required to turn over twenty per cent of their total deposits to the Central Bank of China as reserves to protect the interests of depositors, and the books of the banks are to be periodically examined.

(d) War Finance as a Method of Victory.

In addition the Finance Ministry has taken steps to adjust the demand and supply of national currency in war areas, develop a remittance network in the interior, to promote war savings, to extend loans to commerce and industry for legitimate purposes, to open a network of banks throughout Free China, and to introduce the clearing house system.

In conclusion, Dr. Kung emphasizes that in modern warfare economic factors play an even more important part than actual military operations in deciding the outcome. He calls upon the entire nation to support the government's financial and currency policy so as to lay the ground work for a new financial system for the postwar period.

"350 -- 20.10.42"



242ND BI - WEEKLY GUIDANCE NOTES ON THE WAR SITUATION, DATED OCTOBER 24, 1942.

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POLICY

1. The speech of Saats is a formal declaration from the United Nations that the war is entering a new phase, that of Allied offensive. Emphasise Saats view that this war is a war of the spirit in which Allies are fighting for universal and eternal principles. Stress realism of his views on post war reconstruction and importance of steps already taken.
2. Change of government in Chile shows steady trend of South American opinion towards the United Nations.
3. Laval's difficulty in recruiting French labour for Germany demonstrates German unpopularity in occupied Europe. The exchange of three French workers for one French prisoner returned exposes Nazi ideas of fairness.

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4. THE BALKANS.

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- (i) Croatia.
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(c) The Plan Disasters.

- (i) Hungaro-Croat Rivalry.
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- (iii) Croat Assistance.

(d) Conclusion.

1. FIELD MARSIAL SMUTS' SPEECH.

(a) A Unique Occasion.

Field Marshal Smuts' address to both Houses of Parliament was a unique event in Parliamentary annals. It was also unique in Empire history. One of the last survivors of Britain's first World War cabinet spoke in the presence of Britain's present war leader to a united meeting of Britain's "sons of King" presided over by his own old chief and Britain's leader in the last World War. Nothing could be better calculated to emphasise the continuity of the present with the past and the solidarity of the British people in the supreme crisis of their fate.

(b) Smuts' Career.

The statesman who spoke has a career stretching so far into the past that it is worth recalling its salient features. Field Marshal Smuts won his spurs as a Boer guerrilla leader during the Boer war of 1899-1902. After that war he joined General Botha, one of the signatories of the peace treaty, in the policy of responding by cooperation to the British Government's grant of self-government to the ex-Boer republics in 1907 (only 5 years after their annexation). When South Africa became a Dominion under the title of the Union of South Africa in 1910, he became one of General Botha's principal lieutenants and after the exit of General Hertzog in 1913 he was the second man in the government. In 1915 he conducted the campaign in German East Africa which left the German General Lettow von Vorbeck a hunted guerrilla commander for the rest of the war. In June 1917 he joined Mr. Lloyd George's War Cabinet and only retired when victory had come with the armistice. In September 1919 he became Prime Minister of South Africa on the death of General Botha and held office for five years. While in private life he returned like Lord Balfour, to his first love, philosophy, and this is an important name in the world of thought. The Great Depression called him back to General Hertzog's National Cabinet in 1932, where he remained until the outbreak of war in 1939. Then, once more, he stepped forward to save his country in the new world crisis as he had done in the old. Circumstances have prevented his visiting London before but his advice has been potent throughout the Middle Eastern Campaign. Elder statesman of the empire, Smuts speaks to Britain and the world with unrivalled authority.

(c) The Speech.

(i) A Thirty-Year War.

Field Marshal Smuts first dwelt on the continuity of this war with the last. The intervening years of peace, it is now seen all too clearly, were but an armistice in which the victorious nations allowed fatigue, love of ease and minor differences to paralyse their wills and so enable the Germans to gather strength for a fresh onslaught. Like the Romans of old, they refused to read the signs in the heavens until the storm actually broke; they allowed Hitler to play Hannibal to Ludendorff's Hamilcar. The inference is clear: the Allies at the close of the Twentieth Century Thirty Years War, must not make a peace of exhaustion and stagnation like that of Westphalia in 1648. They must be as stern in dealing with German power as the Romans were with the Carthaginians, and they must be as just in dealing with the future of the German people as the Romans failed to be with their Punic enemies.

(ii) The War of Man's Soul.

The most moving passages of the speech were those which proclaimed this struggle to be one of the spirit. "It is a struggle of life and death, between the contending systems and ideologies which now divide mankind." This "war of man's soul" is between the primitive Teutonic worship of strength and force, the creed of Odin and Thor with their thunderbolts and hammer, and the universal principles of mercy, love and truth to which the rest of the world owes allegiance. "Decency, sympathy and mercy are not words found in this new code." Because the Field Marshal contrasted the Cross of Christ with the Crooked Cross, Christian principles with Nazi kultur, it should not be thought that he was in any way narrowing his vision or excluding other religions and cultures. He spoke thus because he was addressing a Christian audience, but a glance at the text will show that the principles to which he appealed were those which are universally acclaimed by all the major religions. The Nazi attack on these things threatens the root of all the religions; it is an attempt to drag mankind back to the philosophy of the tiger and the ethics of the jungle.

(iii) Post-War Planning.

In conclusion the Field Marshal dealt with the post-war world with a blend of idealism and realism which is a happy augury for the immediate future. We have already made considerable progress. The conception of a League of Nations has been replaced by that of the United Nations; the Atlantic Charter, now seen to apply, with the recent China declaration, to the whole world, has laid the foundations of a world League of Nations; the Mutual Aid Agreement embodies the principle of mutual help, and "certain large principles of social policy" have been accepted. The idea is to achieve "justice and fairness for all". The century is to be the Century of the Fraternity of the Common People. "We cannot hope to establish a new Heaven and a new Earth in the black world which will follow this most destructive conflict in history", but we can hope to attack certain social and economic evils on "modest practical lines" and on an international scale. In these words spoke the true statesman in the line of Pericles and Isola, Richelieu and Akbar, the man who never allows the vision of the ideal to be obscured by the "spotted actuality" on the one hand and never loses his grip of the possible in the pursuit of dreams on the other. Of such stuff is true statesmanship made and by such men must the post-war world be built.

2. AIR WAR -- AIRCRAFT TYPES.

Washington Office of War Information Makes Its Report.

(a) The Japanese Are Worried.

Japan is deeply concerned about the growing air power of the United Nations and the way in which Allied aircraft are assuming offensive roles from Kiska, in the Aleutians, to Buna, in the Solomons. This concern is reflected in a Japanese-controlled broadcast from Batavia (October 20) which claims that the report of the Washington Office of War Information on the quality and performance of American aircraft has "shattered the hopes and predictions that an Axis defeat would be brought about by Allied superiority in the air."

(b) What the Report Says.

This report, issued on October 10, is a remarkably candid and comprehensive analysis of the position of the United Nations vis-a-vis the Axis Powers in the air. Here are a few points from this document:

- (i) The American-built Flying Fortress and Consolidated Liberator bombers are weapons of marked and proven superiority in their fields.
- (ii) Older types of American fighter e.g., the Bell Airacobra and Curtiss Tomahawk are outclassed at high altitudes by the British Supermarine Spitfire and the German Messerschmitt 109 and Focke-Wulf 190.
- (iii) Newer types of American fighter e.g., the Lockheed Lightning and the Republic Thunderbolt, although showing great promise as high altitude pursuit planes, are not a complete answer to the fighter problem and neither has been tested adequately in battle.

- (iv) The Allison liquid-cooled engine - the only engine of its type designed in America -- has not yet caught up with the British Rolls-Royce or the German Junkers. But the Allison is rapidly gaining ground, and its British and German competitors have come close to the maximum performance of which they are capable.

- (v) The present selection of aircraft proposed by the United Nations is not likely to be superior to the enemy in all categories; and it is superior on an average.

(c) What the Report Means.

Nothing could be more frank than this. It means that American official opinion is not afraid to face facts and is not going to cover the Nation with vague, unscientific assertions that its aircraft are "second to none". The report is frankly a challenge to the ingenuity of American inventors.

At the same time, it gives no grounds for the Japanese contention that Allied superiority in the air is an illusion and its attainment is as idle. On an average, the United Nations are superior to the enemy; but in particular fields the enemy has aircraft with superior performance. Recently, the Air Corps, under the London Statistical analysis the published performance figures of all major types of military aircraft in the world and came to the conclusion that British aircraft held the lead in three categories, American in seven, German in one, Italian in one, and Japanese in none. Here is his list:-

Type	World's Best	Design
(i) Single-seat Fighter	SUPERMARE SPITFIRE	British
(ii) Long-range Light Fighter	BRISTOL LIGHTNING	British
(iii) Heavy Bomber	AVRO LANCASHIRE	British
(iv) Medium Bomber	DOUGLAS B-24	German
(v) Land-based torpedo-bomber	SAVOIA MARCETTI	Italian
(vi) Army Cooperation Scout	DOUGLAS AIRCRAFT COMPANY	American
(vii) Long-range Patrol Boat	DOUGLAS B-24	American
(viii) Transport Bomber	DOUGLAS B-24	American
(ix) Transport Bomber	DOUGLAS B-24	American
(x) Naval Bomber	DOUGLAS B-24	American
(xi) Naval Bomber	DOUGLAS B-24	American
(xii) Naval Bomber	DOUGLAS B-24	American

The principal weakness admitted in the O.W.I. report is in the fighter category; but even here there is no indication that the fighters of the Axis Powers are superior to the United Nations fighters. Experienced in the Mediterranean and Far East support this contention. And the British Supermarine Spitfire is better than the German Messerschmitt 109 and the German Focke-Wulf 190. Therefore, the United Nations can claim superiority in the fighter class, despite the fact that the Axis Powers do not possess this superiority.

3. MIDDLE EAST.

(a) Western Desert.

(i) Lull Before the Storm.

All indications point to the conclusion that the Egyptian coudron is coming up to the boil again. It remains to be seen whether the word "Go" will be given by the British or the German command.

Ever since the defeat of Rommel's determined attempt to hem in the Eighth Army against the seaboard and then sweep on to Alexandria, British land, air and sea forces have been hammering at his supply lines, destroying existing reserves of aircraft, petrol, ammunition and transport vehicles, and sinking a useful proportion of Axis vessels on their way across the Mediterranean. Tobruk, Bardia and Benghazi have been so heavily blasted that their usefulness as ports of disembarkation for reinforcements and supplies must have been severely reduced, and the main base of Tripoli is 1,000 miles from the El Alamein line.

(ii) Both Sides Prepare.

This constant attrition of the enemy's resources, topped with sudden swoops against outposts such as Jalo, and the recent limited-objective attack on Axis forward positions in the central sector, certainly give an impression of thorough and concerted preparation for a British assault. Moreover, it is known that Axis commanders have been constructing strongly fortified positions far behind the present battle area, thus preparing for defence in very great depth. Also, the Italian press and radio have been laying considerable stress during the past few days on the imminence of a British offensive, and warning their public of the great loss of troops and armour that will be thrown into it.

(iii) Malta and Berlin Hints.

On the other hand, Malta has suddenly been deluged with Axis bombing raids. They have proved even more costly to the raiders than usual, but the sudden air blitz against Malta is an almost infallible sign that an attempt is being made to neutralise the island's airfields in preparation for the passage of particularly important convoys to Libyan ports. It is worth noting too that "authoritative circles" in Berlin have begun to drop broad hints into the ears of neutral press correspondents that the bulk of the German army is about to be transferred to deliver a big "in the west". It is not the custom either of the Wehrmacht or of the German military command to take neutral pressmen into their secret counsels, or to divulge major strategic plans before they are put into effect.

(iv) Axis' Interior Lines of Supply.

On the other hand, there is a very powerful concentration of the Luftwaffe on the Stalingrad sector and if, as seems possible, the Germans are preparing to move over to the defensive in that region, this air fleet could be rapidly transferred to Egypt in an effort to remedy the marked air inferiority from which the Afrika Korps has been suffering. The arrival of such a substantial reinforcement of his air arm might encourage Rommel or his deputy to have another smack at Alexandria.

Operating as they do on short interior lines, the Axis powers are always able to carry out land or air concentration more rapidly than we can do with supply lines stretched across the oceans.

(v) Aspects of the Coming Struggle.

(i) A Grim Struggle

Whichever side actually strikes first in Egypt, the subsequent struggle is likely to be of a grim character. The more Hitler's plans on the Russian front are frustrated -- and it is becoming increasingly evident that the unexpected resistance of Stalingrad has made a thorough mess of his plans for invading Trans-Caucasia and Persia -- the more is he likely to seek compensation elsewhere. If the oilfields of Baku are unattainable, why not Alexandria and Suez? If the attempt is made, the German commanders will find that the area between the El Alamein defence belt and the Nile delta has been solidified.

2. A Frontal Assault.

If, on the other hand, General Montgomery decides to mount a major offensive for the purpose of driving his opponent out of Egypt and Libya, it is difficult to see how the Eighth Army can do anything else but deliver a frontal assault against prepared positions either along the coast or along the edge of the Quattara depression. Until the Axis forces are dislodged from the narrow bottleneck, it will not be possible to resume the old mobile desert warfare.

3. Losses Inevitable.

If and when a British attack takes place, it is bound to be a stiff and costly struggle, for the Afrika Korps will fight with the utmost tenacity to retain the strong position which it has gained. Once that foothold is lost, the damage done to its intermediate supply ports would throw a tremendous burden on its long lines of communication back to Tripoli.

4. Consequences.

There is little need to emphasise the magnitude of the issue from the point of view of the United Nations. Victory would reopen the Mediterranean by depriving the Axis of its North African airfields, and by so doing would at least treble the carrying capacity of our ships by eliminating the necessity of sending reinforcements and supplies around the Cape. It would also expose the southern flank of the Axis armies in Europe.

(b) Turkey.

(i) Three Years of Anglo-Turkish Friendship.

On October 19, the Anglo-Turkish Alliance was three years old. Broadcasting on that day the Ankara radio said: "On this occasion all Turkey greets Britain, her sincere friend and ally. During the three years, since the signing of the Alliance, historical changes of great significance have taken place, but the friendship between Turkey and Britain has continued with full understanding."

(ii) Nazi Pressure and Promises.

The full import of this Turkish broadcast is better understood if we recall that throughout the three years the Nazis have spared no efforts to wean Turkey away from her alliance with Britain. Threats, blackmail, cajolery and all the other weapons of the Nazi war of nerves were employed in varying degrees of intensity in an attempt to draw the Turks into the Axis camp.

When one country after another had fallen before the onslaught of the Axis aggressors and Europe lay crushed under the Nazi heel, Von Papen, the Reich Ambassador, held out to Turkey the advantages of the so-called "New Order". "If Turkey accepts the New Order in Europe" he said, "Germany and Italy will respect Turkish independence." The Turks declined the invitation to join a political organisation which, said one of their Deputies, "connotes a state of slavery for every Power but Germany and Italy" and prepared themselves to defend their independence.

Next, the Germans through Dr. Clodius tried to undermine the economic aspect of the Anglo-Turkish alliance, but Turkey refused to sever her commercial ties with Britain. Dr. Clodius' visit was followed by that of Dr. Paul Schmidt whose task was to induce a pro-Axis bias in the Turkish press and in Turkish Radio broadcasts. He was no more successful than Dr. Clodius.

(iii) Turkey's Attitude.

Throughout this period of stress neither the Turkish Government nor the press failed to emphasise the importance of Turkish neutrality and the Anglo-Turkish friendship. "The Anglo-Turkish Alliance", said E.I. Yalman writing in the Vatan a year ago, "is not an accident, it is an unchanging historic necessity." And the late Premier, Dr. Saydam, emphasised that "Our foreign policy decided at the beginning of the world crisis has lost nothing of its character." Following the same policy M. Jarajoglu, the present Premier and successor to the late Dr. Saydam, declared on August 5, 1942: "Our friendship with the British is the fundamental factor in our political system."

(iv) Britain's Attitude.

Britain's attitude towards Turkey, it must be emphasised, has been characterised throughout, by a remarkable understanding of Turkey's desires and difficulties -- an attitude which has been fully appreciated by the Turks. Far from attempting to induce Turkey to abandon her neutrality, Britain acknowledged its early importance to the Allied cause when the Middle East front was comparatively unprepared against Axis aggression. (For Anglo-Turkish Commercial relations, see 238th bi-weekly Guidance Notes, dated October 10, 1942, Pages 7 and 8).

(v) Conclusion.

Why is Turkey so loyal to the Anglo-Turkish Alliance? Ataturk's Turkey, imbued with a new spirit and mentality, is convinced that the existence of free nations enjoying equal rights is the best guarantee for Turkey's own freedom and independence, and the Turks believe that the United Nations are fighting for universal freedom. "We see Great Britain and her Ally, the United States, as great champions of freedom", wrote M. Yalcin, the Turkish Deputy, in the Daily Telegraph. "So long as the Allies remain faithful to the principles of the Atlantic Charter, there is no possibility of Turkey diverging from the cause of the Allies."

4. THE BALKANS.

(a) Yugoslavia -- The Stage-Set.

Yugoslavia has become the cockpit of Balkan rivalries and intrigue, for centred in it today are the contending ambitions of the Axis and their satellite powers. Left to themselves alone, Germany and Italy would have spun the webs of intrigue to their hearts' content, but the increasing guerrilla activities of the Serb patriot, General Mihailovitch, have become a major factor in the Yugoslav tangle. So the first concern of the Axis Powers today is to eliminate this national Serbian resistance which not only encourages the Croats and Slovaks to revolt against the invaders, but also baffles all attempts to carry out their barbarous plans in Yugoslavia.

(b) Axis Allies.

Croatia and Hungary, the Axis allies, can be made to play to perfection the game which will dismember the Yugoslav state and pave the way to their domination of the country.

(i) Croatia.

The bait held before the quivering ruler of Croatia -- Pavelitch -- is tempting enough. Before the war, the Croats in Yugoslavia had been clamouring for national autonomy and presented the Serbian predominance in the State. By playing up this separatist feeling in Croatia, and holding before the people the promise of an independent Croat state after the war, the Axis hopes to enlist the active help of the Croats against the royal system under Mihailovitch. The terrorist Croat movement -- the Ustasha -- has already fallen into line.

(ii) Hungary.

The reason why the Hungarians also are willing to play the Axis game in Yugoslavia is simple. Firstly, by sending Hungarian troops against the Serbs in Yugoslavia, they hope to placate the Nazis who are greatly incensed at their failure to send more troops to Russia. But apart from this fear of the Nazis, the Hungarians are also inspired by a definite hope. They have their revisionist claims against Yugoslavia, and hope that their claim to all the territories of this "historic" Kingdom of St. Stephen, will mean the restoration to Hungarian rule of Croatia and much else besides. And then there is Rumania which has also to be taken into account. If certain reports are true, there is a secret pact between Rumania and Slovakia which envisages a joint attack on Hungary, by which Rumania will win back Transylvania and the Slovaks will occupy Ruthenia, which was ceded to Hungary after the Munich agreement. Therefore, yet another factor -- the desire to enlist Axis aid against this Rumanian scheme -- prompts Hungary to help German designs in Yugoslavia.

(c) The Plan Disasters.

From the above-mentioned survey, it is easy to see that the Axis plan is far from perfect and is doomed to failure.

(i) Hungaro-Croat Rivalry.

Firstly, Croat and Hungarian ambitions clash. The Croats cannot be very enthusiastic when they feel that what Hungary wants is Croatia itself.

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P O L I C Y

1. General Alexander's offensive is the first of 3. "far reaching developments". It has begun well but avoid speculation pending further news. Emphasize that nature of ground makes frontal assault inevitable involving heavy losses and slow progress at first.

2. Explain that heavy raids on Northern Italy and submarine activity in Mediterranean are part of coordinated plan of attack on Axis supplies. Heavy Italian shipping losses prove that recent Axis blitz on Malta was a failure.

3. . . Heavy and continuous Allied air attacks in S.W. Pacific show that Allied war production is making itself felt in the most distant of all fronts.

4. Generalissimo Chiang's speech shows that China, like the other Allies is offensively minded.

C O N T E N T S

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- (b) Allied Air Power

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THE WESTERN DESERT.

(a) Lull Broken

As foreshadowed in the 242nd Bt-weekly Guidance Notes (dated October 24, 1942) the Western Desert Cauldron has boiled up again, and this time the word "Go" was given by the British Command.

(i) Axis Defence System.

The tactical limitations imposed by the narrow bottleneck front left General Montgomery no other choice but to deliver a frontal assault against well prepared enemy positions. These positions, constructed in considerable depth consist of anti-tank defences, extensive mine fields, barbed wire entanglements, machine-gun nests and artillery posts. Behind this defence system stands the whole weight of the Italo-German mechanised forces.

(ii) Allied Spear-head of Attack.

Unlike Rommel, who on September 1 hurled in a large panzer force against the British southern flank and suffered heavy losses without gaining ground, General Montgomery moved forward at 10 P.M. on Friday October 23rd with the infantry as the spear-head of his attack. It is obvious that no sweeping mechanised movements, characteristic of previous desert battles, can take place until the neck of the bottle has been opened by the destruction of forward Axis defence positions by the infantry. The news that some heavy American and British tanks are already in action must not be taken to suggest that the enemy's defence system has collapsed. Gaps created in the minefields by Allied sappers and the destruction of some strongpoints by a concentrated artillery barrage and aerial bombing have in all probability enabled these heavy tanks to move forward in support of the infantry. But no mass tank attacks in wide, mobile sweeps are possible within the present battle area between the sea and the Qattara depression.

It must be therefore emphasised that natural obstacles, artificial defences and the stiff resistance of a reinforced Afrika Korps, which will fight with the utmost tenacity to retain the strong position it has gained, preclude the possibility of swift results so common in former desert battles.

(b) Allied Air Power.

That the Allied attack is on a larger scale than that recently launched in the central sector is obvious both from the intensity of the artillery barrage which preceded the assault, and the concentration of airpower. The barrage is reported to be reminiscent of world/I in which artillery shelling played a major part.

(i) Bombing of Enemy Supplies.

An idea of the concentration of air power can be gained from a brief review of the activity of the allied air forces in the Mediterranean area. Ever since Rommel's failure in September Allied heavy and medium bombers have been hammering at his ports and supply lines, destroying reserves of aircraft, petrol, ammunition and transport vehicles and sinking a fair proportion of Axis vessels on their way across the Mediterranean. From the first of October the Axis have lost no less than 14 ships sunk in the Mediterranean, and 10 others probably sunk, as a result of allied air and sea action. This achievement, it must be emphasised, has run almost concurrently with the Axis bombing of Malta, which they have long tried to neutralise as an air-base.

(ii) Bombing of Enemy Supply Centres.

British air attacks on Genoa, Turin and Milan are a part of the general allied action against Axis supplies to North Africa. Genoa, the Italian naval base, is also the chief port from which Axis supplies are shipped by sea to Sicily and thence to Libya. Turin is an industrial centre, and Milan the main junction from where German land-borne supplies are directed to Genoa and South Italy for shipment to Axis north African ports. The bombing of Maleme aerodrome, south-west of Suda Bay in Crete, is designed to hamper German air-borne reinforcements to Rommel.

(c) Conclusion:

There can be little doubt that these widespread attacks have resulted in the destruction of some valuable enemy supplies, and have reduced the usefulness of enemy ports of disembarkation. Nevertheless, it must be pointed out that the Afrika Korps has received sufficient reinforcements despite allied attacks -- to enable it to put up a formidable opposition and there can be little doubt that the present battle will be grimly fought by both sides.

2. THE WAR IN GENERAL -- A TIME OF TESTING.

(a) Mr. Bevin's Warning.

"We have come", said Mr. Ernest Bevin, Minister of Labour, the other day, "to a stage where the crucial moment of the war is dawning. The British, Americans and other Allied nations have their programme and their strategy. We know in this country the contribution that we can make, where we are going to make it, and when we are going to make it. We (the British Government) are responsible to the British people as well as to the United Nation

Hitler, Mr. Bevin continued, was at his usual game of trying to prepare the way for spurious peace offers and to divide the Allies. "All sorts of people are putting out suggestions that the United Nations are not keeping their agreements with each other. Nothing is farther from the truth. I beg of you not to become a tool of this German propaganda."

The assurance that the United Nations are working to an agreed and concerted plan and the warning that the German propaganda machine is working at top pressure to sow dissension among the Allies are both of them salutary.

(b) A Time of Testing.

(i) Britain.

From the psychological viewpoint, we are now in the middle of a testing time of exceptional severity. When a combination of Powers is going forward to victory, there is no problem. When they are fighting with their backs to the wall, the sense of shared peril -- if they are worthy of victory -- knits them more closely together in united resolve.

At the present time, the ordinary citizen of the United Nations is faced with neither of these clearcut issues. He knows well enough in a general way that the "crucial moment of the war is dawning" -- Roosevelt and Churchill have recently sounded the same note -- but he does not, and cannot, know when or where the curtain will rise on the drama which will determine his own future and that of civilisation as we know it. He is called upon to wait and, while waiting, to have implicit confidence in his leaders. Not only that; he is also called upon to take it on trust that they are preparing to carry out a unified strategy as a united team.

Circumstances demand this of him at a time when there is little concrete evidence to fortify his faith. Everywhere he looks -- whether to the Pacific, India, Middle East or Western Europe -- he sees unmistakable signs of approaching climax, but he sees no pattern. What he does see are his Russian allies hard pressed and calling (as they have been for many weeks) for a second front to ease the pressure.

We are all rather in the position of the crews of a racing eight on a river, sitting rigid with oars at "half forward", waiting for the starting gun, and wondering during those interminable seconds before the gun fires whether the starters have properly synchronised their watches.

(ii) Russia.

The terrific material strain which the Russians are enduring is obvious enough, but the exact nature of the nervous tension which they are undergoing is sometimes overlooked. The Soviet Union entered this war with deep distrust of the democracies, and more particularly of Britain. Since then, Molotov's visit to London and Washington, the Anglo-Soviet pact, the faithful fulfilment of our promises of delivering war supplies, and the Churchill-Stalin conversations have built up a solid mutual confidence. Churchill, Roosevelt and Stalin know each other's minds and are working to an agreed plan, but obviously this plan can be no more revealed to the Russian public to allay their anxiety than it can be to us.

Our Russian allies will find that Britain's word is her bond, which will be redeemed when -- quoting Mr. Bevin again -- "our whole force, thoroughly organised, properly equipped and fully effective, will with its synchronised power and bring to an end this terrible business". To that it can be added that the timing of plans in the West will be related to the Russian needs.

(iii) Steadying the Boat.

In the last war the most trying experience was waiting "to go over the top". It called for a calculating steadiness which is the highest form of discipline. In the present situation the test is even more searching, for we cannot be told when "zero hour" will strike.

In recent weeks there has been a noticeable stiffening on the part of the British and American public and their respective press and radio commentators against any attempt to stampede military leaders. That betokens cool confidence that there is a plan and that its joint implementation is going forward -- rapidly. It testifies that that confidence was justified.

(c) The Strain in Germany.

Inside Germany there is a very different form of nervous tension. As part of a campaign to suppress grumbling on the home front by emphasising that the German army is enduring, German propaganda has recently made some very frank remarks (for domestic consumption) about the nerve strain from which garrison divisions in the West are suffering. Night and day, the German people are told, these troops are on the stretch and are living in continual discomfort, particularly during periods of bad visibility, never knowing when or where attack may come. The same uncertainty prevails in Berlin.

GERMANY.

(a) Hitler And The Generals.

(i) Halder And Bock.

It is now apparent that the rumours that Bock and Halder, Chief of Staff, have been superseded were well grounded. There is no justification for seeing in this move a political clash between Hitler and the military leaders. It cannot be too strongly emphasised that every prominent German, whether an ardent Nazi or not, is intent on saving Germany from catastrophe and safeguarding her future "destiny", if possible by converting German-occupied Europe into an impregnable and self-sufficient fortress.

(ii) A Military Difference.

The dismissal of Halder, who has been regarded as the directing brain behind German strategy, does, however, indicate a fundamental disagreement between him and Hitler on military matters. Evidently, dissension has been brewing for some weeks. In his speech of October 4, Goering went out of his way to castigate "those amusing hen-pushers who continually try to belittle the military genius of the Fuehrer" and who spread the tale that the "Fuehrer knows nothing at all and everything is done by the Chief of the General Staff." After explaining at some length the part which the General Staff had played in German military affairs during the last 80 years, he said: "A fundamental change has taken place... According to a very clear national socialist principle, there can only be one leader in any field. The Chief of the General Staff does not bear the responsibility -- this is borne by the Fuehrer."

Clearly, Halder's dismissal had been decided on or had actually taken place at the time of Goering's speech. The explanation which has been put forward in certain quarters that Goering and other Nazi leaders have been stressing the "sole responsibility" of the Fuehrer for the conduct of military operations because they wish to avoid responsibility themselves if things go wrong, is too facile and does not fit with known facts. Goering and the others have been "building up" Hitler as a military genius in order that public confidence may not be shaken by the fact that Bock and Halder in the autumn of 1942 have gone the way that Braunsbach and other Generals went on the eve of the terrible winter of 1941.

(iii) The Issue.

That fresh decision has Hitler taken with which his senior military adviser so profoundly disagreed. In the first place, it is to be noted that a frontal assault with massed infantry and tanks against a city like Stalingrad is contrary to the whole tradition and character of German tactics. Street fighting cannot be conducted according to classical rules, and, as one commentator has remarked, use of tanks in a built-up area is like employing battleships in the middle of an archipelago. Results can be obtained, but the cost is disproportionate.

For some time there have been rumours that Halder and Bock were in favour of sealing off Stalingrad by a fortified arc and then concentrating on a multi-pronged assault on Moscow, whereas Hitler was determined to have the city itself at any cost, partly for reasons of prestige and partly to guarantee the protection of the left flank of the Caucasian thrust, on which his mind was set.

(b) Stalingrad.

(i) A Blunder.

How far this is a true explanation it is, of course, impossible to say, but it is indisputable that the prolonged hammering of Stalingrad has been a first-class blunder. The Russian estimate of 250,000 German casualties on this sector up to date is probably not far out, and the magnificent Russian resistance has delayed the German time-table by at least two months.

Having committed himself to taking Stalingrad, even as rubble, Hitler has thrown against the defenders fresh concentrations of troops, tanks and bombers supported by siege artillery. Whereas last week a stalemate seemed probable, this last great effort has brought Hitler within measurable distance of attaining his objective. Loss of the greater part of the factory district at the north end of the city has seriously weakened the defence and provided the German batteries with important positions. The defence is now dangerously shallow, and the supply system across the Volga is under increasingly heavy fire.

Across the Volga the Russians have established strong force of artillery. Unless and until the Germans are able to seize control of the defensive belt along this eastern bank of the river, Russian gunners will be able to make life in the ruins of Stalingrad both uncomfortable and precarious. Moreover, as soon as the Volga freezes, the German bridgehead across it would be exposed to attacks on both its flanks.

(ii) Stalingrad Still Important.

That is not to say that Stalingrad has lost its strategic importance. On the contrary, elimination of Russian resistance there would expose Timoshenko's forces which have been striking to the south-west, to the German thrust moving northwards. But it is true to say that Hitler has expended precious time and valuable lives on an assault which was unnecessary for his purpose.

(c) Summer Balance Sheet.

On the credit side in his summer campaign account Hitler can put down that the German defensive system from Leningrad to the Don has successfully withstood Russian attacks and has thus enabled him to maintain a concentration in the south which has won rich territorial gains. On the debit side he has failed to break the Red Army, the prize of Trans-Caucasia is almost certainly beyond his grasp this year, and he faces the necessity of defending a winter line twice as long as that of 1941. That must stretch his manpower and other resources, though possibly not to the extent of preventing him from diverting troops and aircraft to North Africa.

Despite their serious losses the Russians have succeeded in saddling Hitler with a greater burden of defence (which means a dispersion of troops) than the German Command had calculated upon. Hitler does not lack divisions either for adventures in the Eastern Mediterranean or for a powerful diversion in the west when the need arises, but the Russian achievement cannot fail to be a factor of the greatest importance when the United Nations begin to plant their synchronised blows.

4. INDIA -- THE HAJ.

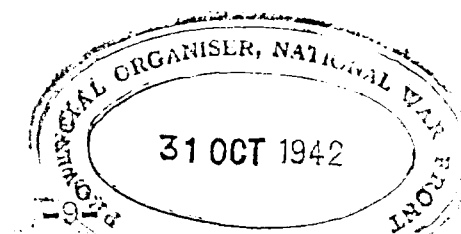
(a) Government's Haj Decision.

The Government of India's decision not to arrange the Haj pilgrimage this year by the sea route is as regrettable as it is unfortunately unavoidable. The reasons for this step, that the authorities have reluctantly been forced to take, were explained in the course of a Press communique on October 2. The Government are clearly of the opinion that the risks to the lives of the intending pilgrims at the hands of an admittedly unscrupulous foe, who has neither any regard for civilian lives nor pays the slightest heed to the peaceful religious purpose of the voyage, would be undoubtedly great. That the official and non-official Muslim organizations in this country and the authorities' point of view is clear. The Government consulted representatives of the Port Haj Committees, members of the Central Haj Committee who were available in Delhi and other representative Muslims, and they agreed that the circumstances rendered the decision inevitable.

(b) Haj in 1940 and 1941 -- Some Questions.

The questions that come to one's mind are two: namely, were the conditions in 1940 and 1941, when the Haj pilgrimage was performed safely and successfully, so different? and is not the decision rather due to the shortage of shipping?

The answer to the first question is that conditions in 1940 and 1941 were not fundamentally different. In 1940 we were engaged in war against Germany and Italy. The dangers to shipping came mainly from the latter. The magnitude of the danger from Italy, however, was nothing like that from Japan, while, since there were many Muslims under the domination of Italy, it was against her interest to alienate them by attacking pilgrim ships. Moreover, in spite of the fact that Italy's iron rule of the Muslims in Libya and Albania is too notorious to need any comment, Mussolini was then playing the rôle of the Protector of Islam and, so far as India was concerned, the need for keeping up that pretence was particularly great. The answer to the second question is equally direct. In 1941, the third war time Haj, when the shipping difficulties must at least have been more acute than they were in 1940 and 1939, 10,713 Muslims sailed from India. This was nearly equal to the total number of Haj pilgrims from India during the first two years of the war. There were nine sailings in 1941 as compared with five in 1940.



With the coming of Japan into the war, however, conditions have materially altered. Nippon having few Muslims in her own territories and being quite indifferent to the feelings of those in the conquered lands, can afford to be less concerned with their fate and can well leave the task of their "protection" to the much deflated Mussolini. That the danger of Japanese submarines is no myth is shown by Admiral Sir Herbert Fitcher's recent statement that Nippon's sea marauders were known to be operating in the Indian Ocean and the Arabian Sea. But, the pilgrims by the sea route being out of the question, the Government have made it clear that pilgrims can proceed to the holy places of Iraq or the Hejaz via Iraq this year and pilgrim passes will be issued to intending travellers.

(c) Axis Propaganda.

Enemy broadcasts in this matter, as in others, run true to form: their one aim is to score a propaganda point. But for sheer untruth Rome has an undoubted lead. The Italian broadcast in Arabic on October 4, in its desire to mislead, goes so far as to say that "last year also, the British prohibited the Muslims from performing pilgrimage on this very pretext that they could not guarantee safe passage owing to the danger from Axis submarines". A day earlier the Italians were giving the more superficially obvious but equally untrue reason that this decision was due to shortage of shipping. The Germans, always more untruthful in their broadcasts to their own

244TH-BI-WEEKLY GUIDANCE NOTES ON THE WAR SITUATION
DATED 31ST OCTOBER, 1942. 4 - NOV 1942

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POLICY

1. The Allied offensive in Egypt continues to make progress, but the nature of the ground makes progress slow in the first stage. Stress Axis efforts to rush supplies to the front. Allies are intercepting these supplies, and much depends on the proportion they can destroy.
2. Avoid speculation about Solomons operations. Notice length of Allied supply lines in comparison to Japanese and hazards of warfare in large ocean spaces studded with islands. Whatever the immediate issue, growing American naval and air strength leaves final result beyond doubt.
3. Stress that whatever result of American elections, American war effort will not be affected. The only important issue is how best to prosecute the war.

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people on foreign questions, said on October 8: "Britain has not only closed the sea route, but also the land route for pilgrims to Mecca. The war is now used by the British as a pretext to declare that owing to strategical reasons, Mecca pilgrims could not be allowed in Iraq and Iran". The German broadcast in Hindustani on October 10, of course, contented itself by announcing: "The Government also refused to allow them (pilgrims) to travel via Afghanistan and Iran for political reasons. In fact, the British do not like the Indians to come in contact with the Arabs."

"350 -- 27.10.42"

III. AMERICA.

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I. THE WESTERN DESERT.

(a) Progress of Operations.

Different as the present battle is from former desert battles, it is progressing satisfactorily for the Allies. The fact that tank engagements are increasing both in frequency and intensity (though no sustained and heavy armoured clashes have been reported so far) shows that channels have been cleared through the enemy's minefields and some heavy armour has forged its way forward.

The 35-mile front, sandwiched between the sea in the north and the Qattara depression in the south, and fortified with every conceivable kind of modern device by an enemy who is fighting with the utmost tenacity, does not lend itself to blitz warfare. Allied progress is, therefore, bound to be comparatively slow. That no geographical details are as yet available is an indication of the fact that operations continue to develop within the enemy's fortified zone and that this fortified zone, unpunctuated by place-names, extends far back in depth. The terrain consists mostly of desert country (except along the sea shore) only broken by prominent heights. Under these circumstances details of battle are liable to be scanty, and some time must elapse before a clearer picture of the operations emerges.

(b) Rising Toll of Enemy Replacements.

(i) Allied Air Attacks in North Africa.

The advantage of Allied superiority in the air continues to be fully exploited. In the battle area the 8th Army and the air forces supporting it are acting in complete co-ordination both in offence and defence. Beyond the battle area -- in the enemy's rear -- the pounding of Axis ports and supplies on roads and rail, by allied bombers, is kept up with unabated vigour. Judging from the number and intensity of raids on Tobruk, its efficiency to handle supplies must have been greatly reduced. That these widespread attacks, now carried out by day also, have had tolling effect on the enemy is borne out by a broadcast of a German war reporter in North Africa who, emphasising the "impressive numbers" of Allied air formations, complains: "We are fighting against a numerically superior enemy and this has been going on for days now".

(ii) Allied Attacks in the Mediterranean.

Not all the Axis supplies which are being rushed across the Mediterranean manage to reach North African ports; a fair proportion of them being sunk by allied air action. The sinking of a third Axis oil tanker in four days is bound to have increased Rommel's worries. The fact that ships are now being attacked off Tobruk points to the Afrika Korps' need to get fuel as near the front as possible, irrespective of the risk involved in ships sailing within range of allied land-based aircraft in Egypt. Benghazi, which is in range of heavy bombers only, is more than 500 miles from the front, and supplies travelling from there by land not only take longer to reach the front area, but also involve the use of fuel which could be used by fighting vehicles. Tripoli, 500 miles still further west, is no longer in a position to handle urgent supplies for the Axis forces owing to the great distance involved.

It, therefore, becomes evident that Rommel is beginning to rely increasingly on Tobruk for handling his replacements. These are attacked at sea, in port and on the land en route to the forward areas. Despite Allied air superiority it is possible to destroy only a proportion of these replacements; nevertheless, this is enough to cause the Axis serious worry and Axis war reporters to complain of allied superiority in the air.

2. WAR AT SEA -- BATTLE FOR THE SOLOMON ISLANDS.

(a) Operational Background.

(i) Certain Enemy Advantages.

The all-out counter-offensive, for which the Japanese forces in the Solomons area had been preparing for some time, was launched on the night of October 25/26. So far, this counter-offensive has taken the form of a naval-air clash ranging over a wide arc from the Santa Cruz Islands to New Georgia -- more than 500 miles apart. Each side is trying to establish (by a process of decimation) local superiority in the air and local control of the sea -- essential preliminaries to any substantial success on land.

From a naval standpoint, the Japanese have started with certain advantages. Their home bases (Yokohama, etc.) are barely 3,000 miles from the scene of action, whereas the home bases of the U.S. Navy (Seattle, etc.) are nearly twice as far away. This makes possible not only the quicker concentration of large enemy naval forces, but also prompt replacement of enemy naval casualties. The Japanese possess a similar advantage in the matter of replacing casualties in the air.

(ii) Battle of Manoeuvre.

Colonel Knox, the U.S. Navy Secretary, has described the battle as one of manoeuvre. Over such a wide area it is vital that the maximum force should be concentrated in the right place at the right time. The naval forces of both sides are playing a fateful game of hide-and-seek and decoy.

It is no secret that the Allied naval forces are outnumbered in the Solomons at present. This places a heavy responsibility on the air arm, whose reconnaissance work can warn the ships of the presence of superior enemy forces and at the same time report back the positions of small flotillas which have become detached from the main body of the Japanese Fleet. Superior concentrations of warships have to be tackled and, if possible, depleted by air attack.

(iii) Key Aerodrome.

The crux of the situation appears to be the possession of the key aerodrome in the northern part of Guadalcanar. Japanese artillery positions have been established to the west of this airfield and several land thrusts from this direction have been repulsed. If the Japanese can gain control of neighbouring waters for a period sufficient to enable them to make large-scale landings, they will have gone a long way towards establishing local air superiority, itself a stepping stone towards local sea control.

(b) Enemy Radio Treatment.

(i) The Latest Action.

The action that began on the night of October 25/26 has brought the customary spate of claims from radio announcers in Tokyo, Berlin and Rome. Tokyo claims the sinking of four aircraft carriers and a battleship and Berlin describes the encounter as "probably the biggest since the Battle of Jutland in the last war". It is said to have ended in a decisive Japanese victory, the Japanese casualties being only two aircraft carriers and a cruiser so slightly damaged as to be "still able to navigate and continue to take part in the operations".

(ii) Previous Claims.

Similar reports issued from Tokyo on August 9, when it was claimed that one battleship, seven cruisers and four destroyers had been sunk, against only slight damage to two Japanese cruisers, which, however, could still fight and cruise.

All told, in 12 weeks' operations, the Japanese claim to have sunk 34 naval units, including two battleships, five aircraft carriers and ten cruisers. The Allies have admitted the loss of one aircraft carrier, four cruisers and four destroyers and, according to a statement (October 29) by Mr. Elmer Davis, Chief of the Office of War Information in Washington, all sinkings of major United States vessels have been announced.

(iii) Japanese Admission.

The Japanese admit the loss in the Solomons fighting since August of only two cruisers, two destroyers and a submarine. This understatement is one a par with the announcement, broadcast in Tamil from the Jap-controlled Singapore radio station on September 2, that in nearly nine months' operations only four Japanese merchantmen (total 26,888 tons) had been sunk.

3. AMERICA.

Congress Elections.

(a) The mid-term elections.

In the United States the House of Representatives and one-third of the Senate are not chosen at the same time as the President, and an interval of two years separates the two elections. Caution prompted this constitutional device, the idea being that public opinion is seldom quite static. In two years, there is usually some change, and so the public opinion of 1942 is called in to check and balance the public opinion of 1940.

(b) Certain Features.

As November 3, the date on which a new House of Representatives will be chosen, approaches near, there is a natural curiosity to know whether President Roosevelt will face a hostile majority in the new House.

(i) Direct Primaries.

America has a system of direct primary elections when the registered members of each party vote separately in them to select their candidates. Throughout the United States to-day, these primary elections are being held which are a fairly good index of what the final voting will be like.

(ii) A Tight Vote.

In the election in the State of Maine, held on September 14, there emerged one significant factor, that may well be duplicated in all parts of the country in the Congressional and State elections. The turn out of votes was the lowest in twelve years, and the percentage of the Republican vote was the highest since 1928. A low vote is therefore expected throughout the country; this is partly due to the absence of a dominating national issue -- the Presidency is not at stake, only the House of Representatives and a third of the Senate.

(iii) Decrease in the Number of Voters.

It is also due to the war, for half the American workers have migrated to the war industries during the past year, and in so doing, they have lost their right to vote. Another factor is that many young men have joined the Armed Forces, and though there is a machinery which could enable them to vote, it is clumsy, and as a rule, few trouble to use it at all.

On the whole, youth favours the President, so that this circumstance may well tell against his Democratic Party. As the poll at this mid-term election is always smaller than at the Presidential Election, there is less drama about it, and less public interest--a fact which generally turns against the party in power. And by all accounts, the Democratic organisation has been neglected, and Labour has been showing unusual apathy and indifference.

(iv) The Republicans may gain slightly

The absence of the majority of young men of draft age from the polls amounts to an indirect Republican gain. In Maine, when the vote is light, the Republicans always increase their percentage of the Maine vote, and what is true in Maine, in one sense, true in the rest of the land.

(v) Dr. Gallup's Forecast.

According to the Gallup Poll, the Republicans are expected to increase their seats from 165 to 195 in a House of 435, but would still remain in a minority. Even if they could control the House (which seems improbable), they still would not gain control of the senate, where only a third of the members are up for Election. Their control of the Congress in both Houses, would, therefore, remain incomplete.

(c) Roosevelt's Leadership Not at Stake.

(i) Ex-Isolationists support the war

The Axis is bound to treat the increase in Republican seats as if it reflected the rising desire of American voters to repudiate the war policy of President Roosevelt. The truth is that neither in Maine nor anywhere else has the leadership of the President in the war been at issue in a political campaign. Even the pre-war Isolationists have indicated that what they want now is that the President should prosecute the war with still greater vigour. Ex-isolationists like Senator Nye, are now at one with the President in the prosecution of the war and are the staunchest supporters of the Anglo-American Alliance.

(ii) The President's Republican Support.

President Roosevelt with characteristic tactfulness has avoided the mistakes which President Wilson made. Unlike the latter, who confined the war-administration to his own narrow and personal circle, President Roosevelt's war-policy has been marked by the admission of the Republicans into his confidence. Mr. Willkie's recent tour, in the capacity of a personal envoy of the President, shows the extent to which Roosevelt is willing to associate himself with a party which has whole-heartedly declared itself for the war.

(iii) Few Internal Issues.

Not the least remarkable evidence that the present Congress acts as a team under the President's leadership is the burst of energy which has characterised its recent activity. It has revised the ceiling on farm prices and has completed action on the largest Tax Bill in American history. And this, just before the elections, is a remarkable performance. Usually, the four or five months preceding an election are a period of legislative inactivity, and Congressmen take particular care not to offend their constituents, and certainly never pass a tax bill just before going to the polls.

Senators and Representatives, both Democrats and Republicans, have suddenly realised that their peacetime political axioms are obsolete; that the people were far ahead of them, and perhaps also of the Administration, in their readiness to do whatever would help to win the war. There are few internal questions which can be made a matter of party issue today, as indeed the recent legislation has shown. Elections, therefore, become a secondary issue: the first need of the hour is to win the war.

(d) Conclusion

All told this is the "off" year election and it is an "off" year as to the public interest in its results. The Republicans stand to gain slightly due to the peculiar circumstances. The Democrats secure in their ascendancy, have made little effort in an election which they know cannot affect them or the President for the next two years at least. The President's leadership is not at stake in internal politics and certainly not in the prosecution of the war.

4. ALLIED CO-OPERATION -- THE FACTS.

(a) The Myth of Allied Dissensions.

The Axis Radio has for some time been busy propagating the myth of allied dissensions. Russia is dissatisfied with Britain and America, America is critical of the British war effort, the British do not like the Americans, the Chinese disapprove of both and so on. Against this torrent of alleged dissension, the items of Allied co-operation come singly like stones thrown into a turbulent stream which disappear amid the swirling waters. Amid the hubbub of Axis allegations it is not always realised that, if these Allied items were taken as a whole, they would form a dam so solid as to force the Axis waters of slander back into a permanent lake of frustration. It is, therefore, proposed to list some of the ways and means of Allied co-operation so that a clearer picture may be formed of the immense range of mutual help and action which underlies all reports of superficial disagreements and fiction.

(b) Pledges of Co-operation.

There are first the pledges of co-operation by which the Allies have plighted their troth to fight together until victory.

(i) The Atlantic Charter.

All the United Nations, at first 26 and now 30, have subscribed to the Atlantic Charter of 14 August, 1941, whose provisions include President Roosevelt's Four Freedoms, and have been stated by the President himself (October 28) to apply to "all humanity". The United Nations, said the President on February 23, 1942, "constitute an association of independent people of equal dignity and importance ... All of us must play our several parts, each of us being equally indispensable and dependent one upon the other". Alike in its language and its scope, this declaration resembles that of 1926 (drafted by Lord Belfour) which defined Dominion Status within the Commonwealth.

(ii) United Nations' Declaration.

The Atlantic Charter was followed by the United Nations' Declaration of January 1, 1942 by which "each Government pledges itself to cooperate with the Governments signatory hereto".

(iii) Other Pledges.

A series of other agreements, too numerous to mention in detail, form a network of unity across the globe. Outstanding amongst them may be mentioned the Anglo-Russian Treaty of May, 1942, the Polish-Soviet Agreement of July 1941, the Polish-Czech Agreement of January 1942, the Greco-Yugoslav Agreement of January 1942 and the agreement of the South American States at the Rio Conference in February 1942.

(c) Military Co-ordination.

(i) Chiefs of Staff Committee.

Coming to actual achievements in cooperation, the first subject which attracts attention is the conduct of military operations. A vast joint war machinery has been built up bit by bit, whose full proportions can only be grasped by a comprehensive view.

In January 1942 the Chiefs of Staff Committee, consisting of three American and three British officers, was set up in Washington. This coordinates British and American war plans. The visit of General Marshall to London carried this cooperation a stage further.

(ii) Russian Liaison.

There is no combined staff in Moscow because the Russians do not need Anglo-American help in conducting their campaign. But the closest liaison is achieved by three-service British and American Military Missions in Moscow, and by Russian Missions in London and Washington. Mr. Churchill's conference with M. Stalin in August showed that joint planning had been added to mutual exchange of information and mutual help.

(iii) Pacific War Council.

For the Pacific war, there has been set up the Pacific War Council which sits both in London and Washington, and contains representatives of all interested powers. China is represented on this Council. Special contact has been maintained with China by the appointment of General Stillwell as Generalissimo Chiang's Chief of Staff, and by a series of journeys and conferences by the Generalissimo himself, General Wavell, General Stillwell and others.

(d) Production and Distribution.

Operations are impossible without materials of all kinds. A series of joint boards is pooling allied resources of all kinds for the common effort. There is first the Combined Production and Resources Board, formed in January, 1942. This is combining the British and American production schemes into an integrated whole. For example, Britain is concentrating more on fighters and America on bombers. The Combined Munition Assignment Board carries on the same work of integration in the field of munitions. Further there is a Combined Shipping Adjustment Board which treats Anglo-American shipping as a single pool to the incalculable advantage of the Allies, and a Combined Food Board, which has done much to help Britain so successfully through her food difficulties. These Boards confer with representatives of all interested Allies.

(e) Pooling Resources.

(i) Bases, Troops and Training.

Great strides have been made in the pooling of Allied resources. Examples of this are the pooling of bases and troops. The lease of Caribbean Bases to America in 1940, the close co-operation of British, Chinese and American troops in Burma are examples of these. Other remarkable instances of this principle, impossible without a high degree of trust on both sides, are the joint highway to Alaska just opened, and the joint Air Training Scheme for North America, which embraces 14 nations and which has included the Empire Air Training Scheme, itself a mighty project.

(ii) Lend-Lease.

Lend-Lease is too well known to need comment, but it may be mentioned that up to March 3, 1942, Congress had sanctioned Lend-Lease aid to a total value of \$12,561,160,000 and goods valued at £ 1,301,250,000 had actually been sent up to June 1942. Besides the British Empire, 35 countries have been declared eligible for Lend-Lease aid (including several neutrals) and it is now known that the Lend-Lease principle is working both ways. For example Britain has lent ships for the American anti-submarine campaign.

(f) Post-War Co-operation.

(i) Political.

The aid sent to Russia, China and the European allies is well known. But apart from the war itself, considerable progress has been made in post-war cooperation. The first landmark is the Atlantic Charter. Then comes the Anglo-Soviet treaty which looks forward to a 20 year period of cooperation, and invites the adherence of other powers in post-war plans. A joint commission is being set up to deal thoroughly and in time with Axis crimes against humanity.

(ii) Economics.

Economic co-operation is provided for in the Anglo-Soviet Treaty, the Anglo-Soviet Mutual Aid Agreement of February, 1942 and the Inter Allied Committee on Post War Requirements. Most practical of all is the Inter Allied Wheat Pool, to which Argentina is also a party, by which a minimum of 100 million bushels of wheat will be ready to be poured into starving countries the moment the cease-fire sounds. Finally the International Labour Office has been kept in being and is preparing its plans for the post-war world.

(g) Conclusion.

In face of this picture of monumental Allied co-operation, never dreamed of before in the world's history, Axis suggestions of disunity pass from the plausible and the sinister to the ludicrous.

" 350 - 31.10.42."

245th BI-WEEKLY GUIDANCE NOTES ON THE WAR SITUATION
DATED NOVEMBER 3, 1942 10 NOV 1942

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It is recommended that these notes be filed for record, as reference to previous notes saves time, paper and repetition.

POLICY

1. Allied army's advance in Egypt continues methodically. Emphasise that this attack is modernised and efficient version of frontal attacks of the last war. This means that no sudden break through can be expected. The important thing is that steady pressure continues.
2. Balance U.S. loss of aircraft carrier in Solomons with published list of Japanese losses. Stress that by holding Guadalcanal the Americans have provided a challenge to Japan which she dare not ignore. The resulting concentration of forces here weakens Japan elsewhere.
3. Emphasise Herbert Morrison's speech which reveals the magnitude of Britain's war effort. Man for man Britain is producing more war material than any other country.

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1. THE WESTERN DESERT.

(a) Problems of Attack.

The attack which General Montgomery has launched from the El Alamein line is the modern version of the frontal offensive of 1916-18, and is strikingly different in method from previous assaults in North Africa, both British and German. The British Command was faced by a defended position on a narrow front, buttressed on one flank by the sea and on the other by the Qattara depression. Since the halting of Rommel's drive towards Alexandria, the Germans have been using all their ingenuity and industry in constructing a defensive system in great depth. It has been generally assumed that this network extended westward for about four miles, but it is quite possible that it is in fact very much deeper.

An important feature of it is the "deeply echeloned mine-fields" of which the Germans have spoken; and behind this deep protective belt there is evidently a maze of fortified strong points supporting each other with cross and enfilading fire. Dotted about among the enemy's main positions, one imagines, are mobile anti-tank batteries waiting to engage and, if possible, entrap their opponents' armour, while panzer formations are held ready to strike at the opportune moment.

(i) Montgomery's New Technique.

Judging from the statement in a German communique that the British had attacked "in the northern and central sectors", and also from subsequent developments, it seems clear that General Montgomery rejected what had become almost the standard form of attack in the Western Desert; that is to say, to swing around the enemy's southern flank with armoured columns in an attempt to envelop him.

Rommel had clung to that plan in his last effort to reach Alexandria, but he was defeated by General Montgomery's superior tactics: Long German columns of tanks and supply vehicles had been harassed, and then fought to a standstill by a skilful combination of air and artillery bombardment with wasplike attacks by mobile self-contained units on the ground. After the Afrika Korps had narrowly escaped destruction and had withdrawn, the British commander refused to expose his forces to a similar repulse by pursuing Rommel around the southern end of the Alamein positions.

In short, infantry, artillery and aircraft working in complete unity are tending more and more to be used as the battering-ram which precedes the launching of tanks. It is already evident that the British commanders in North Africa are evolving a new technique and are devising new tactical methods to suit.

(ii) Thorough and Unhurried Advance.

Whatever General Montgomery's plan may be -- and on that it would be mischievous to speculate -- his preliminary task is to break through the thick crust of German positional defence. It is bound to be a grim and stubborn struggle. Too much is at stake for either side for it to be otherwise.

Precise details of the advance are being withheld at the present stage, but we know that gaps have been made in the forward minefield, that important enemy strongpoints have been captured, and that our gains have been held in spite of fierce counter-attacks. The general picture is of a thorough, unhurried process of attrition wherein infantry are playing the dominant role. This stage of the battle will probably continue for some time yet.

The Germans and Italians have evidently laid mine-fields on an unprecedented scale, and even after lanes have been punched through them, the movement of guns and supplies is hampered until large areas have been cleared. One press correspondent with the British forces has spoken of the advance being "untidy in places". In other words, a number of Axis strongpoints have been holding out as pockets of resistance. As in the last war (and in many sectors of the Russian front now), a general advance through a heavily fortified zone must for some time mark time until such pockets have been eliminated. Meanwhile we can await the outcome of this difficult and probably costly phase of the struggle with patience and confidence.

(b) Paving the Way.

(i) Allied Air Activity.

For several weeks before the offensive was launched, the Allied air force in Egypt had used its superiority over the enemy to carry out a tremendous day and night battering of his lines of communication, transport concentrations, ports, dumps and airfields. Damage inflicted has without question made considerable inroads into his resources, and has in all probability weakened his capacity both for attack and defence by reducing his mobility.

Air attacks on Axis shipping have also been heavy and effective, and this has been due in no small degree to the magnificent fighting defence of the Malta airfields by the fighter squadrons and anti-aircraft batteries of the island.

(ii) Allied Sea and Land Activity.

At the same time, British submarines took heavy toll of Axis supply ships crossing the Mediterranean. During October the total number of these ships damaged by our submarines was 24, of which 14 were seen to sink.

The Eighth Army itself took a hand in this preliminary work with their land raids on Tobruk, Benghazi and Jalo.

(c) Unity of the Three Arms.

(i) A Retrospect.

When "zero hour" struck, this co-operation between the three services instantly became a complete integration into a single fighting instrument. Reports of observers on the spot have been unanimous in stressing the complete identity of the air arm with military forces on the ground. In later stages of the last war Allied infantry became accustomed to advancing behind a wall of gunfire which not only smashed trenches and dugouts in front of them but also mastered the fire of the enemy's field batteries. In the later stages of an advance, however, the barrage tended to slacken partly because guns were temporarily out of range and partly because the gunners were uncertain as to the exact position of the advancing infantry.

(ii) R.A.F. Umbrella.

On this occasion in Egypt the R.A.F. not only provides an aerial umbrella for the troops against enemy dive-bombers by means of a continuous shuttle service, but also continued an artillery barrage -- from the air. Each bomber squadron was an aerial battery firing on points where it was most needed.

Indeed this offensive exhibits the unique feature of an entire enemy area from the battlefield right back to the main bases being brought within range of devastating bombardment. Not only the lines of communication from Mersa Matruh and Tobruk but from Benghazi -- 600 miles away -- and from Genoa have been plastered. Damage at Mersa Matruh or Tobruk may not affect fighting troops for several days; at Benghazi, not for a week or two; at Genoa and Milan possibly not for a month or more. But its cumulative effect upon the campaign which has now opened cannot fail to be considerable.

(d) Allied Supply Lines.

The rebuilding of the Eighth Army and its air arm into a new force more powerful and better equipped than its predecessors has been possible by the allocation (despite other heavy commitments) of a great volume of shipping to the Cape-Red Sea route, and that in turn has only been possible by the release of shipping which would otherwise have brought cargoes to Britain. That position was cheerfully accepted.

Within the last few days it has been officially revealed that the long searoute around the Cape has been supplemented, so far as aircraft are concerned, by the creation of an overland route from West Africa which crosses 6,000 miles of equatorial jungle, bush and desert to Egypt. Air fields and emergency landing grounds have been made in jungle clearings, and during the past two years a thousand British and American aircraft have been shipped to the West African coast, assembled and tested, and then flown to the Middle East Command along this route. Its creation was an essential step in the process of reopening the Mediterranean to the United Nations.

2. RUSSIA

(a) Russia and Egypt.

What bearing, if any, has the offensive in Egypt upon the situation on the Russian front? The more one ponders Hitler's persistent pressure against Stalingrad, Mozdok and Tuapse, the more probable it appears that he has set his mind, in spite of every obstacle, on thrusting into Trans-Caucasia, Persia and Iraq during the winter months. Some time ago these notes reproduced statistics (derived from reliable sources) which indicated that German oil reserves appeared to be sufficient for large scale operations throughout 1942, but that the present rate of consumption could not be maintained in 1943 unless fresh supply sources were secured. In his recent speech Goebbels remarked: "When in due course the thrust into the Caucasus has been carried out to the end, we shall have in our hands Europe's richest oil region....he who possesses wheat and oil, iron and coal, and, in addition, the strongest armed forces, will win the war".

(b) Dissipation of Strength.

Contrary to all canons of German strategical theory, Hitler is dissipating his forces in attempting to do three things at once -- reduce Stalingrad, push through the Grozny oilfields to the Caspian, and strike down the Black Sea coast to Batum. This last is a very formidable proposition, but it is not impossible, given the necessary concentration of troops and supplies.

At one end of this chosen area of conquest in the Middle East, Stalingrad continues to be Hitler's "running sore". It is obviously urgent that Axis forces in Egypt -- at the southern end of that area -- should be crippled before the northern thrust has the time to approach.

3. BRITAIN.

(a) Mr. Morrison's Speech.

"Some of us in our right and proper admiration for Russia -- have come to think and talk as though Britain was playing only a marginal part", said Mr. Herbert Morrison speaking at Cardiff on November 1. That this was a "superficial and misguided view", he amply showed by the striking figures he gave for the British war-effort.

(i) Achievement at Sea.

He said that the Royal Navy kept open 80,000 miles of vital sea-routes, escorted 199 out of every 200 ships safely to port and had destroyed or damaged 125 enemy warships and over 5 million tons of enemy shipping.

The output of British shipbuilding industry was twice as great per head as that of the workers of any other country, and the peak had not yet been reached.

(ii) War Material Sent Overseas.

The September output of warlike stores had risen by 14 per cent and the output of weight of aircraft by 18 per cent on that of August. The most notable feature of British war-production was that 80 per cent of it was shipped overseas to the places which needed it most. This is yet another confirmation of the mutual aid and cooperation that exists between the United Nations, a few examples of which were listed in Guidance Notes No. 244(4).

(b) Inter Commonwealth Cooperation.

(i) Britain and the Dominions.

Cooperation between the Dominions and the U.K. has been as marked as the cooperation between the Allies dealt with in the last issue of Guidance Notes. It has been built up, by what is, perhaps, the most efficacious method of all. The Prime Ministers of Australia, Canada, New Zealand and South Africa have all visited Britain during the war and all have attended War Cabinet meetings. India has two accredited members to the War Cabinet in London.

(ii) Empire Air Training Scheme.

This scheme affords facilities for men from nearly every part of the Commonwealth to receive elementary or advanced air training. Some 140 Air Force establishments are now operating including 93 training schools.

(iii) Commonwealth Economic Cooperation.

The United Kingdom Ministry of Supply is the unifying influence in matters of inter-dominion economic cooperation. Among other economic measures, it has undertaken to purchase the whole of the Australian, New Zealand and African wool clips for the duration of the war and one year thereafter; to purchase Australian and New Zealand meat and other produce and join in financing cold-storage schemes in those countries.

(iv) Canadian Aid.

Canada's contribution to the Allied cause has been very impressive. This country of only 11 million people has extended to the U.K. a direct gift of \$ 1,000,000,000 in munitions, raw materials and foodstuffs; an interest-free loan for the duration of the war of \$ 700,000,000; the repatriation of \$ 295,000,000 of Dominion and Canadian National Railway Securities.

(v) Eastern Group Supply Council.

This Council set up in Delhi by the Eastern Group Conference in February 1941, represents British territories East and South of the Suez which have transferred themselves into a vast system of supply, for their own needs and for the Imperial forces in North Africa, the Middle and Far East, South-West Pacific and elsewhere. The U.K., Australia, New Zealand, South Africa and India are represented on the Council.

4. JAPAN.

(a) Slave-Labour in Japanese-Occupied China.

(i) Japanese Industrial Terror.

Long hours, low pay, no protection and miserable working conditions mark the reign of Japanese factory proprietors over tens of thousands of Chinese labourers in North China, according to the latest information received by the Chinese Association of Labour in Chungking. Poverty-stricken and with no better way of eking out an existence, these workers are leading a deplorable life as the result of the terror and maltreatment which characterize the Japanese "benevolent rule" of the manpower in the occupied areas. Numerous methods of oppressing the workers are adopted by the Japanese, according to the same source.

(ii) The Large Cities.

In Peiping and Tientsin, Japanese control was distinguished by the isolation of the residential quarters of the labourers, by instituting mutual guarantee systems among them, by frequently moving them from one place to another without previous warning, and by mixing spies among them. In Taiyuan the Japanese made all the workers live in the factories, thus depriving them of any freedom of action. Those especially pro-Japanese are asked to organize themselves into secret service corps for spying work. The Japanese discourage the union of the labourers and do everything they can to cause friction among workers.

(ii) The Smaller Towns.

The conditions in smaller cities are even worse. Workers are virtual prisoners in the factories, with soldiers and puppet police guarding them like convicts.

Those in the Kowchwan coal mine in Katung and the Feichiachwang coal mine near Taiyuan, both in Shansi Province, receive nothing except small rations of rice. They are not paid any wages for their work and receive almost no daily necessities. Naturally the incidence of disease and the death-rate are both high. In Tientsin, Taiyuan and Kaifeng, meagre wages are paid to workers, and the struggle for existence is made even harder by the rising prices. The general pay is fifty cents (Japanese controlled currency) a day for men and even less for women. They are often compelled to work fourteen to eighteen hours a day. Most of them are employed in cotton mills, match and cigarette factories, and coal mines. They live a life of constant fear and uncertainty. Women workers are often mistreated by their Japanese masters and soldiers.

(iv) Chinese Revolts.

Because of such terror and inhuman treatment, there have been revolts in many places. In June 1933, more than thirty thousand labourers participated in a strike in eastern Hopei. This was followed by an even more audacious effort in Tongshan. Seven thousand workers actually revolted with weapons. They did considerable damage to the machines in the factory, disarmed the Japanese garrison there, and walked out to join guerrilla units.

Many workers in Taiyuan have organized themselves into an armed unit, constantly harassing the enemy. In 1940, when the Chinese regulars were engaging the enemy in a big battle near Taiyuan, workers in the Tsinglung coal mine set the place afire. The fire lasted for five days and destroyed everything in the mine.

These are only some of the cases of sabotage, strikes and violence against the Japanese oppressors by North China workers which have been reported

(b) Co-Prosperity in Micronesia.

(i) Drugs and Germs.

The Japanese have removed the tax on opium in the East Indies. This gives a clear indication of what the native population of Pacific territories conquered by Japan have to look forward to.

Opium and other narcotic drugs are being distributed. Added to this is the distribution of venomous bacteria cultures to spread disease among people who otherwise might be strong enough to resist the invader.

(ii) Micronesia.

If this sounds like exaggeration, we have only to examine the shocking record of the Japanese "New Order" in Micronesia. This division of small islands in the central and western Pacific, including the Caroline and Gilbert and Marshall groups, is under control of Japan. (The name comes from the Greek "mikros", small, and "nesos", island.) The long series of brutalities and barbarities practiced by the supposedly civilized Japanese against the helpless islanders defies description.

In the comparatively short time that they have been in possession, the Japanese have almost completely transformed the natives. They have introduced tuberculosis and syphilis germs with the deliberate intent of destroying native spirit. They have brought prostitution, narcotics and every form of vice which might help to weaken stamina -- and hence, any resistance to domination. They have taken entire populations of gentle, inoffensive and (according to their own lights) cultured islanders and reduced them to the level of beasts of burden.

The people who live on these tiny Pacific islands are in general much alike, although, of course, there are certain differences in appearance, language and ways of living. The general Micronesian type is a well-built, rather slight figure with small and regular features. In physique and intelligence he is pretty well developed.

(iii) Debasement.

This type of individual has been debased by his Japanese masters to a pitiful state. The few persons who have managed to visit the Japanese-held strongholds in recent months declare that the Micronesian today is almost unrecognizable. Drugs, ill-treatment and germs have in many cases made the natives nothing more than human skeletons barely able to perform their allotted jobs. Intelligence is waning. Those who have resisted Nipponese pressure -- usually the upper class natives -- are sullen and bitter against their conquerors.

(iv) Exclusion.

So well do the Japanese realize what they are doing that they have made it almost impossible for outsiders to visit Micronesia. They began this policy of exclusion even before they entered the war. About a year ago, two American observers travelling through the islands suddenly disappeared. Investigation was made but nobody discovered anything. The Japanese authorities blandly announced that they had fallen from a coral reef into the ocean and been devoured by the sharks.

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P O L I C Y

1. The Eighth Army's victory means that Rommel must now move back, but it is possible that he will receive reinforcements and stand further back. Stress that every advance means longer Allied communications. Emphasise that Allied air power has made possible envelopment of Axis lines from above instead of from the flank.
2. Emphasise that the American elections have followed expected lines and stress Hoover's statement that they will give no comfort to the enemy. Both parties are wholeheartedly behind war effort, and ex-isolationists, where returned, have had reduced majorities.
3. Though Hitler is committed to capture of Stalingrad the diversion of troops to the Central Caucasus suggests he is looking for easier results elsewhere.

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1. THE WESTERN DESERT.

(a) Afrika Korps In Retreat.

In driving the enemy back from his anchorage in Egypt the Eighth Army has accomplished what the Afrika Korps failed to accomplish two months ago. It will be recalled that on September 1, Rommel, aided by the whole weight of his mechanised force, attempted to overwhelm the Eighth Army and reach the Nile valley. At the end of a week he was forced to withdraw, having suffered heavy losses. Almost exactly two months later General Alexander pierced the enemy's formidable defences and in twelve days fighting forced him to abandon his positions along the entire desert front. Enemy forces are now in retreat westward.

(i) Enemy Losses.

Since the battle began on the night of Friday, October 23, over 13,000 Axis prisoners have been taken, including Ritter Von Thoma, Commander of the German Afrika Korps; over 320 German and Italian tanks and at least 270 Axis guns have been captured or destroyed; over 300 Axis aircraft have been shot down and approximately an equal number destroyed on the ground. And the Eighth Army continues to advance.

(ii) Germans as Spearhead of Retreat.

The main enemy withdrawal has taken place in the northern and the Central sectors of the front. In the south he is reported to be still holding out in some places. This stand however, is designed to enable the bulk of the Axis forces to withdraw westward. In this connection it is worth emphasising that the spearhead of the retreating forces consists mainly of Germans -- the Italians having been left behind to fight rearguard actions.

(iii) Allied Air Force in Action.

A mass withdrawal, such as the enemy is now carrying out, is at best a costly undertaking; in the present circumstances it is bound to be rendered still more costly in view of Allied air superiority. Heavy and medium bombers and bomber-fighters and fighters of the Allied air forces are constantly hammering away at the slow moving procession of Axis vehicles and transport -- nor is their increasing distance from the battle front likely to save them from further attacks, for as the Eighth Army moves westward, aerodromes, formerly used by the Axis, will be used by the Allied air forces.

(b) A Comparison With the Last War.

(i) The Frontal Assault.

The successful offensive in Egypt recalls the battles of the last war, because of the extensive use of infantry and the reappearance of the frontal assault. The frontal assault, as at Verdun, Ypres, the Somme and Passchendaele, was common in the last war for the simple reason that the line was continuous from the sea to Switzerland and there was no way round. But a break through was extremely difficult because there was nothing to exploit any gap made by the artillery. Cavalry were too vulnerable; and tanks, even in the later stages, were comparatively few, and moved very slowly. The break through at Cambrai in 1917, when a penetration of five miles was made with the aid of tanks, was regarded as phenomenal. It took from August to November 1918 to push the Germans back in France to approximately the French and Belgian frontiers.

(ii) Tanks and Aircraft as Cavalry.

The present battle has showed that a position can be outflanked (as it were) from above as well as from the sides. For this is what the tremendous Allied air attack, which shattered the Axis supporting lines, meant. It also shows that infantry and artillery are still needed to puncture a static line so that the gap cannot be filled in time to prevent a real break through. It shows, finally, that tanks are more and more taking the place of cavalry. They cannot, as Russian experience has shown, win a battle on their own any more than cavalry has done in most periods. But once a gap has been made, they can break through with devastating effect. Tanks have speed now as well as armour; the new Sherman tank is said to have a speed of 50 miles an hour. The tendency for tactics to remain the same in principle while weapons and instruments change is seen once more asserting itself, and General Montgomery finds himself in the line of the great English cavalry generals which began with Cromwell. Tanks perform the same function as the heavy cavalry and elephant corps of mediaeval and classical days, aircraft perform all the functions of scouts, light and heavy cavalry, and the camel corps of Indian warfare, mounted with swivel guns.

(c) Conclusion.

The enemy's withdrawal has ended the battle of El Alamein, but the battle of the Western Desert is not over yet. Despite his losses, Rommel's striking power still remains substantially great, and it is not unlikely that Axis reinforcements are ready on their way to North Africa to stem the retreat. In this connection it must be borne in mind that Allied advance westward means an inevitable lengthening of Allied lines of communications. Axis forces on the other hand are falling back on shorter lines of communication. This factor together with the fact that the bulk of the Axis forces have so far escaped destruction may result later on in reducing the rate of Allied advance.

For the present, the immediate threat to Egypt has been removed, and the victory of the Allied forces has clearly demonstrated the high qualities of military leadership, organization and morale of the Eighth Army.

2. RUSSIA.

The New German Strategy.

(a) Fighting at Stalingrad.

(i) The Plans Miscalculate.

Five weeks have passed since Hitler publicly pledged his word that Stalingrad would fall, but his forces, after paying the price of a quarter million killed in three months' fighting, still find the prize eluding their grasp. The desperate attack launched on November 3, is the fourth since October 15, and, though the situation at Stalingrad is still very tense, the Soviet forces have relieved the situation in the factory area by a daring night landing on the Volga bank above the city. From the start, the Stalingrad campaign has failed to move according to plan, and with every day that passes Hitler's need for winter quarters becomes more pressing.

(ii) Need for Winter quarters.

It is no wonder, therefore, that Berlin messages are beginning to stress the fact that the Battle of Stalingrad is now more important than the fate of Stalingrad. The switching of reserves to the Central Caucasus also shows that Hitler, finding it difficult to overcome the resistance at Stalingrad, is anxious now to seek success in other directions. Winter quarters denied at Stalingrad must be found in Transcaucasia. Tiflis, the capital of Georgia, would provide the ideal spot. Shut in by hills, it is sheltered in winter and its temperature rarely falls below the freezing point.

(b) The drive in the Central Caucasus.

(i) Nalchik.

It is with this background of Hitler's need for winter-quarters and also for a spring-board of attack in the coming summer, that the fighting in and evacuation of Nalchik assumes its true significance.

It is ten weeks since the Germans first forced the Terek River; the resumption of heavy warfare in that region now is the best index of their anxiety to control that area which dominates the mountain routes leading into Transcaucasia.

(ii) The German Pincers.

The first move obviously is to see that the entire railway net in the Nalchik sector is made safe against a Russian threat to their right flank in the Mozdok area. Towards this end, the Germans have launched a pincer movement on the Nalchik-Mozdok sector and have synchronized their big thrust south-east of Nalchik with an offensive in the Mozdok area.

(iii) The Georgian Highway.

Grozny is therefore threatened, but the immediate German objective seems to be Orzhonokidze, the big industrial centre commanding the Georgian military highway which leads across the mountains into Transcaucasia.

There are two roads crossing the Caucasus, the Ossetic military road over the Mamison Pass running to Kutais, and the Georgian military road over the Darial Pass, east of Mount Kasbek, by the gorge of the Terek. The former does not appear to be fit for heavy traffic, but the latter is in common use and kept in excellent repair.

(iv) Orzhonokidze.

On the fighting for Orzhonokidze, therefore, will depend an important issue. For, once installed in that area, the Germans will secure a headway to the Georgian military road or, alternatively, establish a further base for a drive to Grozny. The latest reports, however, seem to indicate that the Russians have brought up their heavy guns in that sector and that the Germans have not so far been able to make any appreciable progress.

(c) Conclusion.

Events of the closing month of this year recall those of the closing months of 1941. October 1941 was prophesied by Hitler as the month which would bring the "greatest victory in the world". Winter came, the plan miscarried and Brauchitsch was sacked. This year too, Hitler has prophesied -- that Stalingrad will fall. Winter has come, the plan has been changed and Halder has been sacked. Winter is worsening and there is not much time left for the offensive in the Caucasus.

3. FRANCE.

(a) Nazi Failure to Get French Workers.

(i) The Time-Limit Expires.

October 30th marked the expiry of the time-limit set by Goebbels' Sauckel (Hitler's Labour Commissioner) for Laval to produce 150,000 skilled French workers for German factories. The original date was October 15, but as that date came and went, the Nazis were obliged to give an extension for the very simple reason that the men were not there, or, at least, only 17,000 had been secured out of the 150,000 required. In the fifteen days' grace Laval could only produce another five or six thousand, and he is now believed to have been given another extension of 30 days to produce the required quota.

(ii) Laval's Efforts.

Laval on his part tried every means at his disposal to threaten and cajole the French workers into leaving for Germany. Tempting wages were offered and rosy pictures were painted of working conditions in Germany; but when all this cajolery failed, Laval resorted to fiercer measures. He introduced the Labour Conscription Law and threatened to use force if the workers designated for German factories failed to show up at the railway station at the appointed time.

(iii) The Lyon's Strike.

Wheat really sabotaged Laval's plan was the brave attitude of the workers of France, and of the city of Lyons in particular. The trouble started on October 13, at the Gnomerhone aeroplane works in Lyons. Of the 4,000 workers there 700 were selected to leave for Germany immediately. Only 15 of these agreed to go while the others flatly refused and threatened to begin a general strike on October 17. The news spread throughout the country and Laval was faced with a serious labour crisis.

(b) Its Significance.

(i) The Nazis climb down.

The significance of this episode was great. As is well known, the Germans look on the firing squad as the last solution of difficulties of this kind. But this time they rightly judged the temper of the French people and realised that they could not shoot an entire nation.

The extension of the time-limit was, in the circumstances, the only tactful thing they could do.

(ii) French workers understand the real issue.

But it is unlikely that Laval will be able to get the required quota even in the 30 days now given to him. For the recent action of the United Nations to safeguard the sovereignty of France in her Empire overseas has been well understood by French men and women who, as a whole, have refused to be distracted by Vichy's anti-British denunciations. Mr. Bevin's broadcast message to French workers, thanking them for their resistance to Laval's and Hitler's efforts to use them in German factories, has also been appreciated by the workers who are shrewd enough to understand the real Nazi game.

(c) A Challenge to Hitler.

The determined action of the French workers has put the Germans in an extremely difficult position. It is not only a question of their needing these skilled workers: it is also a question of making it clear to France and the other countries that they are still the masters of Occupied Europe. At this stage of the war, when things are not going too well in Egypt and Russia, they cannot afford to have the peoples of the Occupied countries entertain any doubts on that score. To keep up their prestige in France, they must extort concessions in other directions and also threaten to depose Laval, if he does not come up to scratch. They have already forced Vichy to hand over 35 ex-Allied merchant vessels in the Mediterranean totalling some 120,000 tons and are encouraging Doriot and Deat to renew their attacks on Laval's regime.

(d) Conclusion.

For the time being, however, the Nazis have definitely failed in getting French workers for Germany. It was a test which showed how deep and wide, even desperate, is the spirit of resistance in France today. France, it is true, says the Times, is still a land of broken allegiances, unhappy confusions, violent schisms in politics and society and of divided leadership. She has, however, resisted and rejected many things both evil and easy.

4. THE UNITED STATES.

THE CONGRESSIONAL ELECTIONS.

(a) Cold Comfort.

"Our enemies", said Mr. Herbert Hoover, the only living ex-President of the United States, "can get no comfort from this election. The platform of every single candidate, Republican, Democrat and Labour was for vigorous and efficient prosecution of the war. There has been a strong element of protest, but it is insistence upon more effective organisation for the war and that can be no comfort for the enemy." This statement is the more significant in that Mr. Hoover has for years been a strong opponent of Mr. Roosevelt and the New Deal. What then, do the elections mean?

(b) The American System.

It should be remembered that the American pattern of democracy is very different from that prevailing in Britain and familiar to the Indian public. The Executive is not responsible to the Legislature, but is elected independently by the people. It does not hold office only so long as it retains the confidence of the Legislature, but for a fixed term. Further, the Legislature cannot be dissolved by the Executive, but sits also for fixed terms, no more and no less. The Executive depends on the Legislature for the passing of laws and for the voting of supplies. The Executive, that is, can pursue its own policy but depends upon the Legislature for the instruments of policy; if the Legislature is hostile the Executive cannot be removed, but its policy is apt to be a do-nothing one. The proof of this was the famous conflict between President Wilson and Congress in 1918-1920. A President determined to participate in world affairs and so, as he hoped, to make the world safe for democracy, found himself opposed by a Congress anxious to return to isolation. The result was a deadlock which emasculated the League of Nations in its cradle and was the first step along the path which led eventually to the present war.

(c) 1918 and 1940 -- A Comparison.

(i) Democrat Majority.

It is natural to ask, does the present situation resemble that of 1918? The answer is that it does not, for a variety of reasons. Though the Republicans have made substantial gains, the Democrats still possess a small majority in the House of Representatives and a substantial one in the Senate. The Republicans, with 208 seats of the 428 declared results (seven are still to come), have done better than Dr. Gallup, on the basis of his polls, forecast. (He predicted a Republican strength of 195). But they cannot dominate the House even if they want to, and must depend for any success in this direction upon choosing issues which would unite themselves and divide the Democrats.

(ii) Waging War.

The issues have been stated by Mr Hoover. Externally the issue has been the more vigorous prosecution of the war; increased Republican strength reflects criticism of the vigour of the present administration's conduct of the war, not in any sense of the war itself. Such criticism could be safely expressed in votes, because every voter knew it would not affect the position of President Roosevelt. It is significant in this connection that those ex-isolationists who have been re-elected, have returned with much reduced majorities. All ex-isolationists have professed conversion and some, like Senator Nye, repentance.

(iii) Internal Issues.

The internal issue, so far as there has been one, was the New Deal, an issue too big to be obscured altogether even by a war. Here again, voters could express their feelings in the ballot without any fear of jeopardising President Roosevelt's position.

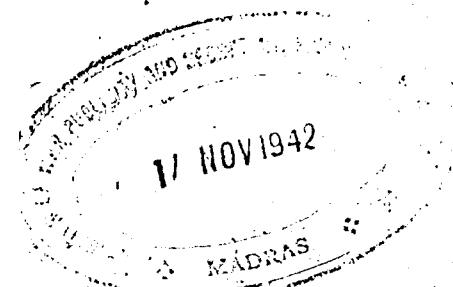
(iv) Wilson and Roosevelt.

All this is in sharp contrast to 1918. The elections of that year were on the eve of the Armistice. The foreign issue, therefore, was that of America's participation in the world settlement, not the American conduct of the war. The domestic issue was the President's personal handling of affairs, an issue which he had created for himself by refusing to allow the Republicans any share of responsibility for the war effort, and by declining to take the party leaders into his confidence. President Roosevelt has an ex-Republican Secretary of State (Mr. Stimson) and another ex-Republican (Col. Knox) in his Cabinet; he has only recently sent the Republican leader Mr. Willkie on a world tour as his personal representative, and his close relations with all the party leaders are well known.

(d) The Future.

(i) The Major Factor.

What then of the future? The Republicans may be expected to co-operate heartily in all war measures. The pressure which they will bring to bear on the Administration will aim at stimulating it to a greater war effort. In so far as they definitely attack the Administration it will be on New Deal issues only. The proof of this



was the Republican Party's recent acceptance of the President's anti-inflation farm prices legislation. This was done because it was felt to be vital in the interests of the war effort to prevent inflation, though the proposals in themselves were very distasteful to many Republicans. In internal matters it may be expected that the Republicans will do their best to improve their prospects for the next Presidential election in 1944. But the strength of American opinion is such that the best way to blast any prospects of success there would be to impede in any way now the war effort.

(ii) Foreign Affairs.

In foreign affairs the situation is also quite different from that of 1918, because Mr. Willkie has thrown the weight of his

P.T.C.

great influence into support for America's participation in post-war world affairs. There is good ground for believing that some of the increased Republican strength is due to increased confidence in Republican leadership, and this

means precisely the confidence engendered by Mr. Willkie's vigorous championship of the Allied cause and of the American mission in the world of the future. It should always be remembered that Mr. Willkie swept aside the other Republican candidates for the Presidency in 1940 just because he was then openly and vigorously in favour of all-out aid to Britain.

247TH-BI-WEEKLY GUIDANCE NOTES ON THE WAR SITUATION,
DATED NOVEMBER 10, 1942

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P O L I C Y

1. Stress that action in North Africa following Egyptian victory shows that Allied offensive talk is being followed up by offensive action. Emphasise co-ordination and weight of attacks as evidence of increasing Allied and specially American strength. The Allies are not only producing the goods; they are getting these to the front.
2. Do not assume immediate and complete Axis collapse in Libya. They presumably have reserves and may send reinforcements.
3. Stress defensive character of Hitler's speech in contrast to Stalin's confidence. Hitler is now thinking in terms of 1918 and capitulation.
4. Emphasise American resilience in S.W. Pacific as shown by New Guinea, air landing and Guadalcanar advances. But fresh Japanese attacks must be expected.

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1. The war in General -- the Turning Tide.

(a) The Turning Tide.

The transformation of the war situation has been carried a long step further by the latest Allied action in North Africa. How distant do Mr. Lyttelton's 80 days now seem, though they only ended on October 6. The transformation is so great that some who doubted even a month ago that the tide was turning at all may now be inclined to go to the other extreme of supposing that the tide is flowing strongly on the side of the Allies. At the time of Field-Marshal Smuts' speech, it was said that the tide was on the turn. In technical language this is known as the slack, when the tide is neither visibly rising nor ebbing. There is a tideless interlude. Now the tide has turned, a situation when the movement of the waters is visible to the eye. But it cannot yet be said to be running in full strength, a condition which is only reached after a considerable time. It would therefore be wise to restrain initial enthusiasm from seeing the beginning of the end and to make a sober appraisal of the situation. It would be wise not to speculate on the immediate collapse of German power in Libya, or on the possible results of the occupation of North Africa, but rather to calculate dispassionately just how far we have travelled and just how far we have to go.

(b) An Appraisal of the Situation.

(i) Egypt.

The greatness of Rommel's defeat is testified by Rommel himself. On October 5 he said to the Press in Berlin. "The gateway of Egypt is in our grasp -- our intention is to act." Rommel has acted, but not in the way he intended. Clearly he thought his forces strong enough to take the offensive, and certainly strong enough to defend themselves. They were numerically superior, being twelve divisions to ten. Rommel has been defeated by better armament, better men, better generalship, and above all, by better planning, which brought all necessary materials 12,000 miles by sea. Nevertheless, it should be remembered that the Germans may have reserves in Libya; they may also be able to rush reinforcements by air and sea. The battle of Egypt does not therefore mean that another battle of Libya is not yet to come.

(ii) North Africa.

The Anglo-American landings in North Africa are big with immense possibilities. The taking of Rommel in the rear, the control of the Mediterranean, a direct threat to Italy and the transformation of the French situation are some of these. But it is not yet possible to assess these with any degree of accuracy and it would be wise to wait upon the dramatic events now taking place for some time longer before passing judgment.

(iii) S.W. Pacific.

In the South West Pacific, the tide in New Guinea has clearly turned, thanks to Australian vigour and American enterprise. In the Solomons also, it is clear that the American are more than holding their own. But no more than in Europe should easy optimism prevail. The tide will not flow of itself, the Japanese are still strong, and a long hard struggle lies ahead.

(iii) The Rival Ideals.

M. Stalin was frank about his desire for a second front, but realist that he is, he realised that it was not possible earlier. He reached "complete understanding" with Mr. Churchill, he said. The extent of Allied understanding and the general war aims of both sides have never been more clearly stated than by Stalin, with which this note may close.

"The programme of the Italo-German coalition can be characterized as follows -- racial hatred, the supremacy of chosen nations, the subjugation of other nations by the seizure of their territories, the economic enslavement of conquered nations, depredation of their national wealth, the destruction of democratic liberty and the establishment of a Hitlerite regime everywhere.

"The programme of the Anglo-Soviet-American coalition is the abolition of racial exclusiveness, equality of nations and the inviolability of their territory, the liberation of enslaved nations and the restoration of their sovereign rights, the right of establishing whatever regime they like, economic assistance to the countries which have suffered and help to be given them in achieving material welfare, the restoration of democratic liberty and the destruction of the Hitlerite regime".

2. The WESTERN DESERT.

(a) The Break Through.

At two o'clock on the morning of November 2, the Eighth Army launched a fresh infantry assault on the northern sector of the battlefield.

The 'Times' correspondent with the advanced headquarters has described the scene there. During the first five hours of the attack wireless silence was maintained. Then the first news came through. It was a telephone call from one of the brigades and stated: "Open country ahead". The Officer taking the call gave the thumbs-up sign, and replacing the receiver said: "We've made it; they're through". "It was", adds the correspondent, "a thrilling moment".

At that stage the Eighth Army had not won a victory in the sense of crippling the enemy but had achieved its initial and essential purpose of punching a path right through the deep, defensive zone which Rommel and his German and Italian engineers had striven, with all their skill and resources, to make impregnable.

(i) Axis Strength.

As one looks back over the past 12 days' bitter fighting in Egypt and compares what has been achieved with the extremely laconic communiques from Cairo, an inescapable impression is forced on the observer. It is of an immense controlled force methodically and with cold determination carrying out a comprehensive plan stage by stage. The progress has been thorough, deliberate and undeviating from the central purpose.

(iv) Russia.

In Russia also it seems that Hitler is seeking excuses for not taking Stalingrad as he promised on October 3. A few strong points, he has said, do not warrant risking second Verdun, while he admits that he wanted to take Stalingrad, not because of its name, but because of its importance. In other words Stalingrad has been a Verdun; the flower of the German army has broken on it in vain.

(c) Significance of Events.

(i) Allied Strength a Fact.

What then do all these interrelated events mean? They demonstrate first that growing allied strength and the offensive spirit are facts not fictions. They mean that the Allies have not only the men and the materials, but that they are getting them to the vital points of the front.

(ii) Sea Power Decisive.

Secondly, they afford an impressive demonstration of the value of sea power. The Egyptian victory, the African landings, the South West Pacific operations, the capture of Madagascar and the supply of aid to Russia all depend on the control of the sea, and on a multitude of supply ships. Sea power, challenged successively by Axis submarines and the Japanese fleet, is firmly in Allied hands and carries with it the means of victory.

(d) Stalin and Hitler -- Significant Speeches.

(i) Confidence and Apprehension.

The significances of the change which has come over the war situation can be seen by studying the two latest speeches of war leaders on either side, those of M. Stalin on November 6 at Moscow and of Hitler on November 8 at Munich. Both were celebrating their respective revolutions, and how did they see the future? Stalin, the least of Allied orators and greatest of Allied realists, has never been so confident. Hitler has never been so hesitant. He spoke of 1918 and said it would not be repeated. He spoke of the Kaiser, and said that there would be no capitulation. In conclusion, he said that Germany's problem was now to be or not to be.

In this the language of a world conqueror on the verge of final success?

(ii) State or People?

Even more remarkable was their attitude to each other. M. Stalin quoted Hitler's statement to a Turkish general, "We shall destroy Russia and it will never rise again. The Russian object, said Stalin, is to destroy the Hitlerite state but not the German people, to destroy Hitlerite army and to destroy Hitler's New Order in Europe.

Not every attack in this 12 days' steady pounding gained all its objectives, but an impressive feature throughout has been that at each stage the objectives were strictly limited; then on each occasion, most, if not all of them, were attained; and, once taken, were consolidated and held. The Eighth Army has never "let up". The system of "leap-frog" seems to have been employed, by which the attacking force, having wrested a position from the enemy dug themselves in, while fresh troops prepared to press on through and around them to further objectives.

(ii) Nibbling Process.

Available information does not make it possible to attempt more than the barest outline of this pile-driving action against a fortress 40 miles long and perhaps 10 miles deep, and parts even of the outline must be tentative until more details are known. According to press correspondents, the initial assault at several places penetrated the first two of the enemy's defended minefield belts. Then followed a steady nibbling process against specific strongpoints which was evidently designed to gain elbow room. It seems probable that the hard outer crust of the German defence was eaten through at certain points in the northern sector, for it was reported on Tuesday, October 27, that Rommel launched a counter-attack with tanks, and that the tank battle which followed was on a bigger scale than any which had taken place since the present offensive began. The enemy was driven off with considerable losses, while our own were light.

All the gains were held. Large tank formations need room for manoeuvre and this engagement seems to point to the likelihood that the spearhead of the offensive had got through to a less densely protected country.

(iii) Sappers and Artillery.

Formidable defence works were still ahead, however, and after a short pause the corrosive process was resumed. In addition to the splendid work of the United Kingdom and Dominion infantry the calculating courage of the sappers dealing with the mines -- often under direct fire -- and the efficiency with which the gunners kept up their batteries in close support of the advancing troops played an invaluable part. Again and again, prompt and accurate artillery fire broke up important enemy concentrations.

(iv) The Australians.

It is now known that on the night of Friday, October 30, Australians on the extreme right of the British line looped round, and partially cut off a large body of enemy troops comprising the German 125 regiment and portions of a crack Italian regiment in the area between the railway and the coast. The western end of this pocket was not completely sealed, and Rommel tried to retrieve the situation by passing a number of tanks to support the beleaguered infantry. Fierce attacks were delivered against the corridor both from the pocket on the east and by other Axis forces from the west. They failed.

With distortion of this action on the part of the German Radio (particularly for domestic consumption) was an indication of its tactical importance.

(b) The Final Break.

(i) The Tank Battle.

Suddenly without warning in the early hours of November 2, the Eighth Army hurled itself in a full-scale attack on the Axis positions, some miles south and west of Tel El-Isa.

According to an Australian correspondent, the enemy had been concentrating his attention on the Australian sector and was caught off his balance when the attack came from further south. British and Dominion infantry under the protection of a hurricane barrage stormed their way forward into Rommel's defences. Behind them came sappers working like maniacs to clear the mines for the tanks before the enemy could recover from the shock of surprise.

"British tanks", writes this correspondent, "were right behind, including many American heavies. They smashed forward in the moon light like a steel battering-ram, a bare few yards behind the toiling sappers. Then they came out into the open country. It was the reward for all of General Montgomery's patient work."

(ii) End of a Phase.

It was the end of one phase and the beginning of another. After British armour had streamed over, established a bridgehead, and begun to deploy in the open country beyond, Rommel withdrew his troops from all forward positions along the El-Alamein zone. The battle became fluid. For two days or so, a tremendous tank battle raged somewhere to the west of the bridgehead. We waited. Then at 10 p.m. on November 4, Cairo issued a special communique. After 12 days and nights of "Ceaseless attacks" by our land and air forces, the Axis army was "in full retreat".

(c) Rommel's Retreat.

New Factors

Rommel is on the run. He has been on the run before. On the last occasion he went back right beyond Benghazi, caught us when we had run out of our supply organisation, and then swept forward again into Egypt. Rommel is too skilful a tactician not to have laid alternative plans in case he failed to hold us on the El-Alamein line. It seems almost certain that he hopes to fall back to prepared positions.

In what ways do circumstances of Rommel's present retreat differ from his previous withdrawal? There appear to be three new factors. In the first place, it is not conceivable that in the drastic remodelling and re-equipping of the Eighth Army for the offensive full account has not been taken of the necessity of creating a special organisation to cope with the difficult problem of maintaining supplies (particularly, water and petrol) along the rapidly elongating supply routes. Secondly, Rommel's tank losses during the past few days have been described as "catastrophic". That is vital. Thirdly, Allied air predominance enables our supply system to function almost unmolested while Axis transport of every kind, as it moves westward, is being converted into scrap iron. If Rommel can be immobilised a situation could arise unlike any previous withdrawal in the Western Desert. In short, a great victory has been won, and we can well afford to wait in patience for the next few days before attempting to assess its magnitude.

3. SOUTH-WEST PACIFIC OPERATIONS.

(a) New Guinea.

(i) Kokoda Reoccupied.

Kokoda was reoccupied by Australian troops on November 2. Since July 28 this strategic centre in the heart of New Guinea had been in Japanese hands. In 44 days the invaders had infiltrated southward across the Owen Stanley Range to within 40 miles of Port Moresby, the principal Allied base north of Australia. The limit of their advance was Ioribaiwa. In the last week of September General Sir Thomas Blamey's men began the counter-offensive which took them to Kokoda in 35 days (cf. the Japanese time of 44 days) and they are now disputing Japanese possession of Oivi, on the road to Buna.

(ii) Present Position.

The occupation Kokoda removes the threat to Port Moresby, provides the Allies with a new airfield and represents a great stride towards the planned expulsion of Japanese forces from the Buna-Gona sector -- the only part of Papua on which the Japanese can now claim to have a reasonably secure hold.

In the meantime, American infantry have been flown to Papua from Australia and these fresh troops are ready to carry out operations on the flank of the Australian forces advancing on Buna.

(iii) The Future.

Much hard fighting lies ahead. Two news items indicate that the enemy is gravely concerned about the reverse he has suffered and is making strenuous efforts to recoup. First, he is reinforcing his air units in New Guinea with "O" fighters. Second, on the day Kokoda fell, he made a major attempt to land large-scale reinforcements at Buna. This move was successfully frustrated by smashing Allied air attacks. In order to keep a watch on further attempts of this nature, Allied forces have occupied Goodenough Island, a little over 100 miles to the east of Buna.

(b) Solomon Islands.

It is now nearly two weeks since the main body of the Japanese Fleet withdrew from the Solomons area after the indecisive first round of an all-out counter-offensive. It is believed in official circles in Washington that this withdrawal was necessitated by the heavy Japanese aircraft losses. No less than 369 enemy aircraft were shot down in the S.W. Pacific area as a whole during the month of October.

The key Henderson airfield on Guadalcanar is still in American hands, although Japanese land forces are occupying positions six miles to the east of the field. If the terrain the enemy holds were suitable for landing grounds, the Allied air operations would be seriously hampered; but it appears that the enemy has to rely on carrier-borne aircraft and long-range bombers based at Buin, close on 400 miles to the north.

(c) Air Power the Key.

In both New Guinea and the Solomons, air power is the key to success. Kokoda airfield in New Guinea and Henderson airfield in Guadalcanar are trump cards now in Allied hands. For this reason alone it may be expected that the enemy will make strenuous efforts to regain, or at least to neutralise, them.

4. VICHY NORTH AFRICA.

The American Landing.

The landing of the American Expeditionary Force in Vichy North Africa -- it has been made very clear -- is the first step towards the liberation of France, and is intended to destroy German and Italian forces in North Africa. The day when that threat is removed the forces will leave and the sovereignty of France on French territories will remain unaffected.

(a) Vichy and the Axis.

(i) A period of defiance.

After the collapse of France in 1940, there was a widespread feeling throughout the world that, while the Vichy government would faithfully adhere to the Armistice terms, it would resist Axis attempts at infiltration in the French Empire. This attitude did not last very long and the Nazis began to use all methods of sapping the internal strength of the Empire. The Armistice Commissions, which descended upon North Africa in large numbers, soon started on undermining the morale and on creating unrest amongst the local population. These tactics soon bore fruit, and Count de Brinon, Vichy's representative in Paris, made the following statement to American press representatives on March 27, 1941:-- "If we believe that England has already lost the war and if, as we should do, we consider the interest of our country, we should come to an agreement about collaboration in Africa".

(ii) Vichy Begins to Succumb.

This remarkable statement represented a considerable advance upon the earlier attitude of defiance to the Germans in North Africa, and since then, Vichy has proved powerless against the insidious Axis penetration into the Empire. This surrender has been due to the treachery and intrigues of men like Darlan and Laval, and to a mixture of threats and cajolery by the Nazis who, once installed in North Africa by means of Armistice Commissions, have told Vichy to keep quiet lest worse befall her.

(b) Axis Economic Infiltration.

(i) Agricultural.

Axis infiltration in North Africa, as usual, began first in the economic sphere. To the agricultural and raw produce of the Colonies the Nazis promised a market in Germany and occupied Europe, and considering that they paid in paper marks and French currency manufactured to order, it is not surprising that the turn-over was considerable. Axis Armistice Commissions sent liberally in North Africa and Africa to preserve the myth of Axis solvency on the continent. The extent of Nazi deprecation was brought to light in a very startling manner last December when, Gen. Jacques, who was in charge of both military and civil food supplies in Tunisia, resigned as a protest against the sending of food stocks from Tunisia across the frontier into Libya.

(ii) Industrial.

The stranglehold on French African industry was also obtained by similar means. The French-Moroccan industrialists played their treacherous part to perfection. The Guimard group controlled the mines, power, motor-transport, and the production of petroleum and phosphates, and was run by a group of people called the Laval men in North Africa. They were quite willing to play the Axis game, for the Axis alone could keep them from bankruptcy by assuring them a market for their goods.

Thus was national honour sold at the German counter, and the Empire's resources given away to strengthen the hold of the tyrant.

(c) Military Infiltration.

(i) Armistice Commissions.

The military infiltration in North Africa was also carried out with characteristic Axis thoroughness and deceit. Axis Armistice Commissions were established at Bizerta, Algiers, Oran, Kenitra and Casablanca with the purpose of acquiring a military hold in North Africa, and the presence of German troops in French Morocco was revealed by Mr. R. A. Butler in the House of Commons on March 5, 1941. Already on February 6, about 200 officers and M.C.O.'s had arrived at Casablanca in a fleet of Dornier troop-carriers escorted by Messerschmidt fighters. Since then German military infiltration in North Africa has continued without a break.

(ii) Strategic Positions Fortified.

German technical experts soon began fortifying Casablanca, Mers-el-Kebir and other French naval bases in Africa, and making new aerodromes in Morocco. There were three or four hundred planes at Casablanca at the time of the Armistice which undoubtedly fell into the hands of the Germans.

(d) Darlan's Treachery.

(i) The Military R-shuffle.

Darlan's regime at Vichy saw yet a further influx of Axis military strength in North Africa. He began, in the first instance, by a sweeping change in the military commands in August 1941. Though Weygand retained his post as the Delegate-General for French North Africa, Gen. Huntziger was given the command of the armed forces. Admiral Auphan was put in command of the French Navy which was organised on "Fascist lines". A few days before Huntziger met his death in an air-crash in November, a son of Baron von Neurath was reported to have arrived in Tunis at the head of a German mission to inspect highways and military works in strategic districts such as Oran and Bizerta.

(ii) Weygand's Dismissal.

Gen. Weygand's dismissal on November 13, 1941 was another victory for the Nazis secured by Darlan, for the General's known probity and the sense of his nation's dignity had stood against the Nazi schemes. The big reshuffle of civil and military posts which followed next day was also engineered by the Axis to get the men they trusted into positions of power in North Africa.

(iii) Pro-Axis Men Given Power.

Gen. Juin, for instance, who replaced Weygand and is now the C-in-C in North Africa, was released only three months before by the Nazis from a Nazi prison-camp; Gen. de Tassigny who became commander in Tunisia, was a man whose name was often connected with the pre-war Troix de Feu (French Fascists) and the Scoullards (monarchist-terrorists). Admiral Auphan was a favourite of Darlan and a brother of the Editor of the anti-British newspaper, Action Francaise. It was this military clique which allowed a big staff of German engineers under Maj. Webber and the building expert, Garenhoff, last April, to build fortifications on the north and west coasts of Africa. All British subjects on the French Moroccan coast had already been interned a month before.

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248TH BI-WEEKLY GUIDANCE NOTES ON THE WAR SITUATION
DATED 14TH NOVEMBER, 1942.

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It is recommended that these notes be filed for record, as reference to previous notes saves time, paper and repetition.

POLICY

1. Events in North-West Africa and speculations on European developments should not be allowed to overshadow key achievement of 8th Army and continued success of Russian defence. Russia is still the main fighting front.

2. Explain grand design of United Nations offensive as revealed by Churchill and others and discourage further use of the phrase "Second Front". Without representing present operations as satisfactory relief of Russia, stress Stalin's acknowledgment of complete understanding with Allies and concurrence in strategical plans and large British supplies to Russia, sent when our own need was desperate.

(e) Laval's Connivance.

Laval, like Darlan before him, has no scruples either. His collaboration with the Nazis in industry has already been noted. To placate the Germans for his failure to send the required number of French workers to Germany he has given them important concession in other directions. Darlan's recent tour of North Africa was carried out at his instigation, and his handing over 35 ex-Allied merchant vessels of 120,000 tons to Hitler was intended to strengthen the Axis supply fleet for Libya.

(f) Conclusion.

It is obvious, therefore, that French North Africa as a separate identity, immune from German pressure and influence.

P.T.O.

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has not existed for a very long time. Darlan's treachery, Laval's ambition together with the old Marshal's ingenuousness have played directly into German hands to the detriment of French dignity and national honour and to the jeopardy of British and American interests in this war. It is to remove this Axis threat to the United Nations and to France herself, that American forces have had to take action in French North Africa to-day.

"350 - 10.11.42."

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3. Continue to show that Germany has lost the initiative. Axis move into France could have been made at any time by breaking armistice, and at this stage is both defensive and expensive.
4. Play up confidence in Allied sea-power, which is defending India as well as enabling Mediterranean enterprise.

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1. GENERAL APPRECIATION.

(a) Lessons of the Week.

After a week packed with prodigious happenings, a week in which the headlines have been hard put to it to keep pace with history, the natural tendency is to ask "what will happen next?". The Prime Minister himself, however, apart from a forecast of "far greater facilities for bombing Italy", has resisted the temptation to prophesy to which the Axis leaders so easily fall a prey. "I should merely be presuming", he said in the House on November 11, "if I attempted to give a digested opinion upon the situation which will develop in North Africa, in France or in Italy".

Speculation on the immediate future no doubt finds an easy audience, as the capture of Stalingrad and Alexandria last July by Axis radio commentators would imply. Of more value in assisting intelligent public opinion is the attempt to understand the lessons of the immediate past.

(i) The Time Factor.

The first and most obvious lesson is that successful offensives, particularly against an enemy continentally entrenched and enjoying interior lines of supply, are not planned and carried out in a week or a month. The news has at last woven into a coherent pattern many things which popular surmise had frequently misunderstood and enemy propaganda had consistently distorted -- meetings of Allied leaders, changes in command, statements of policy and even actual operations. It now appears that the broad lines of United Nations strategy were hammered out shortly after Pearl Harbour, and final steps to implement it were being taken last July and August, at a time when to many faint hearts the position and prospects of Britain and her Allies seemed highly unfavourable. It will also be remembered that this period (July-August) was that in which Japanese propaganda was most vociferous in its attempts to provoke internal disturbance in India, and that its appeals were based on assurances that Britain's doom was sealed.

Madagascar has shown, on what now seems a small scale, and North Africa has hammered home, the lesson that in times of difficulty the best news is often that which we do not hear -- until later. There will certainly be lulls ahead of us, and there may be reverses. That lesson should never be forgotten.

(ii) Sea-Power the Key.

Allied sea-power, assisted as it must be by air-power, gave Alexander and Montgomery the men and weapons they needed to destroy an enemy superior in number and with far shorter supply routes. Sea-power took the largest convoy in history to North-West Africa. It is sea-power again, hard hit but not broken at Pearl Harbour and Singapore, which is protecting India and enabling the Allies to carry out their successful offensive in New Guinea.

The Germans and the Japanese are perfectly aware of this and have made very great efforts to break Allied sea-power but in vain. And behind this sea-power is immense and growing productive power, which without it would be stultified.

(iii) The Moral Atmosphere.

The American landings in Morocco and Algeria were preceded by patient diplomacy and by secret "soundings" of feelings in the French colonies. The operations were also carried out with exemplary efficiency, with tact where tact would be effective and with sharp and decisive action where this became unfortunately necessary. Nevertheless, it is difficult to conceive that the whole of this vast and vital territory, honey-combed as it had been by Axis agents working under cover of the now openly violated Franco-German armistice, would have accepted Allied control within 72 hours if (a) the justice and (b) the eventual success of the Allied cause were not more widely and firmly believed in now than they were, let us say, a year ago.

To the belief in the justice of the Allied cause the enemy has certainly made notable contributions. In particular the steadily growing weight of German tyranny over France and the barbarities committed there upon civilians have helped to defeat Hitler's hopes of using French Africa for his own purposes. The mounting belief in Allied victory has been built up by many factors, and in the minds of French soldiers and administrators in Africa the issue must have been clinched by the magnificent achievement of the Eighth Army. In the timing of the strategic plans of the United Nations this was doubtless taken into account.

(iv) Fall of Tobruk

Illustrated papers which have just reached India from the U.K. show in pictures and diagrams how Rommel's tanks broke through the South-west perimeter of Tobruk after heavy damage had been inflicted on the Eighth Army's armour. The papers also record the grim but undaunted reception of the news by the British people.

That was last June, when Mr. Churchill was in America and was reported to be in high spirits, despite the news. The Prime Minister was well aware that plans were afoot to retake Tobruk and more before the year was out. President Roosevelt told the press on November 11 that "by the end of June there was general agreement on an African offensive". On June 20 President Roosevelt decided to send the first batch of the new Sherman tanks to the Egyptian front.

"Historians may explain Tobruk", said Mr. Churchill on November 11, "but the Eighth Army has done better. It has avenged it". Historians will no doubt record the fact that the defence of Tobruk during the eight months siege saved Egypt in 1941, just as in 1942 Sherman tanks and Anglo-American air power have helped to save it. The presence of an indomitable Australian garrison in the fortress 80 miles behind the enemy's lines prevented Rommel from pushing on to Cairo and gave Auchinleck time to organise his offensive last November.

(b) "The Second Front": Death of a Phrase.

(i) The Position Cleared.

It has been made perfectly clear that the Mediterranean developments are the prelude to an eventual continental offensive by the United Nations. Hitler himself declared, as an excuse for tearing up his armistice with France, that he had known "for 24 hours" of some such intention -- not a remarkable example, by the way, of the intuitive Fuehrer's prescience.

Secondly, Mr. Churchill has acknowledged that the relegation of the continental phase, on purely military grounds, to a second place in the time-schedule of the United Nations was a disappointment to Russia.

Thirdly M. Stalin has declared that in his conversation with Mr. Churchill, who conveyed to him in person an explanation of the position and the plan, "complete understanding was reached".

The term "second front" has already been used in several quarters in reference to the present events. Popular phrases die hard, but it may be hoped that, taken together, the three facts above set out may contribute to the gradual decline of a now largely meaningless usage. The whole pattern is now clear, and few things in the Prime Minister's report to the Commons were more reassuring than his statement that he had "instructed the chiefs of Staff that in the endeavour to solve their problems they should disregard public clamour".

(ii) What has been Effected..

Mr. Churchill did, however, make some strong points on the subject of the enemy diversions which our operations, dispositions and diplomacy have been able to effect as temporary relief to the Russians. He did well to remind us, in particular, of the ten German divisions in Norway and the concentration of the main German fleet in northern waters, and of the considerable enemy fighter strength vainly sent to Rommel.

(c) Conclusion

There seem definite grounds for believing that Hitler was hoodwinked, at least to some extent, by "Second Front" publicity and by commando raids. The Prime Minister himself spoke of "deceiving the enemy", adding his intention and record of never misleading an ally.

At all events, Hitler has taken a step, after the seizing of the initiative by the allies, which he could have taken at any time previously, if he had correctly anticipated events, by simply tearing up another pledge (a pledge given and taken, said Petain at the time of the Armistice, "honourably, as between soldiers").

In occupying, with Italian assistance, southern France and Corsica, Hitler has given himself another 100,000 square miles to police, defend, fortify and -- within the limits considered fit for conquered people -- feed and supply. There is no doubt that he still has very great forces at his disposal for this or other purposes. But there is equally no doubt that it is a commitment which he shrank from taking in the precautionary stage of affairs. In the military sense we have forced his hand.

"The end of the beginning" is Mr. Churchill's sober summing up. We may rejoice, he cautions us, provided that we do not relax..

2. NORTH-WEST AFRICA: THE NAVAL ASPECT.

(a) Brilliant Long-Term Planning.

(i) Secrecy.

Perhaps the most remarkable feature of the Allied achievement in French North Africa is the way in which plans were developed in strict secrecy over a period of many months. For more than two months the approximate date of the landings had been known in London, Washington, Moscow and Cairo; yet the enemy -- with all his elaborate systems of espionage -- had not the slightest inkling of what was afoot. Certain Frenchmen in North Africa itself were well acquainted with Allied plans; but still no word leaked out to Berlin.

(ii) Preparation.

We now know why Admiral Sir Andrew Cunningham was posted from Alexandria to Washington last May, six months before he became supreme commander of the naval forces engaged in North African operations. This is just one example of how the Allied High Command plans well ahead of the immediate future. The purpose of Admiral Cunningham's appointment as Chief of the British Admiralty Delegation in Washington was to enable him to coordinate his plans with those of the U.S. Navy Department. He was selected for two very good reasons: his intimate knowledge of Mediterranean waters and his proved ability to cooperate with land and air forces. Taranto and Matapan were examples of his brilliant use of air power as a catalyst to the action of sea power and on August 16, 1941, he wrote: "In future my strongest recollection of the past year will be the lesson of cooperation. The three Services have come to know one another as never before and that knowledge breeds strength."

The concentration of no less than 350 warships simultaneously in one small sector of the front which extends over all seven seas was itself a miracle of organisation. It was done without any undue interruption in the routine duties of the British and American navies (and no two navies have ever been burdened with such heavy responsibilities).

(b) Successful Operations.

(i) The Great Armada.

Those 350 warships escorted more than 500 transports over distances ranging from 1,500 to 3,500 miles. These ships were at sea for periods of from seven to 15 days and nights; yet only one vessel was sunk by enemy action. Where were the U-boats? Perhaps they were looking for a stray ship or two in their new hunting-ground off Cape Town. Perhaps they were waiting to intercept an Allied assault on Dakar, which the Berlin Radio had told us was "imminent", but which did not materialise. Perhaps they were frightened off by the immensity of the offensive power which protected the convoys. In any case, even the Berlin Radio would need a longer period than 15 days in which to dispose of 500 merchantmen. It took Dr. Goebbels no less than 123 days (ended October 31) to "sink" 527 Allied merchant vessels -- and this was the joint effort (suitably exaggerated) of the entire German Navy and that part of the Luftwaffe which is engaged in seaward patrols.

(ii) First Blows.

Just as sea power was an essential prerequisite, so sea power was responsible for the first blows which ensured the ultimate success of the whole operation. As was to be expected, the main resistance was encountered at the great naval bases and landings were made possible only by bombardment with naval guns and offensive sweeps by carrier-borne fighters. Naval dive-bombers played their part and, although full reports of the naval action off Casablanca are not yet to hand, it is known that the Vichy battleship Jean Bart was transformed into a blazing hulk.

(c) The Effect on the Future.

(i) Opening the Mediterranean.

The immediate results of the North African operations will be essentially naval. Apart from gaining a vantage ground from which to open a new front against the Axis, the Allied purpose is to open the Mediterranean to Allied sea and air power. Nowadays there is no sea power without air power and in enclosed seas like the Mediterranean carrier-borne air power must be supplemented by land-based air power.

This is exemplified by the series of naval operations undertaken in recent months in order to reinforce and supply Malta's garrison. The escorting forces required were out of all proportion to the quantity of supplies delivered. And while no one would suggest that Malta did not deserve the help afforded, the operations involved were nonetheless wasteful from the point of view of naval strategy. The convoys had to rely for air cover on aircraft-carriers and the limited assistance possible by Malta-based planes. Additional land bases to counter the enemy air bases in Sardinia and Sicily were unfortunately lacking.

(ii) New Bases.

The Allies have now acquired air bases all along the North African coast from Oran to Bone, which is within 400 miles of Malta. Further bases may later be acquired in Tunisia, but, even without them, convoys to Malta are now assured of adequate land-based air cover throughout the thousand-mile voyage from Gibraltar. Possession of the naval bases at Oran and Algiers promises, among other things, intensified naval patrol activity in Axis home waters. The distance from Gibraltar to Naples, for example, is 375 miles, whereas the distance from Algiers to Naples is only 530 miles. Patrols based on Algiers would therefore be able to cruise in the neighbourhood of Naples, a distance of 800 miles greater than would be possible from Gibraltar. If further air bases were acquired in Tripolitania, Allied convoys would be protected by fighters on the whole 2,000-mile voyage from Gibraltar to Alexandria and it should become possible to send all supplies to the Middle East through the Mediterranean.

(iii) Saving Shipping Space.

The distance from U.K. ports to Alexandria is less than 4,000 miles -- barely one-third of the distance round the Cape to Suez. If the shorter route can once more be made available to Middle East supply convoys, it will mean a direct saving of about two million tons of shipping space -- equivalent to 16 months' output from U.K. shipyards. If convoys bound for Basra with aid-to-Russia cargoes can be diverted to ports in Palestine and Syria, yet more shipping space will be saved. The Axis Powers are well aware of this and their attempt to establish a bridgehead in Tunisia is designed to close the Sicilian Channel and thwart Allied plans. Its success, however, would depend on Axis ability to divert strong forces from other fronts.

3. THE WESTERN DESERT

(a) The Battle of Egypt.

(i) Axis Casualties.

Axis casualties in the battle of Egypt have been described by Mr. Churchill as "mortal". General Alexander estimates that no less than 59,000 Germans and Italians have been either killed, captured or wounded. And more prisoners are being taken as the Eighth Army advances westward. Rommel has not only been driven back into Cyrenaica but his army, said Mr. Churchill, "has been very largely destroyed as a fighting force."

(ii) Allied Casualties.

Allied casualties do not total more than 13,600; of these 58 per cent have been suffered by troops from the United Kingdom. The remaining 42 per cent are divided between the Dominions, India, the Fighting-French, Greeks, Czechoslovaks and other Allied nations. These figures inevitably point to the conclusion that the battle of Egypt was very largely fought by men from the United Kingdom supported closely by the various other elements of the Eighth Army.

The comparatively small number of Allied casualties in a battle which began with a direct frontal assault on seemingly impregnable positions, is a remarkable tribute to the brilliant planning of the campaign in which, instead of squandering human material (as the Germans do), the Allied desert Command utilised to the fullest advantage its accumulated mechanised resources on land and in the air.

(iii) Enemy Propaganda.

One of the favourite topics of enemy propaganda is to suggest that Britain invariably makes Indian troops do the fighting for her while British soldiers in a battle remain behind the front line. Figures of British and Indian casualties in the Western Desert have disproved this suggestion in the past. During the period November 1941-July 1942, British official casualty figures were as follows:

United Kingdom troops	-----	50 per cent
South African troops	-----	25 per cent
Indian troops	-----	20 per cent
Remainder	-----	5 per cent

In the present battle the percentage of United Kingdom casualties is 9 per cent above the previous figures, and (in the absence of official figures) it seems safe to assume that the percentage of Indian casualties will be smaller than before.

As an ironic and disgraceful pendant to Axis propaganda comes the German abandonment of their Italian allies in the desert.

(b) Allied Object.

Allied blood spilt on the sands of Egypt has not been in vain. The enemy, who until two weeks ago threatened Egypt and the Middle East, has now been driven back into Cyrenaica and is being relentlessly pursued. The first object -- that of freeing Egypt from the enemy -- has been accomplished. The ultimate object of the Allies, said Mr. Churchill, is "to destroy the armed forces of the enemy" in a manner that will prevent his future recovery in North Africa. The Eighth Army's brilliant victory in Egypt is a massive contribution towards the final fruition of that Allied aim.

CONFIDENTIAL

249TH BI-WEEKLY GUIDANCE NOTES ON THE WAR SITUATION, NATIONAL WAR
DATED NOVEMBER 17, 1942.

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P O L I C Y

1. Continue to show Allied successes in North Africa as fruit of patient planning and dogged defence, and prepare for periods of less spectacular news.
2. Show that Hitler must now strengthen defences not only in Vichy France but in the whole of southern occupied Europe. At the same time Allied attack from north-west is still on the programme. Stalin has shown that Russia realises what this means to her.
3. For the time being discourage speculation on conduct of individual French leaders.
4. Stress that Mediterranean control is a key not only to offensive action in Europe but to defence of India and her vital supply routes.

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1. NORTH AFRICA.

(a) Montgomery's Triumph Surveyed.

(i) Defence and Attack.

The swift, usually treacherous, and always overwhelmingly powerful blows with which Hitler put the finish to the "Magenot phase" of the war and then thrust his armies deep into the European continent not only gave the word "blitz" to most languages, but also induced a widespread feeling, strengthened later by the Japanese onslaught, that under modern conditions of warfare all the advantages lay with attack as against defence. That successful defence is always less spectacular than successful attack has been at least one reason for impatient criticism of Allied strategy.

Yet it is apparent that the Germans themselves have had to learn the lessons of defence. To belittle the success of the German "hedgehog" in holding out against the Russian counter-offensive last winter is to underrate that offensive itself and the results which it was in fact able to achieve. It is evident that Hitler thinks that the defence of the greater part of the European continent is at least feasible, and it has long been apparent that the first and essential task of the United Nations was to re-establish the superiority of the offensive by devising new methods with improved weapons and combinations of weapons.

(ii) The Knock-Out Blow.

Within the past three weeks General Montgomery in the Western Desert has provided a practical demonstration of how this can be done. That is why the strategical implications of his victory as regards the future conduct of war are even greater than its immediate rewards. When the new German defence system has been made as obsolete as the old Magenot Line, final victory will be round the corner.

If, as soon as he realised the terrific hitting power behind General Montgomery's assault, Rommel had promptly withdrawn the bulk of his army at high speed right back to -- say -- Tobruk, he could in all probability have postponed a decision and given us a deal of trouble. As it was, confidence in the fact that his southern flank could not be turned -- and possibly obedience to orders from Berlin -- induced him to commit almost the whole of his forces to the defence of his forward positions.

The task confronting General Montgomery was as formidable as the opportunity was great. The task was nothing less than to hammer a path right through the massed forces of the Afrika Korps holding positions which had been fortified for months past with every device known to modern war. The opportunity consisted in the fact that a break-through, once effected, would be a catastrophe for the defenders. On his side Rommel evidently relied on the power of his counter-attacks by panzer formations to break off the spearhead of each British thrust and so wear down his opponents. He was wrong. The Axis army was dissolved in a gigantic swirling tank battle, and its line of retreat along the coast converted into a road of destruction.

(iii) Significant Attempts.

The fact that remnants of the Afrika Korps tried to make a stand near Fuka (on the coast), against Bersaglieri, and that El Adem saw a brief rearguard resistance, is highly significant. In previous retreats Rommel has gone back so far and so fast that his opponents have lost touch and he was able to regroup, re-supply and be ready to meet them again. The attempts at Bersaglieri and Fuka must have been a desperate expedient by a force that was crippled from lack of transport and in peril of immediate annihilation.

(iv) Italians Deserted: A Parallel.

Five Italian infantry divisions (and Italian assistance to Rommel has been a good deal less creditable than is popularly supposed) tried to move back from the central and southern sectors and were abandoned by the Germans without transport or supplies. Thousands of these wretched men are lost in the desert. The R.A.F. and ground parties are being sent to bring them in as prisoners and save them from a miserable death by starvation and thirst.

Exactly in the same way the Germans abandoned the Turks when Allenby broke through in the plain of Jezreel in the last war. The Moslem world remembers the previous perfidy and compares it with to-day.

(v) What Remains.

"Historians may explain Tobruk", said Mr. Churchill slightly prophetically on November 11th, "but the Eighth Army has done better. It has avenged it". It is perhaps worth recalling, as Montgomery pursues his beaten foe deep into Cyrenaica, that when the grim news of Rommel's capture of Tobruk reached England the Prime Minister, who was then in Washington, was nevertheless reported to be "in good spirits".

The task of following up and eliminating what is left of the enemy across the great distances of the Libyan desert is, however, no light one.

The method of recruitment of these "volunteers" was typical of Nazi crookedness. The Arabs were ostensibly offered lucrative employment in France, whence they were packed off to the Soviet front to repair the enormous German losses.

2. SPAIN AND PORTUGAL

(a) Allied Guarantees.

(i) Words.

In connection with the American landings in French North Africa the British Ambassadors in Spain and Portugal categorically informed the two governments that Britain has no territorial designs in the Iberian peninsula or in the Portuguese Empire overseas. Mr. Churchill made the point clear still further on November 10, when he said that strict respect would be paid to the rights and interests of Spain and Portugal both by America and Great Britain. "To these countries", said the Prime Minister "our only policy is that they shall be independent and free, prosperous and at peace. Britain and the United States will do all that we can to enrich the economic life of the Iberian peninsula; the Spaniards especially, after all their troubles, require, and deserve peace and recuperation".

(ii) Proof.

Perhaps the strongest proof of the integrity of Allied intentions, and of the honesty of their declarations to Spain and Portugal, is that they have avoided violations of Iberian territory which would have been of clear advantage to them in the enterprise in North-west Africa. The Spanish Gold Coast flanks French Morocco on the south. On the north Spanish Morocco faces Gibraltar. Still more obviously the Atlantic islands under the Spanish and Portuguese flags -- The Azores, Madeira, the Canaries, and the Cape Verde Islands which lie athwart the "Straits of Dakar" -- are ideally situated for the assistance of maritime powers undertaking a continental operation.

From Germany, imagined in such a situation, Spain and Portugal would no doubt have received diplomatic assurances. But there is not the slightest doubt what Axis action would have been.

(b) Spain and National Reconstruction.

(i) Legacy of the Civil War.

The Civil War in Spain left behind a terrible legacy: of damage that has not yet been repaired and of a debt that has yet to be repaid. The food shortage is serious, and Italy and Germany have not failed to exact their pound of flesh for the aid they rendered in the Civil War. Spanish indebtedness to the Italian Government is 5,000,000,000 lire and to the Italian banks another 300,000,000 lire. The result is that much Spanish agricultural produce, olive oil, almonds and fruit, is sent to Italy in part payment of this colossal war-debt.

Three factors will materially assist us in the process. In the first place, Allied air forces are completely masters of the sky and can keep pace with any retreat, however headlong, by operating from forward airfields as they are abandoned by the enemy. Secondly, our supply problems can be greatly eased by using sea routes and reoccupied ports. Thirdly, Rommel must be running short of petrol owing to the terrific destruction of lorries and dumps by Allied aircraft, and to the fact that no Axis tankers have been able to reach a North African port for the past month.

The Tunisian situation remains somewhat obscure and must await detailed comment. Bizerta in German hands would obviously be of immense value in thwarting the forcing open of the Mediterranean door. But the Germans have enemies within as well as without the fortress, and the French garrison is reported to have received Allied reinforcements.

(b) Muslims in French North Africa.

(i) Population.

The population of French North Africa consists mainly of Muslims of Arab and Berber extraction. According to the 1936 census, the total number of Muslims in these colonies was approximately 15 million --

Morocco	--	6,648,888
Tunis	--	2,335,623
Algeria	--	6,201,144

(ii) Axis Treatment.

Under the Nazi-ridden Vichy regime they were being used as cannon-fodder for the Nazis on the Eastern front or forcibly employed in Nazi armament factories. No less than 17,500 Arabs from French North Africa were inveigled into France during the past few months by the Vichy controlled recruiting offices and then despatched to Germany where they were forced to work in Nazi factories or sent to the Soviet front.

(iii) Moscow's Evidence.

The Moscow radio on July 25, announced: "Reports from Vichy say that the compulsory despatch of natives from French African possessions is continuing. Three train loads of natives from French Morocco recently arrived in Algiers, where the central bureau for recruitment is situated. In all about 3,000 natives were sent to Germany during June and the first days of July...."

Nearly 10,000 were sent to Germany between July and August. A large number of them were used on experimental production of new poison gases.

(iv) A recent Report.

A recent report from Morocco revealed that the Arabs were also being specifically recruited for service on the Soviet front. References were made in the German propaganda to their participation in the "fight against Bolshevism". The Transocean radio news service on September 9, said that Algeria would send "volunteers" and declared that the first batch had already left France on its way to Russia.

The war-debt to Germany, which is considerable, is also paid by Spanish exports of minerals such as iron, lead, zinc, mercury and pyrites. The Spanish Ministry of Commerce, which is controlled by the Nazis, is forced to buy from Germany goods that could be procured cheaper elsewhere. The Misma, a Nazi organisation for German-Spanish trade founded during the Civil War, has been revived, and a large percentage of the orange and almond crop is drained away to Germany to produce lubricating oil for aeroplane engines.

(ii) Allied Aid.

Britain's attitude, on the other hand, has been one of understanding and appreciation of Spanish difficulties. An advance of £2,000,000 was made to Spain in liquidating the arrears in Anglo-Spanish clearing arrangements dating from before the Civil War. In March 1940, Britain gave a loan of £2,000,000 to be spent by Spain on goods from the "sterling area", which was supplemented a month later by another agreement providing Spain with another £2,500,000 loan. A year later, in March 1941, Britain tried to ease Spanish economy by agreeing to buy Spanish oranges and mercury, the proceeds of which could be used by Spain to acquire wheat from the "sterling area".

Similarly, Canada and the United States have sent Red Cross relief to alleviate the food shortage in Spain. The American Red Cross Mission last year distributed \$4,000,000 worth of food in the "hunger-belt" south of the Salamanca -- Madrid-Barcelona line. It was estimated that about 1,000,000 Spaniards had been fed by the U.S. Red Cross.

(iii) Franco's Attitude.

The keynote of Spanish policy under Franco has been to repair the ravages of the Civil War, to raise the people's standard of living, to end the adverse balance of trade and to reach, as far as possible, a "state of independence of Spanish economy". In this peaceful work of national reconstruction, the Caudillo faces many difficulties, not the least of which is the Falangist ambition to participate in the war on the side of Germany. They hope to get Gibraltar, the whole of Morocco and Algiers and to push their pan-Spanish policy in Latin America.

Gen. Franco has, however, so far steered in mid-stream and kept away from the treacherous eddies that beset his path. Senor Suner, who would have liked to grasp the wheel in his own impatient hands and plunge the ship into perilous waters, was made to resign last September, and with his dismissal the most bellicose member of Franco's entourage has made his exit.

If Franco ever has to line up behind Germany, it will not be of his own free will.

(c) Portugal.

(i) Britain's Oldest Ally.

The alliance between Britain and Portugal, dating far back to a commercial agreement made in 1294 is, perhaps, the oldest unbroken record of friendship in the world. The two treaties of London of 1373 and 1386, which are still in force, made for a mutual defensive alliance against an aggressor -- obligations which were faithfully carried out by the cooperation of English and Portuguese armies in the War of the Spanish Succession, by the cooperation of the Portuguese fleet with Nelson, in the Peninsular War when Wellington had the cooperation of Portuguese troops, and in the war of 1914-18.

(ii) The Salazar Regime

Dr. Salazar's "New State" introduced by the Constitution of 1934, is avowedly Christian in character and combines the advantages of guild organisation with the greatest measure of personal freedom. Thus while the family or group becomes the source of all political rights and obligations and tends to give the state a totalitarian connotation, this form of dictatorship is finely tempered by certain features of the parliamentary system which render political authority liberal as well as authoritarian.

(iii) Relations with Germany.

Though Portugal is anti-Communist, her policy vis-a-vis Germany has been one of apprehensive wariness. About the assurances that Germany gave Portugal at the outbreak of the war, there is little confidence, for the sequence of aggressions since the invasion of Norway has taught Portugal not to take Hitler's words too literally. The Portuguese have also not forgotten the discovery and publication, in July 1938, of a plan for the seizure of Portugal, drawn up by the German General, Reichenau. They also know that amongst the hundreds of refugees whom Nazi terror has driven to Portugal, the last "bottleneck of freedom", there are to be found the ubiquitous Gestapo whose presence always spells disaster to the country which they infest.

(iv) Relations with Japan.

The Japanese invasion of Portuguese Timor was strongly criticized by Dr. Salazar in his speech of February 22, 1942. He recalled the arrangement for the withdrawal of Allied troops from the island, paid tribute to the goodwill of Britain and acknowledged the loyalty, sincerity and friendship shown in that difficult situation. Japan's action, he said, constituted a flagrant violation of Portuguese sovereign rights.

(v) Portugal and the Allies.

The position of Portugal is that of a benevolent neutral and was defined in October 1939, by Dr. Salazar who pointed out that Portugal had re-affirmed her friendship to Britain and her full fidelity to the alliance. He was thankful that "Britain had asked for nothing in the name of our centuries-old alliance and friendship which would oblige us to join in the conflict."

Both Britain and America, on their part, are anxious to see that Portugal does not get involved in the war. On July 14, Mr. Sumner Welles assured Portugal that the United States was anxious to see her retain her sovereignty at home and abroad. He expressed approval of Portuguese action in fortifying the Azores and Cape Verde islands, for it was vital to American security that strategic Atlantic outposts "should remain in friendly hands."

After Brazil, which is attached to Portugal by close ties of blood and sympathy, declared war on the Axis, the Portuguese Ambassador in Rio de Janeiro is reported to have said: "Brazil and Portugal will never find themselves in opposite camps."

Dr. Salazar's foreign policy, therefore, consists of isolation as far as possible from internal European quarrels, and unalterable fidelity to the Anglo-Portuguese alliance.

3. CHINA.

(a) Uneasy Lull.

It was during the last week of September that stray reports about the Chekiang-Kiangsi operations came from the China Theatre. In about three months, the Japanese had found themselves worsted definitely in a contest of arms, and had failed to gain effective control over a railway about two hundred and odd miles in length. Many things have happened since then. The enemy appears to have drawn in his horns in China, but such operations as reach the news at intervals suggest darkly enough, that the lull is probably the usual phenomenon that precedes a sto-

(b) Japanese Block Control.

(i) Key Garrisons.

It is well known that the method by which the Japanese control occupied China is by taking over the railway lines, and garrisoning key positions. Terror raids into the districts are the method by which they manifest their "civilising mission" and administrative skill. By these means the enemy have hitherto gained four more or less consolidated blocks of control. Roughly speaking the Japanese have key points on the Pekin-Hankow railway as far south as the Yellow River, Kaifeng to Haichow, Tientsin to Tsinan, Tsinan to Tsingtao, Hangchow to Nanking. In effect it means the Japanese have possibilities of offensive strategy in N. Hupeh, N. Honan, parts of Shansi, Shantung, Anhwei and Kiangsu.

(ii) The Chekiang-Kiangsi Failure.

Those blocks are not so far separated from each other as to make movements of troops and supplies difficult. Moreover, if the Japanese can spare any ships, they can still use them along the coast to move troops from the south to the north. But this is where the enemy's failure in the Chekiang-Kiangsi area is significant. The enemy found to his dismay that just as his shipping difficulties increased he was no longer able to move about as he liked even on land in China. The fact that China is an effective ally in the armed camp of the United Nations had begun to have telling repercussions in the field of strategy, and the Japanese appear to have thought it wise to withdraw and consider the new situation.

(c) What Is Happening Now.

It is possible that the enemy has moved some of his troops to areas outside China. It is more than probable that some of them have been shifted to areas already under Japanese control in order to await the time when a big land offensive may be attempted. The latest reports show that the enemy are busy in the Hankow area and in Ishan in Shantung, while the Chinese have heavily bombarded enemy supply barges in the Han River. That the Japanese may make a final and desperate attempt to link up their forces in Shantung, Hupeh, and Honan and make a concerted drive towards Chungking is not inconceivable. A consolidation of enemy resources for a drive in Inner Mongolia is at the moment less likely.

(d) A Chinese View.

A military spokesman at a Press Conference at Chungking observed on November 5: "The Japanese have massed a sizeable force from Hupeh to Honan, Shansi to Suiyan... the Japanese garrison in Hankow has been raised to between 50,000 and 60,000. The specific objectives of the impending Japanese drive are difficult to predict; however, any enemy offensive must be viewed as defensive strategy."

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2501H BI-WEEKLY GUIDANCE NOTES ON THE WAR SITUATION, DATED NOVEMBER 21, 1942.

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... POLICY

1. Play up Russian success at Ordzonikidze and U.S. naval victory in South-west Pacific, and link them with grand design of Allied offensive strategy. Continue to mention Allied and especially British supplies to Russia.
2. Japanese home broadcasts show anxiety at U.S. shipbuilding capacity. Explain that naval losses are harder to replace for Japan than for America.
3. Follow Roosevelt's clarification of Allied acceptance of Darlan's co-operation as dictated by military considerations. Accession of manpower to Fighting French and avoidance of further bloodshed between French and Allies are important results, especially when time-factor is urgent. De Gaulle's position is recognised and assured. Britain is helpless, Laval still the villain. Use foregoing as background without speculation on future developments.

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(b) Two Years' Toil

With the collapse of French resistance in June 1940, the Mediterranean became all but closed to the British, who were left to fight alone. As the men of Vichy began to act more and more openly as agents of Germany in enslaving their fellow countrymen and submitting French overseas territories to the will of the conqueror, ports of Morocco, Algeria and Tunisia were not only denied to British ships but they also became the channels through which Germany acquired large quantities of food and raw materials and moved transport vehicles and other military accessories to Axis forces in Libya.

(c) The Campaigns Compared

(i) General Wavell's Campaign

Since December 1940 three major British offensives have taken place in Libya, the first under General Wavell, the second under General Auchinleck and the latest one under General Alexander. In each case the enemy has been driven back to the western border of Cyrenaica. A comparison of the three offensives therefore inevitably suggests itself.

Advancing from Mersa Matruh on December 9, 1940, General Wavell reached Benghazi on February 7, 1941. He covered a distance of 500 miles and took about 133,000 prisoners in almost exactly two months. The Italian army in Libya ceased to exist as an effective fighting force, and their compatriots in East Africa soon suffered a yet more crushing defeat.

(ii) General Auchinleck's Campaign

Starting from the Egyptian-Libyan frontier on November 18, 1941, General Auchinleck's forces were south of Benghazi by December 22. They covered some 400 miles in just over a month and took about 32,000 prisoners. The Italo-German forces under Rommel were seriously weakened and only a heavy and timely arrival of reinforcements enabled the Axis to stage a come-back.

(iii) General Alexander's Campaign

The latest campaign under General Alexander began at El Alamein on October 23. The first 10 days were employed in getting through the enemy's fortified zone. By November 2, the 8th Army's mechanised forces had emerged out into the open country and two days later the enemy was in full retreat. Since November 4, it has taken General Alexander only a fortnight to reach the coast south of Benghazi -- a distance of just under 800 miles. During the course of the advance over 75,000 casualties have been inflicted on the Axis and their army has been all but destroyed.

Some idea of the rapidity of the advance can be gained from the fact that it took the 8th Army only three days to travel from Tobruk to the coast south of Benghazi. In General Alexander's own words, "if any action deserves the description of Blitzkrieg it is the 8th Army's feat in getting from El Alamein to Tobruk in a week, and in only half the time it took the enemy to come in the other direction".

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1. MEDITERRANEAN ZONE.

(a) The Design.

The Battle of Egypt has been described by Mr. Churchill as the "prelude and counter part of the great American enterprise at the western end of the African continent" and later in the same speech he described them as "two parts of a single strategic and political conception". In other words, the British and American Governments are co-operating in a "great design" the initial purpose of which is the total destruction of Axis power in North Africa, whether in the form of military strength or political influence.

The operations in Egypt have been a direct attack on Axis military strength. In French North Africa, on the other hand, the primary purpose of the United Nations was not a direct attack on the Germans -- and still less on the French. Their purpose there is to keep strategically valuable territory, control of which the Germans have for many months past been pressing the Vichy Government to surrender to them -- a surrender which Laval was perfectly willing to make as soon as he could do so with safety to himself. The aim of the American and British Governments was well summarised by General Eisenhower, Commander-in-Chief of the Allied expeditionary force, in a broadcast to the people of French North Africa. "The forces", he said, "which I have the honour to command come as your friends to make war against your enemies. This a military operation directed against Italian and German forces in North Africa. Our only aim is to destroy the enemy and to liberate France."

(iv) Conclusion.

The three campaigns thus offer a remarkable study of the increasing tempo of Allied offensives. General Wavell took nearly two months to travel 500 miles; General Auchinleck covered 400 miles in just over a month, and now General Alexander has done 800 miles in a fortnight. This comparative study points not only to the rapid perfection of mechanised desert tactics as evolved by General Wavell two years ago, but also to the 8th Army's efficient use of its mechanised power and to the perfect cooperation between the land and the air forces.

Furthermore, the break through at El Alamein has massively demonstrated that the right weapons correctly used can surmount the pill-box defence system which the Germans have hitherto considered impregnable. This fact is likely to play an important part both on the Russian front and in future campaigns elsewhere against German forces.

2. FRANCE.

(a) Occupation of the "Free Zone".

(i) A Forced Move.

Hitler's occupation of the whole of France, in direct contravention of the Franco-German Armistice terms, was the result of the unpleasant discovery that a blitz could also come by sea. A "Fortress of Europe," already equipped with an "East Wall" and a "West Wall," must therefore have a strong "South Wall" to protect it from an invasion from the sea. Hitler's excuse for this occupation, even if designed to hoodwink the people of France, nevertheless revealed the true nature of his fears. "We have known for twenty-four hours," he is said to have written to Marshal Petain, "that it is the intention of our enemies to direct the next attack against Corsica and the south of France". Hitler realises that he must transform the whole of Europe into a strong fortress -- Festung Europa -- before it is too late.

(ii) Fear of French Resistance.

But apart from this military necessity, the fear that news of North Africa liberated by the Allies would stiffen anti-Vichy resistance in the unoccupied zone and create more disturbances in the occupied zone, compelled him to take an action, which he hoped, would eliminate both the dangers. The French workers had shown too plainly that they were opposed to further collaboration with Germany, and the dangerous precedent so set up was already threatening to affect other sections of French society.

(b) Marshal Petain and France.

(i) The "Hope of France".

For France and to the aging Marshal, in particular, this latest breach of the Armistice terms adds yet another chapter to the misery which began with the capitulation at Compiègne in 1940. Stunned by sudden catastrophe, but not yet ready to acknowledge complete defeat, many who supported Petain saw in him a symbol of hope and of the resurrection of France. In him was personified all the virtues they had lacked which, they thought, would lead them out from their dark distress. Bewildered and confused they clung to him and, in their desperation, forgot his short-comings and weaknesses which, they now realise, the cunning invader has exploited to the full.

(ii) His Defeatism.

A whole nation seemed to forget the reason Clemenceau had given for preferring Foch to Petain in 1917. "I had to choose between a general who wanted us to retire to the banks of the Loire and lay down our arms, and another general whose only wish was to keep on fighting. The choice was obvious, since I did not wish to capitulate." Petain developed a remarkable inferiority complex before the Germans and asserted for years between the two wars that the Germans had never been militarily beaten. With the Armistice concluded, it was an easy step from this notion to accepting the right of Germany to govern Europe, with France adjusting herself to that circumstance. Petain adopted this philosophy, as Otto Abetz remarked with "his eyes of a child in the head of an old man".

(iii) His Naivete.

To this old man Germany was still the Germany of Bismarck which was content to allow France to make a quick and honourable recovery. All that was necessary, he thought, was that France under his paternal guidance should become frugal, industrious and disciplined to recover its old strength. He seemed incapable of understanding the responsibility of the army for the collapse of France and preferred to ascribe it wholly to contributory factors of political corruption and Communist intrigue.

(iv) His Government.

The government he established was inspired by medieval authoritarian notions -- a government which ignored the fact that the French Revolution had ever taken place in 1789. He looked forward to the reversion of France to a Catholic peasant country, in which industry would take only a secondary place and would be concerned mainly with the production of high quality goods in which the French artisan is a past master.

So, thought the Marshal, Frenchmen under his simple, paternal, and authoritarian rule could bring about a renaissance of those virtues which would be their salvation. By abnegation, self-sacrifice, pious suffering, a noble people would soften the hearts of the Germans, and he himself, a true soldier, would treat honourably with Germany's greatest soldier, Adolf Hitler.

(c) Petain And The Nazis.

(i) Plays into German Hands.

Upright as the Marshal's intentions were, they have failed to meet the realities of the situation. Hitler is not an honourable soldier, he has used the Marshal's theories of a peasant-state to weaken France militarily and industrially, and taking advantage of his trusting nature, has wrung concession after concession -- a work in which the Vichy collaborators have readily helped. The Marshal has looked upon all this as a part of the martyrdom which he must bear, while the country has been made helpless and weak beyond all measure.

(ii) His Protest Against the Occupation.

The occupation of the "free" zone has probably awakened the Marshal and his protest was the protest of a soldier who has been deeply wronged. Perhaps he realises now that he has made a mistake, but it is too late and he is helpless in a situation which his own naivete and Nazi cunning have created. He is powerless and weak, and real power (so far as it may be said to exist) has passed into the hands of a notorious collaborator -- Laval.

(d) Laval.

Laval has never made any secret of his desire to see the Nazis win -- indeed his life probably depends upon such an event. He has helped the enemy not only in France itself, but in Indo-China, and he tried to do the same in Madagascar and Martinique. He knows he is not popular in France and, therefore, knows that only by helping the Nazis can he hope to retain his power at home. He is also afraid of his masters and knows that if he fails to come up to scratch he will not be easily forgiven. Of all the personalities whose paths wander so confusedly through French politics today, that of Laval seems the most clearly marked, and most sinister.

(e) Darlan and the Allies.

Admiral Darlan's position is not easy to explain, but President Roosevelt's statement that no permanent political arrangements will be concluded with him goes a long way in clarifying the situation. Gen. Eisenhower had to negotiate and make arrangements with him because the military situation demanded it and because it was essential to save American, British and French lives from unnecessary danger. Arrangements with him also made it unnecessary to engage in "mopping up" operations in North Africa. In the liberation of a nation so sundered and deceived as France, it is necessary to take help where it can be found, and French forces in North Africa are already co-operating with the Allies against the Axis.

(f) General de Gaulle.

General de Gaulle's position is recognised and assured. To him, the first of French patriots, the turn of events in North Africa can hardly have given anything but satisfaction, since it has seen a great accession of Frenchmen to the cause of liberation and has brought nearer the day when the homeland itself can be freed.

General de Gaulle's "French National Committee" has never pretended or aspired to be a legal government in exile like those of other European nations in London. It is the directing organ of the Fighting French movement and its purpose is simple -- to fight the enemy so that one day France can again choose her own democratic government.

2. SOUTH-WEST PACIFIC

(a) Action Off the Solomons.

(i) Major Enemy Effort.

Ten days ago a Japanese armada set out from the New Britain area in a major effort to recapture lost bases in the Solomons. As soon as the fleet put to sea it was attacked by Australia-based bombers; but it pushed on towards Guadalcanar with the obvious intention of landing important reinforcements west of the Henderson airfield and bombarding Allied shore positions.

The Japanese force comprised, in addition to numerous transports packed with troops and equipment, two battleships of the Kongo class, a number of heavy cruisers, four light cruisers and about ten destroyers. No aircraft-carrier was present and the fleet had to rely for air cover on planes based at Buin (more than 300 miles from Guadalcanar).

(ii) Surface Action.

Vice-Admiral Halsey, in his first important action since taking over command, engaged the enemy fleet at close quarters. Colonel Knox, the U.S. Navy Secretary, has described the action as "the greatest surface battle in this war with the possible exception of Cape Matapan". So far the following details of losses have been published in Washington:--

JAPANESE: SUNK Two battleships, six heavy cruisers, two light cruisers, six destroyers, eight transports and four cargo vessels.

DAMAGED Six destroyers.

(A U.S. Navy Department communique issued on November 19 says there may be some overlapping in reports so far received and clarification of this point must await the receipt of a complete summary of action from the naval commander).

AMERICAN: SUNK Two light cruisers and six destroyers.

(iii) Accurate Information.

It will be appreciated that no complete assessment of losses can be made within hours, or even days, of action being joined. But one fact does emerge from first reports: the enemy fleet was soundly thrashed and its remnant forced to withdraw. It failed to fulfil its mission, whose importance may be gauged from the strength of the force sent out. Japanese Imperial Headquarters, in their official communique, refer to "a fierce counter-attack by enemy aircraft" and to "a heated encounter" with American naval units, admitting (after some hesitation) the loss of one battleship, one cruiser and three destroyers sunk and a second battleship and seven transports damaged. A Tokyo broadcast (in Italian) has said (November 18) "The Americans hold dominion over the air and sea round the Solomon Islands".

(iv) They Will Come Back.

Tokyo has dubbed this action "the Third Solomons Sea Battle". Three times the enemy has made a determined attempt to stage a come-back. Three times he has been repulsed.

But Tulagi harbour and Henderson airfield are two pistols pointed northward towards the heart of the Japanese Empire. If the Japanese are to maintain a secure hold on their conquests in the Pacific these bases must be wrested from Allied hands. That is why, while rejoicing over what is undoubtedly a great victory, American official opinion is cautious. "The only safe assumption", says Col. Knox, "is that they will come back. It is exactly on this that we base our plans"

(b) Enemy Radio Propaganda.

(i) Black Record.

Tokyo Radio and its satellite stations in Occupied Asia have excelled even their mentor, Dr. Goebbels, in their treatment of naval operations in the Pacific. For example, a broadcast (in Burmese) from Tokyo on October 8 gave the following list of Allied losses in 10 months operations against Japan:-

- 8 capital ships sunk and 7 badly damaged;
- 8 aircraft-carriers sunk and 2 badly damaged;
- 29 cruisers sunk and 14 badly damaged;
- 33 destroyers sunk and 14 badly damaged;

(On July 19 Imperial Headquarters said 59 submarines had been sunk and 38 badly damaged.)

In spite of this claim to have sunk eight aircraft-carriers and badly damaged two others, Tokyo informed us officially three weeks later that four more aircraft carriers had been sunk in the Solomons.

(ii) Tokyo Corrects Tokyo.

On November 17 a Tokyo broadcast announced that Imperial Headquarters had revised their previous claims in regard to actions in the Solomons, in the Coral Sea and at Midway. The claim to have sunk four aircraft-carriers in the fourth week of October was reduced to three. "It was pointed out that the aircraft-carrier which was sunk in the Battle of Midway was the Yorktown instead of the Hornet", said the apologetic announcer. "It was also determined that the enemy aircraft-carrier announced sunk in the Coral Sea Battle was not the Yorktown, but another converted carrier". What was not explained was why, having disposed of so much of the U.S. Pacific Fleet, the Japanese provided such a powerful escort for their latest expedition to the Solomons and how, in view of previous losses, the Americans were able to assemble a fleet of at least two battleships, 11 cruisers and eight destroyers (all of which Tokyo claims either sunk or damaged).

(iii) A Note of Apprehension.

Tokyo's amendment of its own claims (above) is in itself an ample justification for the usual delay in publishing official details of Allied losses. It also proves that little faith can be placed in the accuracy of the reports which Tokyo hastens to broadcast as soon as action is joined and even before the sound of gunfire has died away.

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Tokyo itself suggests a reason for the huge claims it makes with such monotonous regularity. Underlying all this boastful ranting about "glorious victories" for the "invincible Imperial Navy" and "irretrievably heavy" Allied losses, is a note of fear and apprehension. Sooner or later, all Japanese broadcasts (and in particular those addressed to the Japanese people themselves) return to the theme: the Allies plan to outbuild us; we must sink their ships faster than they can be replaced. Here is a typical example, from a talk broadcast in Japanese on October 19, 1942, by Tanakazu Hori, spokesman of the Japanese Information Board:-

"The U.S. Navy Department recently announced a warship and aircraft construction plan. It announced the proposed building of aircraft-carriers to a total tonnage of 500,000 tons. Of course, there is nothing to be alarmed at in such enemy announcements, but it is clear that they are trying to defeat us by numbers".

Another broadcast in Japanese (September 23, 1942), after reporting that 102 Allied submarines had been sunk or damaged in the Pacific, cautioned: "However, on the other hand, it must be presumed that the U.S. must have built and is building quite a large number of submarines and we must continue to keep a sharp look-out".

"350 - 21.11.42."

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1. <u>RUSSIA.</u>	

(a) The Russian Counter-Offensive.

Over the entire southern front -- from Serafimovich, along the Don elbow to the Central Caucasus -- the Red Army has now taken the offensive. Counter-offensive operations at Novorossisk, Tuapse, Nalchik, Kalmuch and north and south of Stalingrad show that, as last year, the Russians have not given the enemy a chance to dig in and consolidate his victories of the Summer. Once again history has repeated itself in the Russian campaign; if last year, at this very time, the Nazis were denied winter-quarters in Moscow and Leningrad, on this occasion they have been frustrated in their attempts to seek winter-quarters in Stalingrad, Grozny and Trans-Caucasia in general.

(b) Last Year's Parallel.

(i) November-fortunes at a Low Ebb.

The situation in Russia today bears a close resemblance to the situation in November last. November 22, 1941 marked the very ebb of Russian fortunes. The Germans had reached the environs of Leningrad and had taken Tikhvin; they had encircled Moscow on three sides, advanced beyond Yeletz in the central sector, overrun the Ukraine and Crimea, and entered the town of Rostov-on-the-Don.

This year, at approximately the same time, the Germans were finally entrenched near Stalingrad, and, having crossed the Don, had swept into northern and central Caucasasia, and were threatening the important points of Novorossisk, Tuapse and Grozny.

(ii) Winter and the African Offensive.

Then, last year, when the Russians were on the defensive all along the front, Gen. Winter threw his weight into the scale, and Gen. Auchinleck began his brilliant drive to Benghazi which caused the enemy to divert a considerable amount of his aerial strength to the Western Desert.

This year too, with the winter fast setting in along the whole front and Allied operations gaining in momentum at both ends of the Mediterranean, the Russians have been able to launch an offensive.

(c) The Changed Situation This Year.

(i) No Winter Respite.

Last year, Hitler managed to stabilise his winter line at a comparatively low cost, and sent some of his soldiers back into German factories to produce munitions for the coming Spring and Summer. There was no threat of Allied activity in the West at that time, and to compensate for the lull on the Eastern front, Hitler had called in his last reserves (the Japanese) on Dec. 7, to engage the Allies in the Pacific.

This year, however, Hitler will get no respite. The Axis is on the defensive in Asia, Africa and Europe. The winter period, which he has previously used to recoup his losses and strengthen his forces, will now see a further dissipation of his strength. He will have to face an entirely different and an unpleasant picture.

(ii) Added Worries.

Tremendous casualties in the Russian campaign have brought him no decisive victory: the defence line is now 2,300 miles long instead of 2,100, as it was last winter. To the vast spaces of the Atlantic and the Arctic which his U-boats had to patrol in the hope of preventing allied aid reaching Russia, will now be added the Mediterranean route. Besides fortifying the "East Wall" to prevent a Russian break-through and the "West Wall" to ward off an attack from Britain, he will now have to construct a "South Wall" to protect his "soft under-side" against the threat of Allied action from the newly acquired bases in North Africa. In Europe itself he will have to contend with the wrath of the conquered peoples who have not only been warned by the fate of France, but have seen tangible promise of liberation in the new offensive phase of the Allied effort in all theatres of the war. Perhaps Hitler, too, realises that this is the "end of the beginning". In his Munich speech on Nov. 8, he told his audience that Germany must now defend what she holds. The German people perhaps realise also that they have entered a stage in the war when they must "dig in on the downward path".

(d) Recent Operations.

Though it is too early to gauge the full significance of the Russian offensive, which was made known to the world on Nov. 22, it is safe to assume that, as last year, when they relieved Moscow, the first Russian task will now be to remove the two dangerous salients -- north and south of Stalingrad. In this the Red Army has made a good beginning by taking Kabach, on the eastern bank of the Don, north-west of Stalingrad, and by launching an attack from the direction of Krassnoarmeisk in the South.

The second task, just as it was a year ago, will probably be to prevent the Germans from establishing a straightened winter line within easy striking distance of their major objectives. Already, the Red Army has cut both the railway lines supplying the enemy troops on the eastern bank of the Don, and the victory at Ordzhonokidze has relieved the pressure on the Grozny oilfields.

2. TUNISIA.

(a) The German Invasion.

When German airborne troops invaded Tunisia their object was to get control of the entire territory under the Bay of Tunis from the Mediterranean coast to the borders of Tripolitania in the south, and particularly of the ports of Tunis and Bizerta, with a view to establishing in that region air bases which would both give the Axis control of the central Mediterranean and sever Allied sea communications between East and West North Africa. It is not unlikely that they also hoped to prevent by this move an Allied back door entry into Libya. Having therefore established air bases around Bizerta and Tunis, German forces spread out west and south-west in order to throw back any Allied infiltration into Tunisia from Algeria.

(b) Allied Operations.

Despite stiff resistance from the Germans however, Allied penetration of Tunisia has been successfully effected. Skirmishes between the advanced elements of the opposing forces some 30 miles west of Bizerta have already taken place. Further south, Allied forces operating from bases along the Feriana-Gafsa railway line (150 miles south-west of Tunis) are gradually advancing eastward. That this advance seriously threatens to split the German forces in two, is obvious from the report that German troops in southern and central Tunisia have been ordered to cut their way through to the North.

The enemy is landing reinforcements and equipment as fast as he can. Heavy tanks have been landed at Bizerta and light tanks at Gabes on the east coast, and air-borne infantry is being poured in at a rapid rate. Both in the Tunis area and some 30 miles south-west of Bizerta the Germans are digging in and there is every indication that they will make a resolute stand. The Luftwaffe is well entrenched in Tunisia and the Allied Headquarters in North Africa "expect severe fighting before the enemy is ousted".

(c) Conclusion.

Having occupied in force the ports and airfields of Bizerta and Tunis, the Germans will hang on for all they are worth in order to keep the Sicilian narrows closed to Allied shipping. On one side of it, British land, sea and air power is moving westward towards Tripoli. On the other, a British fleet, in co-operation with the American army and air force holding the ports and airfields of Morocco and Algeria, dominates the Western Mediterranean. The crucial struggle which is now beginning is for command of the strip of water in the middle bounded by Sardinia, Sicily and the Tunisian Peninsula. In German hands it can be a forward bastion for the defence of Southern Europe, in British-American hands it will unlock the Central Mediterranean and form a springboard for the invasion of France or Italy -- or both.

There are many indications that powerful elements of the Luftwaffe have been transferred to Sicily. The next few days may well see the opening of a duel by sea and air which will be of great importance to the ultimate issue.

3. AXIS RADIO PROPAGANDA -- ANALYSIS OF CURRENT POLICY.

(a) A Certain Confusion.

The sudden burst of Allied offensive activity in the Mediterranean area took the Axis completely by surprise, and has led to a certain confusion in enemy propaganda which all Dr. Goebbels' ingenuity has failed to hide. In a broadcast on November 18, W.A. SINCLAIR, B.B.C. propaganda expert, attempted to analyse and interpret the latest trends. Here are extracts from that broadcast:-

"Apart from confusions among themselves, the Italians as a whole and the Germans as a whole have gone on separate propaganda lines. The German line was that the campaign in Egypt and Cyrenaica did not greatly matter. Hitler, you will remember, in his last speech dismissed it in half of one sentence and, since then, Nazi propagandists have tried to minimise the African fighting by filling up their news bulletins with reports of enormous Allied shipping losses.

"The Italians, on the other hand, took the line that the African fighting was the most important in the whole war. In his effort to exaggerate Italy's importance, the radio commentator, Mario Appellius, on November 7 made the absurd statement: 'Britain has throughout the war concentrated her main forces against Italy'. Mario Appellius, later in the same broadcast, said: 'This has been a heavy burden, but it is also a great honour that we Italians have constantly and soundly withstood the age-old might of the greatest modern empire.'"

"We know, of course", (Sinclair continued), that, when things were going well for the Axis in Africa, the Italians carefully pointed out that the Commander-in-Chief was an Italian Marshal (whose name I have forgotten). Of late, they have taken to speaking of Rommel as being in command. It is quite plain that the Italians dislike the Germans and fear them; and it is quite plain that the Germans despise the Italians, but they have put themselves in the same boat and they have got to make shift to get on together."

(b) A Question of Morale.

Sinclair draws attention to the unusual lack of subtlety in recent Axis broadcasts which gives one the general impression that the Axis Governments are disturbed and alarmed, both about the facts of the military situation itself and about the stability of home morale among their own people.

(i) Italian.

"Italian morale", says Sinclair, "does seem to be at a low ebb. It seems to be fundamentally unhealthy. That is the only conclusion that anyone can draw from the weird mixture that constitutes Italian Home Propaganda. Some of it consists in almost pathetic appeals to stand firm and the rest is bombastic stuff about their lion-hearted soldiers....."

"One of the queerest points that stand out in Italian Home Propaganda at the present moment is that the Italians are being urged to behave with the courage and composure that the British people showed at the time of Dunkirk, when conditions were, in some ways, the same for the British as they are now for the Italians. At least they are the same in so far as they now have -- as we had then -- a very determined enemy only a short distance away across a narrow stretch of sea. As these Italian broadcasters put it, 'The behaviour of Churchill and the British was not without greatness', and they are imploring the Italian people to behave similarly".

(ii) German.

Sinclair says there is clearly considerable discontent among the German civilian population. "The German Government," he says, "seems to have resigned itself to the fact that there is widespread discontent, and it seems to have decided that mere discontent as such will have to be tolerated. What will not be tolerated is action arising out of that discontent."

"Goebbels made this very clear in his weekly article in Das Reich. This was even more extensively broadcast and commented on than usual, so he must have regarded it as particularly important. He drew a distinction -- I think quite a sound distinction -- between the German people's mood (the German word was Stimmung) and their attitude or bearing, their Haltung as he called it. Moods of discontent and the like, he said, are temporary, they pass, they do not matter; but bearing -- Haltung -- does matter. And then he went on to explain tactfully that the German people might indulge themselves in having a despondent or discontented mood, or Stimmung, from time to time, but that they could get into trouble if they had a despondent or discontented bearing."

(c) A Dangerously Wrong Interpretation.

To assume that, because they are obviously discontented, the Germans are therefore a weaker enemy for us to overcome would be a dangerously wrong interpretation of the facts, says Sinclair. Discontent in a democratic country will seriously weaken a Government and lead to its fall; but in a totalitarian country like Germany a similar degree of discontent would be only a minor inconvenience to the Government.

The German Government cannot control the mood of the German people, but the Government can control their bearing, and it is their bearing that affects us in that it makes them fight the Allies. Only when that discontent reaches a very extreme degree as a result of a crushing military defeat, will it have a direct effect on the bearing of the people as it did in 1918.

4. THE PHILIPPINES.

(a) Japan: Professions and Performance.

(i) Smooth Words.

In the Philippines, as elsewhere in the zone of Japanese conquest, the contrast between the promises of the invaders and their actions and obvious intentions is revealing.

Three days after the first Japanese attack on the islands, a Japanese spokesman declared that one of their chief war aims was "to see the Philippines regain their independence." On December 13 a Filipino in Japan's pay told his countrymen: "The government of the Philippines for the Filipinos by the Filipinos should be your motto. If you cooperate with the Japanese your courtesy will be duly reciprocated." Early in January, the Filipinos were told: "The Japanese are fighting to return freedom and liberty to the Filipinos as an Asiatic nation". Tojo said on January 21: "The emancipation of the Philippines from the American yoke is a Japanese war aim."

But on January 23 an Army spokesman in Manila said with regard to the promise of independence to the Philippines: "No time can be promised definitely". Propaganda-Chief Hori, however, achieved definition of a kind. On January 28 he told a Press Conference: "Independence of the Philippines as promised by Tojo cannot be realized until the Japanese occupation ends".

(ii) Mr. Murata's Admissions.

Murata, Chief Adviser to the Japanese Army in the Philippines, ventilated his views on May 29. They must have done much to make the Filipinos realize what confidence anyone can repose in whatever the Japanese find it convenient to say from time to time. Some of Mr. Murata's views are recorded herewith:-

"The fact remains that military administration is enforced in the Philippines. It is a mistake to consider the military administration as a free and independent central administration. The people of the Philippines have no independent administrative organ. Filipinos keep on asking us when they will be granted independence. They are anxious to insist on their claims rather than make efforts to qualify themselves for the task, I am sorry for their sakes....."

"We are carrying on a colossal war and the war naturally demands enormous defense resources. Even if it exacts some sacrifice you cannot very well help it....."

"There is no spiritual independence in the Filipino."

(b) Economic Dislocation.

In the interview quoted above Mr. Murata also said that the development of the economy in the islands would in future be determined by Nippon's defence needs. Stress was laid on the fact that the Philippines were the only country in the "Co-Prosperity Sphere" outside Nippon that contained copper. So no matter at what cost, copper, chromium, manganese would have to be exploited to feed Tokyo's war machine.

(i) Sugar.

The manner in which agriculture in the Philippines has been in consequence victimized deserves analysis. The situation in the sugar industry is grim, since 99 per cent of the sugar produced used to go to the U.S.A. Over half a million acres were normally planted with sugar and over 10 per cent of the total population was substantially dependent on sugar production. Cultivators of sugar were chiefly Filipinos and nearly half of the total \$4 million dollars invested in sugar shares was held by the Filipinos. As sugar costs in Java and Formosa are lower, Japan is giving this key industry the cold shoulder and expects the people engaged in it to fend for themselves as best they can.

(ii) Cotton.

Tokyo has released a stream of propaganda material to indicate her concern for the Filipinos, by playing up the governments effort to encourage cotton cultivation in the islands. Twenty-nine thousand acres were supposed to be diverted from sugar to cotton, and the refineries and centrals (equipment) were to be converted for other use as best they can. Let us look further into the plan. Eight Japanese companies are to be appointed "to manage directly the cultivation and purchase of cotton". The companies are to organize the industry in relation to Jap consumer needs. While sugar was predominantly a Filipino capital industry and is neglected, cotton is to be a Jap-controlled monopoly.

(iii) Unemployment Panacea: Fly-catching.

The Japanese have admitted that the population of Manila has increased from 600,000 to 1,000,000. Why? They themselves admit that the increase is due to the large number of refugees who have come into the city from the country. The Japanese leave it to the good sense of others to find out what else the wretched people can do, having lost their farms because they could not sell their produce.

The most publicized profession is that of fly-catching. A Filipino can earn 2 centavos a day for each dead fly. Rat-catching is another Jap-delivered boon to the islanders to help them to keep the wolf from the door.

(c) Religion.

Knowing that Catholicism is a deeply ingrained religion in the islands, the Japanese have resorted to subtle methods of crushing it. They were not able to extract a political statement from Archbishop Doherty or his hierarchy extolling their rule. So a military edict runs: "The Catholic clergy would be permitted to celebrate their offices as far as possible and subject to the control of the Religious Affairs Section of the Imperial Army". Further comment is superfluous.

(d) Allied Aims.

(i) President Roosevelt's Broadcast.

In his broadcast on November 15 President Roosevelt said:-

"Confidence in the each other's good faith was established" he said, "... the brave people of the Philippines stood shoulder to shoulder with Americans in the fight against overwhelming odds, richly do they deserve liberty.

"I like to think that the history of the islands in the last 44 years provides a real pattern for future global civilisation which recognizes no limitations of religion, creed, or race".

(ii) President Quezon's Broadcast.

President Quezon, broadcasting on the same day, realized that "the battle of the Philippines has not ended and will not end until the Japanese have been thrown back and defeated". The manner in which the Filipino-American relations have continuously developed he regarded as a vital proof of the liberal principles implicit in the ideology of the United Nations. "The record has proved" he said, "that the doctrines of democracy are practical and hard-headed. They have met the most crucial of all tests -- war".

"350 -- 24.11.42"

252nd BI-WEEKLY GUIDANCE NOTES ON THE WAR SITUATION,
DATED NOVEMBER 28, 1942.

25 DEC 1942

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P O L I C Y

1. Give unstinted praise to the Russian achievement in the Stalingrad area but avoid speculation about future possibilities. The Russian threat is so serious that the Germans are bound to hit back as strongly as possible.
2. Events in Cyrenaica suggest that a pause in Gen. Alexander's offensive may now be expected. Explain that such pauses are inevitable. Proved Allied strength is guarantee that such pauses will be creative and not result of exhaustion.
3. Adhesion of French West Africa to Darlan means that important raw materials, including rubber, are now denied to the Axis.
4. Contrast British with German propaganda methods of facing adversity. While we took the blow and acknowledged the punch, the Germans react to the impact of their reverses in a plethora of understatements, denials and red herrings.

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1. <u>THE RHYTHM OF OFFENSIVE WAR.</u>		
(a) <u>The Creative Pause.</u>		
Chinese philosophy used the words yin and yang to describe the sudden urge to creative activity and the pause which succeeds each movement and prepares for the next. These terms have been applied by Professor Toynbee to describe the process of development of civilisations, and the idea provides a useful analogy for understanding the mechanics of a great offensive. Each movement requires long preparation; when the offensive breaks it is apt to appear sudden, overwhelming and complete, but it must be succeeded by another phase, a pause, either of exhaustion or of creative preparation. These characteristics will be found in the German offensive last June at Kharkov, and in the successive attacks in Russia during 1941. Examples of a pause due to exhaustion are those of General Wavell in Libya early in 1941, caused by the transfer of most of his troops to Greece, and of the Germans before Stalingrad in the last few weeks.		

(b) Pause Inevitable.

The public has enjoyed such a rich diet of success during the last few weeks that it is natural to ask for still more. Appetite grows by what it feeds on. So it is salutary to remember the principle of the creative pause, and to realise that it is unreasonable to expect, at this stage, a victory every morning and a town captured every evening. Ample evidence has been given of Allied strength by recent events. But the Axis strength is as yet by no means broken and such pauses must be expected while supplies and reinforcements are brought up and preparations made for the next move.

(c) The Nature of the Present Pause.

It seems that some such pause may be about to occur in the three offensive fields in Europe and Africa. In Tunisia such a pause has existed for some days; in Cyrenaica both Generals Alexander and Montgomery have warned us to expect such a pause at El Agheila; and news of stiffening German resistance in the Don region may indicate the imminence of such a pause in Russia.

What is important to remember is that today, unlike the winter of 1940-41, such pauses are creative and not the result of exhaustion. If this principle is borne in mind, it will be possible to bear with patience such gaps in dramatic news as may lie before us in the near future.

II. RUSSIA.

(a) The Present Position.

(i) The Russian Threat.

The Russian offensive has now been in progress for over a week, and from the lists of long names not hitherto heard of it is necessary to attempt some picture of the situation. It appears that the essential Russian achievement has been the driving of two or three wedges across the German system of communications linking Stalingrad with the Ukraine. These communications consist essentially of the Stalingrad-Kharkov railway and the Stalingrad-Salsk-Tikhoretsk railway. The former crosses the Don at right angles, the latter skirts its southern bank.

(ii) The Wedges.

The word wedge is used advisedly because the original break through at Serafimovich has been stated to have been only 20 miles wide, and it is only now that the widening of this gap has been claimed. The Serafimovich wedge has been driven 50 miles south to Chernyshevskaya on the river Chir, 123 miles due west of Stalingrad and about 100 miles east of the Voronezh-Kharkov railway. This town is more than half way between the northern branch of the Don loop and the Stalingrad-Kharkov railway. The next wedge is driving south eastwards from Kletskaya towards Kalach. The southern army, it would appear, has driven a wedge north westwards to Kalach, also due west of Stalingrad. A branch of this drive is proceeding along the Stalingrad-Salsk railway and has reached the town of Aksay.

(iii) The German Bottleneck.

From this it appears that the southern German line of supply to Stalingrad has been definitely broken and also the most direct easterly route. Supply columns must now make a detour north of Kalach and south of the wedge from Kletskaya, then cross the Volga and so to the Stalingrad.

(b) Significance of the Russian Success.

(1) More and Less.

There is no doubt of the magnitude of the Russian success. The tale of prisoners, now 63,000, of dead, now 47,000, and of material captured makes it clear that this success is much greater than the Kharkov success last May or the Rostov victory last November. At the same time wedges are not sweeps, and it must be expected that the Germans will try to save all they can by the hedgehog tactics they pursued last winter, which have retained for them, for example, Rzehev in the north, though it has been nearly surrounded for a long time. The stubborn defence of the German army at Staraya Russa last winter should also be remembered. At the best, a great victory with the destruction of an army a quarter of a million strong is in prospect, at the least the Russians have shattered the German hope of taking Stalingrad before full winter, have broken into their proposed winter defence line, and imposed upon them once more an arduous winter defensive campaign.

(ii) Surprise and Generalship.

Specially satisfactory features of this offensive are the evident completeness of its surprise, rivalling General Montgomery's at El Alamein, and the evidence of the outgeneralling of the Germans by the Russians.

(c) Northern Blow.

The news of a fresh Russian offensive in the Rzhev region has been given so far by the Germans only, who admit that the Russians have taken Bieli, 80 miles south east of Rzhev. While this may be the beginning of a series of hammer blows all along the front, it would be wiser at present to see in it an essentially holding action, designed to prevent the movement of German reserves in the north to the Stalingrad front.

(d) The Future.

Should the Russians succeed in destroying the whole German army before Stalingrad, almost illimitable prospects will be opened up, but until this happens, attention should be concentrated on the immediate possibilities. It is inevitable that the Germans will do everything possible to stave off a defeat of such magnitude, and so heavy counter-attacks and fierce fighting must be expected as the next immediate development.

3. LIBYA.

(a) End Of A Phase.

(i) El Agheila's Defensive Position.

The remnants of the Axis forces are now at El Agheila and there is a strong possibility of their making a stand in this area. In some ways it is the first good defensive position the enemy could fall back to from the Egyptian frontier. There is a resemblance between the line he may try to hold at El Agheila and the line that the Allied held at El Alamein. In each case the sea guards one flank and a large expanse of impossible ground guards the other.

(ii) Enemy's Choice of Fronts.

However, at El Agheila the enemy has a choice of two fronts. One of them is flanked by a salt marsh on his right and the other is flanked by some very difficult sand dunes. Both make a position he may be able to hold. Some 250 miles west of El Agheila there is another possible line for the Germans -- at Misurata, about 150 miles east of Tripoli, the ground is rather similar. Thus, even if the enemy is driven from El Agheila the chase will not necessarily be over.

(iii) Question of Allied Supplies.

Then there is the question of bringing up supplies for the 8th Army from Egypt. Tanks, guns, ammunition, food, fuel and reinforcements have to come across hundreds of miles of desert, with only one good road. It is true that we now possess harbours along the coast from Tobruk to Benghazi to help bring up supplies by sea. But after the treatment they have had from the Allied air forces and Axis demolition parties, these harbours will remain unusable for some time yet.

(iv) Military Precautions.

Finally there is the question of military precautions which cannot be neglected even in pursuit. The enemy's artificial defences have reinforced the natural obstacles which the 8th Army has to overcome at El Agheila. Preparations somewhat similar to those made prior to the offensive at El Alamein have to be made before General Montgomery gives again the word 'go'. However, it is to be emphasised that neither he nor General Alexander will err on the side of timidity. Having carried out the fastest blitzkrieg in the desert they are fully cognisant of the advantages of the time factor.

All these factors point to an inevitable slackening in the speed of the offensive -- for the moment. The 8th Army cannot be expected to carry out a non-stop blitz advance across hundreds of miles of desert without repairing its vehicles and freshly organising its transport system on which the weight and speed of the offensive depend. Another phase in the desert battle has ended, and we must patiently wait for the next one to open.

(b) A Significant Contrast.

There is one significant contrast between the present Axis retreat and their former retreats in Libya. This time they have carried out a scorched earth policy everywhere from El Alamein to El Agheila. They have destroyed the town of Benghazi by setting the buildings on fire. Wherever possible they have made water undrinkable. They have destroyed quantities of stores and have damaged abandoned vehicles. However, the speed of the 8th Army's advance has not permitted a complete application of this policy of destruction. That this policy was intended to be carried out thoroughly is indicated by the mass removal of Italian colonists settled in Libya.

(c) Conclusions.

The first aim of the Allies is to deny the whole of North Africa to the enemy. The second is to seize it for themselves and use it as a base of operations in the Mediterranean region. But we cannot yet talk about a pincer movement by the British First and Eighth Armies. They are still a long way apart. General Montgomery is some 500 miles east of Tripoli, and General Anderson is about the same distance from it in the north. Both armies have yet to clear up what is in front of them before we can describe the two campaigns as parts of a single pincer movement.

4. FRENCH WEST AFRICA.

Joins the Allies.

(a) Its Significance.

(i) Political.

By placing himself under the orders of Admiral Darlan who is cooperating with the Anglo-American forces in the north, Governor-General Boisson has brought the whole of French West Africa on the side of the United Nations. This move has a great political significance for it shows that an important unit of the French Empire, which had hitherto owed allegiance to Vichy, has now been disillusioned by the German occupation of the whole of France and realises that Marshal Petain is no longer in a position to safeguard the interests of the Empire. It also shows that Frenchmen are becoming increasingly conscious of the fact that the ultimate liberation of the motherland will come through the liberation of the Empire.

(ii) Economic.

The Federation of French West Africa, a million and a half square miles in area with a population of fifteen and a half million, is contiguous on the north with French North Africa and occupies the basin of the Senegal and the Upper and Middle Niger. Its nucleus is the old colony of Senegal with Dakar, and it includes the colonies of French Sudan, French Guinea, Ivory Coast, Dehomay, Mauritania and Niger.

The principal agricultural products are ground-nuts, cocoa and cotton. Millet, maize, rice, wheat, tobacco and rubber are also produced. Gold is found on the Comoe and Bia rivers and manganese deposits have been located in the Ivory Coast.

(b) The Military Advantage.

(i) Axis Squeezed out of Africa.

With French West Africa's sympathies now with the Allied cause, the situation in the continent of Africa has completely changed.

It means that the whole of the continent from 10° south of the Equator to 35° to the north (excluding Tripolitania and French Somaliland) is now under Allied control or influence. This vast area comprises French North Africa, British and French West Africa, French Equatorial Africa, Free Belgian Congo, British East Africa, Italian Somaliland, Abyssinia, Sudan, Egypt and Cyrenaica. It means that the whole of the Red Sea Coast, the Mediterranean Coast (with the exception of the stretch between Bone and Gulf of Sirte), and the Atlantic Coast between Casablanca and Loango, in French Equatorial Africa, is controlled by the Allies. It means that the Allies can use the inter-connected railway, air and river routes in this area to their advantage.

(ii) Allied Communications Made Safe.

The most notable gain is, of course, that Dakar, the strongly fortified naval base on the Senegalese Coast, will no longer aid the U-boats in the Atlantic.

Dakar occupies a strategic position on the route between Western Europe and Brazil and South Africa, and between them, Dakar and the Portuguese Cape Verde Islands (some 320 miles west of Dakar) control the narrowest part of the Atlantic. It is between these two key points that most of the Allied traffic passes.

(iii) Armed Forces in Dakar neutralised.

The naval force in Dakar is believed to include the battleship Richelieu, the cruisers Montcalm, Georges Leygues and Gloire; the destroyers Malin, Terrible, Fantasque, and perhaps one or more of the same class; two or three destroyers of a smaller type, a few submarines and six armed motor-boats.

The land forces are believed to include a battalion of the Foreign Legion, the 4th Regiment of Motorised Chasseurs, the 6th Regiment of Field Artillery, and a regiment of Black Infantry commanded by French officers.

In May 1941, 25 new 22-ton tanks were received from France and there were 60 or 70 planes of all types, including nine sea-planes.

This considerable armed force has, therefore, placed itself under Admiral Darlan's orders and will not be used to help the Axis powers.

5. AXIS PROPAGANDA PATTERN.

How Nazis React to Defeats

In our last Guidance Notes (No. 251, dated November 24, 1942) we dealt with the repercussions of Allied offensive activity in the Mediterranean area and elsewhere on Axis propaganda, showing how they have resulted in confusing the enemy's radio propaganda. An interesting analysis of how the Nazi propaganda machinery has reacted to failures, and has attempted to reshape propaganda to meet the recent defeats in French North Africa and Libya was made by Brent Wood, the B.B.C. staff expert on enemy propaganda, in a broadcast on November 20. Extracts from the broadcast are quoted below:-

"No one could say that this has not been an interesting month, not only for students of strategy; for students of propaganda too. We've had three years of watching how Goebbels and his staff deal with success. This is our first real chance of watching them deal with defeat. One thing, I think, is quite certain. They didn't expect these North African knocks. They didn't expect Rommel to be kicked about, as he has been, by the 8th Army, they didn't expect an Allied force to land, and still less, to mop up the enemy so quickly, on the other coast. If one needs any further proof that we brought off a strategic surprise, here it is. The Axis propaganda people were quite unprepared to meet the new situation.

(i) Flat Denial of Defeats.

"Their first reaction was more or less instinctive. They just denied that they'd suffered a defeat at all. I mentioned last week why they did it, and how they did it; since then, things have developed a good deal. They have developed for two reasons. First, because events in Africa have reached a pitch, when it would be useless to pretend nothing much had happened; second, because the Nazis have had time to pull themselves together, and work out something more elaborate than a series of denials. This more elaborate plan has been in operation now for several days. Its chief feature is a simple trick, long used by conjurers and pick pockets. The conjurer makes a lot of flourishes with one hand; while you are watching it, he plants the vital card with his other. The pick pocket points to some distant roof top; while you're gazing at it, he steals you watch. The German propagandist refers incessantly to the U-boats. While people are thinking about that, they can't at the same time be thinking about Allied progress on both sides of North Africa.

(ii) Drawing Red Herrings.

"The German broadcasters have always made the most of their U-boats campaign, and they have often used it before to distract attention from unpleasant news -- unpleasant that is, for the Germans. Whenever they fail to fulfil a promise, whenever they suffer an unquestionable set-back, nearly always there's an increase in the number of special announcements proclaiming submarine successes. If you didn't know the trick, you'd think the coincidence little short of marvellous.

"Last week's flood of special announcements must have gone near being the record. The further Rommel retreated, the closer the Allies drew to Bizerta, the more frequent and the more extravagant these announcements became. On the German Home Service, fanfares seemed to be played more often than any other sort of music. Last Saturday, one special announcement about sinking was actually broadcast in the period usually reserved for the High Command communique. Berlin broadcasts abroad also put this heavy emphasis on the U-boats and their supposed traps. Of course, losses are inseparable from a great amphibious undertakings, like the Allied invasion of North Africa, but even taking this into account, it was patent that the German claims were being inflated and over boosted. They were put forward, they are still being put forward, in the hope that listeners would turn their backs on North Africa, and instead look out to sea.

"There was a time when this trick might have worked pretty well. The peculiar nature of U-boat warfare helps dishonest propaganda. It gives an opportunity of putting over lies which listeners can't possibly check at the time, but in due course events may show them up, and by odd coincidence, the African invasion itself is showing Berlin's past lies on the subject of shipping losses. There must be many people in Germany, as well as elsewhere, who are asking themselves: 'If the Nazis have been telling the truth for the last three years, if all their special announcements were true, how did the Allies have enough ships to carry out this immense African campaign'. The people who have got on to this discrepancy are not likely to fall for exaggerated U-boat stories now. Their eyes must still be upon Africa.

(iii) Allied Success Minimised.

"So the Nazi Propaganda plan includes a line to deal with them too. It can perhaps be summed up best in these words, which were actually broadcast by the German Radio on Sunday. 'The back door too the European Continent has been slammed in the face of the Allies.' Over and over again, the Nazi Radio is insisting that the Southern coast of Europe has become impregnable. 'The Fortress Europe', it said on Saturday 'is mobilised for defence and attack, in this sector as well.' Now, this of course, is an attempt to counter the suggestion that Southern Europe is, as we've begun to call it lately, 'the soft under side of the Axis.' 'No' say the Nazis, 'it is not the soft under side; not now, anyway. We have made it as hard as steel, and ready to resist any attack.' From this argument it would follow that, even if the Allies presently command the whole of the North African coast; even if it has to be admitted that they have achieved that measure of success, still it isn't the right sort of success; it doesn't get them anywhere. It doesn't weaken, or imperil, the solid position of the Axis; it is irrelevant to the strategy of war. That is the second line of defence in the Nazi propaganda plan.

(iv) Old Tricks.

"You can tell that this plan has been thought out carefully; and indeed, there was every reason for it to be. This the biggest problem Goebbels has ever had to face, in my opinion, even bigger than the German failure to live up to their boasts in Russia. Has he solved it? Is this new line going to get over? Well, that remains to be seen.

P.T.O.

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253RD BI-WEEKLY GUIDANCE NOTES ON THE WAR SITUATION,
DATED DECEMBER 1, 1942.

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At this early stage we can only guess at it, and I don't like guessing more than I can help. But it's not guess work, it's only recognising a fact, to say that the very form of Nazi propaganda was devised to boost Germany's possession of the initiative; not to explain why she hasn't got it. And again it's only recognising a fact to say that in this latest propaganda, though the pattern is new, the tricks are old, and each time they are played, more and more people are likely to see through them. After all, it would be fatal for the conjurer to perform before the same audience, or the pick pocket to rob the same person, every day of the week. Goebbels is going to have his work cut out; for the moment, we won't put it any higher than that."

"350 - 28.11.42."

POLICY

1. Treat Churchill's speech as a series of warnings. Italy is warned of the wrath to come, Japan that she will not escape if Germany collapses first, and the Allies that they must brace themselves to further efforts and not expect speedy victory...
2. Do not encourage the idea that the Axis can be thrown out of Africa in a few days. There is hard fighting to come.
3. Show that the scuttling of the French fleet at Toulon is the inevitable result of trusting German promises. It also marks a vital step towards French unity.
4. Churchill's statement on N. African shipping losses is the complete answer to Axis propaganda. For every ton lost we have gained two...

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1. <u>MR. CHURCHILL'S SPEECH.</u>	
(a) <u>Reply to Hitler.</u>	

Mr. Churchill's speech may in one aspect be regarded as the British reply to Hitler's taunts in October, when he boasted of the greatness of the German achievement and ridiculed the Allied efforts. Less than two months later Churchill is able to throw these words back at Hitler, and to point to a string of Axis failures and Allied successes. That this has been possible is one more proof of the reality of the surprise which the Allies have succeeded in springing upon Hitler. In October the Fuehrer was clearly expecting a winter devoted to quiet defensive warfare, except perhaps in Egypt, while he could recruit his strength either to resist an invasion of France next spring or for some fresh stroke. Now he finds himself saddled with a new front in North Africa with its threat to his whole Mediterranean position at a moment when the Afrika Korps has been sent reeling out of Egypt, and the Russians are revealing unsuspected reserves of strength by opening two major offensives on the threshold of winter.

(b) Three Warnings.

(i) Italy.

For the rest, the speech may be described as a series of warnings. There is, first, the warning to Italy. "Tunisia", said Mr. Churchill, "must be regarded, not as a seat, but a springboard". The springboard points at Italy. From Tunisia the whole of Italy would lie open to the heaviest air attack. Italy has already suffered heavier raids than any on Britain in the winter of 1940-41, and she has just felt the weight of the new 4 ton bombs. A distinction was drawn by the Prime Minister, it will be noted, between the Italian people "with whom, until the days of Mussolini, the English speaking world had so many sympathies and never a quarrel", and "the filthy leaders of the Fascist state". "One man, and one man alone, has brought them to this pass" -- Mussolini. The Italian people are solemnly warned that it rests with them to say whether this thing shall come upon them or not.

(ii) Japan.

The second warning was to Japan. Should the war in Europe end before that in Asia, the whole strength of Britain will be sent to the help of America in the Pacific. It will not avail Japan to count upon the war weariness common after an Armistice, for the forces which will be sent will be, presumably, mainly air and sea forces, forces whose numbers and high technical training make them much less subject to this malady than the infantry masses of the last war.

(iii) The Allies.

The third warning was to the Allies themselves. Mr. Churchill could guarantee nothing, not even "that more successes are not on the way". The Allies must bear success with the same equanimity with which they formerly bore reverses. "I know of nothing that has happened yet", he warned, "which justifies the hope that the war will not be long or that bitter and bloody years do not lie ahead". Therefore, "do not let us be led away by any fair-seeming appearance of fortune". There followed a catalogue of German strength. The beast is wounded, not yet stricken, and it will be all the more ferocious for its pain and fear.

(c) Allied Strength.

As to the future, Mr. Churchill gave an impressive and encouraging account of the rapidly growing Allied air strength as against that of the Axis, which he described as "a wasting asset". Their new construction is not keeping pace with their losses. Their front line is weakening both in numbers and, on the whole, in quality". He listed the U-boat campaign as one of the chief Axis dangers still to be overcome, but added the welcome information that the Allies had sunk or heavily damaged a submarine in the Mediterranean for every supply ship lost, and had gained in tonnage, acquired in African ports, two tons for every ton sunk. Here, in a few words, is a devastating reply to all the Axis propaganda on this subject.

✓ II. RUSSIA.

(a) The Stalingrad Bag.

(i) The Russian Threat.

Axis forces in the Stalingrad sector are estimated at between 300,000 and 375,000 men. At present they are being kept going by supplies through a bottleneck which can only offer rough tracks for their vehicles. This Axis army cannot exist for long under such conditions, and, if the Russians can close their ring or even maintain their present positions, it will be face to face with a catastrophe. There are reports that the Germans are sending strong relief columns along the two truncated railways. If so, they are making a desperate effort to drive two spearheads through the encircling Russian arms in order to re-establish rail road communication with their imperilled army. While we await the result of this critical engagement, the following points are worth bearing in mind in attempting to assess the issues at stake and to judge the odds.

(ii) Disheartened Germans.

✓ In the first place, Axis forces attacking Stalingrad have suffered three months of grinding frustration which has cost them 100,000 lives, and now at the end of it they are having the disheartening experience of seeing the defenders of the 'doomed' city pass to the offensive. Apart from further demoralisation induced by the devastating attacks upon their rear, the threatened forces have already lost much of their striking power by the smashing up of three of their armoured divisions.

(iii) A Planned Offensive.

✓ Secondly, it is clear that the Russian armies advancing north and south towards each other are not carrying out hastily improvised diversions but represent a very powerful and methodically planned counter-offensive. Ever since the Germans committed themselves to direct assault on Stalingrad they have been very sensitive to the danger of their exposed flanks -- particularly on the north side. The shield of fortified positions which they constructed along the right bank of the Don and across to the Volga above Stalingrad was so strong that Timoshenko's pressure against it during a time when Stalingrad was particularly hard pressed made little headway. Now a new striking force, supported by massed artillery and heavy tanks, has gone through like a steam-roller to a present depth of about 80 miles.

(b) Hitler's Dilemma.

(i) The Threat to Hitler.

✓ At the moment Russian forces are 100 miles west of Stalingrad and about 170 miles east of Rostov. If, after consolidating their present positions, they can press westward towards the estuary of the Don, they will be closing the gateway to the Caucasus, if that threat develops, Hitler will have no option but to clear out of the entire region of the North Caucasus, bag and baggage. The magnitude of the danger is such that we may be sure that he will pour in with all speed a very powerful force to keep the gateway of the Caucasus open, and, if possible, to extricate the army in front of Stalingrad. Where will he procure the necessary divisions? If any considerable number of them are transferred to the south, the German Command will be taking a grave step, for the Red Army has already shown itself capable of launching heavy attacks in the north as it did last winter.

- 5 -

(ii) The Alternatives.

Hitler is faced with a dual dilemma. Will he, for the sake of domestic prestige, face the appalling losses that would now be involved in trying to maintain positions in front of Stalingrad -- and this at a time when the freezing of the Volga will deprive the city (from the German viewpoint) of most of its military significance until the spring? The second part of his dilemma is this. Will he, in view of possible Russian onslaughts in the northern and central sectors, persist in trying to hold the 700-mile bulge in the Caucasus or will he do what Halder, his former Chief of Staff, urged him to do (like Brauchitsch a year ago) -- conserve his manpower by shortening the line, in this case by exchanging 700 miles in the Caucasus for the 300-mile stretch between Voronezh and Rostov?

(iii) Another Winter Campaign.

Even if he accepts both a minor and a major withdrawal, the Wehrmacht on the Eastern Front will still be faced with a terrible winter during which all its resources and powers of endurance will be needed to hold the line. There will be small chance of withdrawing any considerable number of divisions from the battle zone either for rest and refitting or to meet the drain of accumulating commitments in Southern and Western Europe.

(c) Hitler's Failure.

(i) Another Miscalculation.

The word "failure" is writ large across Hitler's military record in Russia this year. The basic reason is that the Germans under-estimated Russian capacity for patriotic sacrifice and endurance. Timoshenko only avoided a break-up of the Red Army by colossal sacrifices of rich food-growing and mineral-bearing territory. German propaganda has promptly announced that the German object in 1942 was not physical destruction of the Red Army but crippling of the Russian war machine. They were confident (having had wide experience) that there was a point of suffering beyond which human endurance broke. The breaking point, they calculated, would be reached this winter, when the Russians went hungry from lack of Ukrainian and Caucasian wheat and began to despair as they saw farm tractors and factory machines slow down from lack of oil and coal.

(ii) The Challenge of Stalingrad.

When the Soviet Command decided to make Stalingrad the symbol of their spirit of resistance, the Nazis accepted the challenge. Great risks were involved (which have now become stark perils) but seemed to them to be worth while. Hitler pledged his credit, precisely and without conditions, that the city would fall. The Russians had made it the heart and symbol of their resistance. Very well: it was here that the mortal blow could be struck at Soviet faith. On their side, the Soviet Government acted on three calculations: first, that the superb quality of the Russian soldier, when he had his back to the wall, could hold the Germans in a dangerous salient until deadly counter-strokes could be prepared and delivered; secondly that the Russian peoples could survive and surmount the winter's suffering; and, thirdly, that the prodigious organisational effort of Central Russia and the Urals, helped by enormous quantities of tanks and other material sent by the Allies, could keep the war machine going -- at any rate during the critical winter months -- at full pressure. Moreover, success on the first count would clearly increase the chances, very substantially, of winning through on the second and the third.

(iii) The Corporal's Mistakes.

So Hitler was lured into dissipating his resources. By battering at Stalingrad he created a danger for himself at the Caucasian gateway and then proceeded to invade the Caucasus without waiting for the danger to be removed. Not content with that, he gave this invasion two simultaneous objectives -- the seizure of the Grozny oilfields and the expulsion of the Red Fleet from its harbours on the Black Sea coast in order to open the way for an advance into Trans-Caucasia and the great oilfields of Baku.

Both advances have been halted. The Germans have suffered a resounding defeat near Ordzhonikidze, south-west of Grozny, and the Russians are pressing steadily north-east of the Black Sea port of Tuapse. The Germans are now faced with the possibility of complete failure in this campaign. This is due to that quality in the Russian which enables him to face losses and endure suffering which would break the heart of most people, and then to strike back when the enemy has become distended and over-confident.

3. FRANCE.

The Fleet.

(a) French Losses Before Toulon.

(i) Upto Dunkirk.

With the scuttling of a large number of units of the French Fleet at Toulon, Hitler has been denied a prize which the occupation of the whole of France should have given him. The remaining units of the French Fleet are now beyond his grasp and are harboured in friendly ports in Africa and the West Indies.

It is not generally realised that the French Navy, till recently, was a considerable fighting force and had suffered but small losses since the outbreak of war.

(ii) Dunkirk.

Upto Dunkirk, one cruiser minelayer and two destroyers represented virtually the entire war losses. At Dunkirk itself, seven destroyers and several minor vessels were sunk while covering the withdrawal of British and French forces.

(iii) Oran and Dakar Actions.

The regrettable, but necessary, action at Oran on July 3, 1940 sank the obsolete 27-years old battleship Bretagne and one destroyer for certain, while the Dakar actions cost the French Navy two destroyers and several submarines, but no capital ship.

(b) The French Fleet Before Toulon.

(i) Battleships.

Before the tragedy of Toulon, therefore, Vichy could count on four great battleships (excluding the Joan Bart, which was damaged during Allied landings in North Africa). They were the 35,000-ton Richelieu at Dakar; the 26,500-ton Strasbourg and Dunkerque at Toulon and the 22,000-ton Provence, also at Toulon. The Clemenceau, of the Richelieu class was reported in 1940 to be under construction at Brest, but little is known about it.

(ii) Other Units.

In addition to these battleships, Vichy was also supposed to have two aircraft carriers -- the Bearn being in Martinique -- about thirty-five destroyers and fifty or sixty submarines.

(c) Naval Units at Toulon.

It is not definitely known how many ships were scuttled at Toulon and how many, if any, fell into German hands. Toulon was, however, supposed to contain the following units of the French Fleet:-

Battleships: Strasbourg, Dunkerque and Provence.

Heavy cruisers: Colbert, Algerie, Tech and Dupleix of 10,000 tons each.

Light Cruisers: La Galissoniere, Jeanne de Vienne and La Lascaille of 7,500 tons each.

Seaplane Carrier: Commandant Teste and 25 destroyers and 25 submarines and sloops.

(d) Remnants of the Fleet.

(i) At Dakar.

The remnants of the French Fleet are now harcourted in Dakar, Martinique, Guadeloupe and Alexandria -- ports which have declared for, or are under, Allied influence and control.

Reports state that Dakar is serving as a permanent base for the giant battleship Richelieu and cruisers of the Tourville class, as well as the Georges Leygues, Gloire and Montcalm, good, modern 5-8-gun ships; a group of destroyers and several submarines.

(ii) In the West Indies.

In the west Indies -- the 22,146-ton aircraft-carrier Bearn and the 5,886-ton cruiser Emil Bertin at Martinique as well as the 6,496-ton cruiser Jeanne d'Arc at Guadeloupe -- have been immobilised and are under American surveillance.

(iii) At Alexandria.

French warships immobilised at Alexandria are believed to be the 22,000-ton battleship Lorraine, the 10,000-ton cruisers Suffren and Tourville, the 7,000-ton cruiser Duguay-Trouin, the destroyers Esque, Marlin and Le Fortuna and the submarine Proteus.

It will thus be seen that the only ships now undamaged except those at Dakar are those belonging to the Fighting French Fleet or immobilised under the care of the Allies.

(iv) Under De Gaulle.

The Free French Fleet, which General de Gaulle has said consists of forty warships, is understood to be composed principally of submarines and destroyers. The two old battleships Paris and Courbet are in English waters.

(e) The Significance of Toulon.

Speaking of the fate of the French Fleet at Toulon Gen. de Gaulle said: "In one brief instant captains, officers and ratings saw through the odious veil of lies which since June 1940, has hung before their eyes. In one brief instant they understood to what a terrible end they had been led."

That fleet, said Mr. Churchill has "redeemed its honour by an action of self-immolation and from the flames and smoke of the explosion at Toulon France will rise again." Such developments, he continued, entail the extinction for practical purpose of the "sorry farce and fraud" of the Vichy government. "The artificial division between occupied and unoccupied territory has been swept away. In France all Frenchmen are equally under the German yoke and will learn to hate it with equal intensity." Wrote the Pravda on November 28: "Last night was sunk not only the French Fleet but the idea of Hitler's new Europe -- Last night the whole of France joined the battle array of the Allies."

4. SOCIAL PROGRESS IN WAR TIME: NUTRITION.

(a) The Background.

War has been defined by a biologist as "the greatest subtracting factor in the equation of life and death". It is all the more remarkable that during a process of such increasing misery, Britain should quietly pursue intrinsically valuable ends and establish broadbased institutions for their attainment. Nutrition which is one of the youngest sciences has been developed as a definite social service in recent years in Britain.

In 1935 an advisory Committee was constituted "to enquire into the facts quantitative and qualitative, in relation to the diet of the people and to report as to any changes therein which appear desirable in the light of modern advances in the knowledge of nutrition." Meanwhile the British Medical Association had also set up a committee of its own for a similar purpose. The application of the knowledge gained by these bodies has made an important contribution to the general improvement in health since the beginning of the century. Allowances for example, given by the Unemployment Assistance Board could be increased where the need for extra nutrition was proved. Sometimes payments were also given in the form of orders on trades people.

(i) The Policy.

However, it was felt by all that a national policy was necessary and it is the present Ministry of Food that has provided it. As Mr. Brown said on June 30, 1942 "The Ministry of Food has the practical job of providing food, while my department is responsible for advice on nutritional policy. We are working in effective co-operation with the Ministry of Food and President of the Board of Education and we have put the babies and children first." As Lord Woolton had said previously: "There must be no battle for resources between those who want to maintain child health and those who want the maximum of war output from the adult population."

(ii) The Organization of Supply.

The Ministry of Food is the purchaser of over 90 per cent of the country's food imports and it buys and controls the sales and prices of practically everything produced by the farmer.

Home production is planned jointly by the Ministry of Food and the Ministry of Agriculture, taking into consideration the limited shipping space available for the import of animal feeding stuffs. This Ministry is the largest international purchaser of meat, sugar, dairy produce, oil-seeds etc. The imports have to satisfy two conditions. Their nutritive value must be high, and they must not take up too much shipping space. Cheese, concentrated orange juice, milk, eggs and meat in a dried form are instances in point.

(iii) Scientific Research.

Dr. Drummond was appointed the Scientific Adviser to the Ministry of Food in February 1940. A Scientific Food Committee under the Chairmanship of the President of the Royal Society has been advising the Cabinet on Food values since June 1940. Lord Horder's appointment as Personal Adviser to the Minister of Food revealed the significant fact that one of England's greatest physicians would supervise the diet of the nation. A Research Kitchen experiments on new food and places its knowledge at the disposal of the nation before the goods are available in the market.

During the Last War attention was largely concentrated on the calorie content of diet. Vitamins hold the field now. Moreover it is now the recognized policy to supply vitamins in the form of natural foods rather than encourage the public to supplement its diet with tablets and capsules. 85% of the intake of vitamins in Britain today comes from unrationed foods -- particularly vegetables. In February 1940 margarine was fortified by adding 550 units of vitamin A and 50 units of vitamin B per ounce so as to make it equivalent to "grass fed" butter. The Ministry's cod liver oil ensures a daily intake of 500 units -- infants are said to require 300 to 400 units of vitamin D. The vitamin B.I. content of the National Maccaroni Flour is about 450 units per pound.

(iv) Storage, Salvage etc.

The food that the people in England eat is as free from adulteration as can be imagined. The Sampling of Food Order 1942, allows Inspectors to visit any place where any process connected with food is being executed and take samples. Refrigerated depots store food in different parts of the country observing meticulous sanitary and hygienic conditions. Meat and Milk are distributed under the direct agency of the Ministry of Food. Economy of transport is secured by means of "zoning" so that distribution is limited to defined areas around the port of arrival or point of production.

(b) Rationing.

A comparison of the basic ration at the end of July 1942 with the average pre-war consumption of these foods shows that the weekly ration of meat for adults provides a little over 1 pound against an average pre-war domestic consumption of 1 1/2 pounds. Fats, bacon and ham compare well also. Sugar is less, but the decrease has been found to be better, rather than worse, for health.

Under the "Points" rationing scheme, a number of points are allocated to each individual for a four-weekly period. These may be spent on a wide variety of foodstuffs -- breakfast cereals, all tinned foods except soup. Lease Land goods have helped to make the "Points" scheme an instrument of "diet liberation rather than diet restriction". To quote Lord Woolton again: "The ration is based on the average need of the family. It is not designed to meet the needs of special classes of the community... but those requiring special consideration are also given suitable priority".

(i) The Children.

Children receive the same ordinary ration as adults except that tea is not available for those under 5 and the meat ration is half that allowed to adults. In a number of things they are given special priority. Under the National Milk Scheme, by June 1942 86% of the eligible children were receiving milk. Over three million mothers and children are using this scheme and 21% of them receive the milk free. Oranges are reserved for the use of children under 5 at controlled prices. Fruit juice and cod liver oil compound are distributed free through maternity and child welfare clinics to all children under two. Recently a small charge has been imposed on all except those who are eligible for free milk.

Over three million children receive milk at school. The number taking mid-day meals at school has registered a 100% increase compared with last year. The Board of Education sees to it that the food provided is attractive and contains 1000 calories energy value.

(ii) The Industrial Workers.

Food is allocated to industrial canteens and catering establishments according to a broad general classification of their customers -- and their needs. Heavy industry workers get extra allowances of cheese, fats and preserves. Each week some 15 million meals are served in these establishments.

(c) Some General Features.

Invalids, nursing mothers, vegetarians are given special consideration. Communal Feeding has made theories about diet an attractive and operative reality. Emergency meal centres cater for the grim needs of a bombed area. The prices of food are stabilized by subsidies. Education in matters of food is freely and carefully given. As Lord Woolton has said: "We are making the future every day ... our plans to safeguard the health of children ... all we ask today is for daily bread to give us strength for our day's job. One thing is certain. The future advances will be made in cooperation with the other United Nations."

The way in which things happening in Britain have a universal import can be gauged from Sir William Jowitt's statement: "Our aim must be to raise the standard of living throughout the world, and, as a first step, to raise the nutritional standard of the world." That is why the entire food resources of Great Britain and the U.S.A. are deemed as a common pool for the best utilization of the world in general, and it can safely be hoped that the army of humanity will march towards a full life on a scientifically nurtured stomach.

" 350 - 1.12.42 ".

254TH BI-WEEKLY GUIDANCE NOTES ON THE WAR SITUATION, DATED DECEMBER 5, 1942.

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POLICY

1. Smashing up of Axis convoy shows that British sea power is once again effective in Central Mediterranean.
2. The importance of Tunisia to the Axis is indicated by the desperate efforts being made to rush reinforcements by sea and air. Hard fighting must be expected before victory.
3. Stress that Mussolini's speech reveals his utter dependence on German help. Plans for evacuation expose Italian fear of Allied bombing. Note absence of even a threat of retaliation.
4. Interpret reception so far given to the Beveridge Report as an index of the volume of support in Britain and America for the principles of the Atlantic Charter.

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1. ITALY.

(a) Mussolini's Speech.

(i) An Attempt to Answer Churchill.

It is quite probable that Mussolini would have continued his silence, which has lasted for 18 months, but for the fact that Mr. Churchill's last broadcast compelled him to break it. He had to answer Mr. Churchill and justify his leadership, or else let the argument go by default, and allow the Italians to suspect, indeed to know, that he could make no reply. There is no doubt that the Italians, despite the penalties for listening in to the B.B.C., did listen to what Mr. Churchill had to say -- translated into Italian and relayed by the B.B.C. Foreign Service at regular intervals.

(ii) Defence of the Fascist Regime.

Mussolini's harangue could not have, however, re-assured the Italian people. As a defence for the Fascist Regime it was incredibly feeble. "The Italians," said the Duce, "have never been happy because they've never had enough bread". A miserable comment on the 20 years of Fascist rule. Then turning to the Allies, he said, "An attempt is being made to deny the Italian people the right of existence". The Italians, however, know that it is their German masters who are denying them their bread; they know that Italian exports to Germany include fresh vegetables, tinned foods and rice. The Italian knows that his weekly bread ration is 37 ounces in comparison with the German's 80 ounces, that he must subsist on $3\frac{1}{2}$ ounces of meat a week in comparison with the German ration of $12\frac{1}{2}$ ounces, that his $4\frac{1}{2}$ ounces of sugar and $3\frac{1}{2}$ ounces of fat are approximately half of what his "partner" receives, and that he has only $17\frac{1}{2}$ ounces of potatoes in comparison with 157 ounces per head available in Germany.

(iii) England -- the eternal foe.

Replying to Mr. Churchill's accusation that he alone was responsible for the sorry plight of Italy today, Mussolini went back to history to prove that, "England has never been the friend of Italy". He forgot that it was England's practical sympathy with Italian aspiration in the nineteenth century that led Garibaldi, the famous Italian patriot, to utter his well-known malediction: "Cursed be the Italian", said Garibaldi, "who does not go to the aid of England, when England is in danger".

The Italian people have not forgotten, however, the part that England played in the unification and liberation of their country. When Garibaldi started his war of liberation in 1859, it was England that prevented Napoleon III and Austria from fishing in troubled waters and earned Spain with a threat of force against an armed intervention in Italy. It is doubtful whether Garibaldi and his celebrated "Thousand" could have ever carried out the audacious march through Sicily and Naples, which had the effect of liberating all Italy, if Great Britain had not prevented France and Austria from interfering by force to relieve King Francis II at Caserta, or if the presence of British warships in the harbour of Marsala had not deterred the Neapolitan commander from commanding the "Thousand" as they disembarked from their tiny ships.

(iv) Italy's Partnership With Germany.

The remarkable thing about Mussolini's speech was the absence of any serious effort to sum up the war-situation. He admitted that the quality of Russian resistance had surprised him; he said that the Allied landings in North Africa were a "tragic-comedy", that the entry of Japan into the war was "an unconditional sign of victory". That he was really concerned with was to convince his people that he was the equal partner of Hitler, and that Italy was not really a German occupied country. "The German commander-in-chief", he said, "have spontaneously acknowledged that the Italian is one of the best, if not the best soldier, of the world, if he is properly equipped and properly led". Was this an attempt to dignify the Italians were being commanded by Rommel in Africa -- his audience must have wondered.

(v) War Casualties.

Giving an account of Italian war casualties, Mussolini prefaced his remarks by saying that he had the right to demand that "no Italian should cast any doubts on the veracity of the figures". "These figures", he said, "are most carefully being compiled in Italy".

In the first 30 months of the war, he said 40,119 had been killed in action, of which 38,629 belonged to the Army, 2,168 to the Navy and 1,422 to the Air Force. Figures for the injured were: 80,749 for the Army; 5,599 for the Navy and 1,620 for the Air Force. The Italian forces had lost the total of 230,738 prisoners while 57,713 were missing.

When the Duce came to the subject of R.A.F. raids on Italy, the only comfort he could give to his audience was that evacuation of the cities would be carried out rapidly and that anti-aircraft guns would be imported from Germany.

(vi) Instilling Hate and Fear.

Mussolini knew that the picture he had given of himself could hardly revive Italian enthusiasm. He, therefore, tried to revive it by instilling hate and fear. "False sentimentalism", he said, "should be discouraged because the hatred against the enemy must be be heartoured by day and by night". Hence his story about inhuman British treatment of Italian prisoners -- a story that is disproved by the notoriously cheerful behaviour of Italians in British war camps. Hence also the story that a victorious Britain could threaten the Italians for a century.

(b) Air Offensive Against N. Italy.

(i) Mussolini's Figures.

Mussolini gave detailed figures of casualties in the R.A.F. raids on N. Italy. Up to November 30, he said, 1,882 people had been killed and 400 houses had been demolished (Milan 30, Turin 161, Savona 6 and Genoa 203). He tried to prove from these statistics that (as the Rome Radio has been telling us for the past month) R.A.F. bomb-aimers concentrated exclusively on civilian targets. Half a dozen of the R.A.F.'s new 8,000 lb. bombs would suffice to destroy 400 houses, but in the period October 22 to November 23 (inclusive the R.A.F. dropped 1,500 tons of high explosive on targets in Northern Italy. It follows, from the Duce's statement, that more than 98 per cent of the total tonnage dropped fell on targets other than Italian homes.

If further proof be needed we turn again to Mussolini's speech. He made a slip which must have annoyed Dr. Goebbels intensely. He gave separate figures for the numbers of houses destroyed in the heart of Genoa and in the suburbs. The centre of the city had 187 houses destroyed, while the suburbs had only 16. Now, Genoa is built round a dock area which encloses an almost circular harbour. The bombs that dropped in the centre of the city must, therefore, have been aimed at the docks and shipping in the harbour.

Notwithstanding this proof of the accuracy with which the R.A.F. attacks military objectives, Mussolini has ordered a mass evacuation of the great cities of the industrial north and even of Rome itself (which has not yet been attacked). Half of Turin's 600,000 inhabitants have already moved out. Mussolini has tried to comfort his disillusioned dupes with the assurance that German anti-aircraft batteries are a deterrent to the R.A.F. Nowhere will aircraft meet heavier flak than over Cologne; but the R.A.F. has raided that German city 110 times.

(ii) Italy's Vulnerability.

Experts of the Ministry of Economic Warfare hold the view that Italy is much more vulnerable to bombing than Germany. The same weather which in peacetime led the wealthy people of Northern Europe to winter on the Italian shore assures our bomb-aimers of good visibility -- even in the month of November, which is notorious in Northern Europe for fog, the pilot's worst enemy.

Germany has an elastic economy and is renowned for her skill in improvisation. Italy relies on Germany for many industrial supplies, and all must come by rail through one or other of the few Alpine passes. Major rail junctions, such as those at Milan and Bologna, are vital links in Italy's economic structure; damage here means dislocation throughout the country.

2. WAR AT SEA.

(a) November Output of U.S. Shipyards.

In the month of November American shipyards delivered 84 new ships (total 890,700 tons). With the single exception of the month of September 1942, this is the highest total yet recorded. In September the corresponding figures were 93 ships and 1,009,800 tons. The drop of nearly 120,000 tons is accounted for by the partial diversion of labour to the construction of special landing craft for invasion purposes. Ships of less than 100 tons are normally omitted from the record.

In the first 11 months of 1942 American yards have completed 625 ships totalling 6,890,000 tons -- a bigger merchant fleet than either Germany, Italy or Japan possessed at the outbreak of war. Half of this fleet would be sufficient to keep the Middle East forces continuously supplied by the Cape route; one-sixth would be sufficient for the same purpose if the Mediterranean were opened to Allied convoys.

(b) Enemy Radio Claims.

(i) Merchantmen.

November was a month of fanfares and special announcements on the German radio, no doubt intended to offset the bad news (for the Axis) which flooded in from all fronts -- from French North Africa, from Egypt, from N. Italy, from Russia and from New Guinea and the Solomons.

In the first seven days of the month (i.e., before the Allied landings in French North Africa) Berlin claimed the sinking of 56 Allied vessels (357,469 tons). On November 18 Tokyo Radio relayed a Berlin claim that German submarines had sunk a total of 700,000 tons of Allied shipping since the beginning of November and, said Tokyo, "it is expected that a new record will be created by the end of this month."

Dr. Goebbels did manage to create a new record. His all-in figure for the month of November (broadcast from Berlin on December 2) was exactly five ships (23,500 tons) in excess of his corresponding claim for the month of September.

(ii) Naval Craft.

In regard to naval losses in the North African landings, German claims were unusually moderate. On November 16 Berlin Radio claimed a total of 33 naval units sunk or damaged, but the only ships claimed as definitely sunk were:

Three cruisers, four destroyers and patrol boats.

We now know that the actual sinkings were:-

Three destroyers (including one Netherlands), one small aircraft carrier, one depot ship, one minesweeper, one anti-aircraft ship, one corvette, one sloop, two cutters and five (American) naval transports.

(c) Mediterranean Naval Operations.

The action of December 1/2, in which three British cruisers and two destroyers engaged an enemy convoy bound for Tunisia, is probably a "curtain-raiser" to the coming struggle to decide whether the Mediterranean is to be Mare Nostrum or Harwood's Lake. This is the first time in many months that British light forces have been reported on offensive patrol in the Central Mediterranean. It will be noted that the enemy convoy (of which four merchantmen and three destroyers were sunk) was first sighted by air reconnaissance. While these aircraft may have been catapulted from the cruisers, the fact remains that, without the backing of land bases in Algeria which could provide air cover in an emergency, such a patrol might have been considered inadvisable. The entire route from Italian ports to Tunisia is within range of Axis land-based aircraft and, being unopposed, these would represent a formidable menace to a "naked" Allied naval patrol.

3. GERMAN PROPAGANDA TRICKS.

Berlin's Ersatz News Agency.

(a) Introduction.

The Nazi propagandists are too shrewd not to realize that in the long run events will show up their lies. The various devices, often as ingenious as the one dealt with below, adopted by them, are a measure of their fear of being found out. In a broadcast talk, which is given below, W.A. Sinclair, B.B.C. propaganda expert, on November 10, described an extremely clever method adopted by Berlin -- creating a news agency which is a figment of Goebbels' imagination.

(b) Devices to Conceal Propaganda Lies.

"There is one propaganda device the Nazis are using of late, which is, I think, entirely new. You may have heard of the International Information Bureau, which the Germans quote from time to time in their news bulletins. This is a fairy tale news agency. It was invented by the German Propaganda Ministry some three or four weeks ago. It's said to be a neutral News Agency, a new one, and the German radio quotes it in the same way as our radio and your radio quote Reuters, or the United Press, or any of the other well known News Agencies. If you listen to one of the Nazi news readers broadcasting and hear him quoting this News Agency, it all sound quite normal. For instance, the German Radio on November 3 said that the special correspondent of the International Information Bureau in North Africa reports that the large scale British attack which was started by the heavy artillery preparation the day before on the El Alamein Front has collapsed; and so forth. You may think that a News Agency which says things like this is not particularly reliable, but it certainly sounds as if some such News Agency did really exist, whatever be its reliability or unreliability. But, as a matter of fact, no such Agency exists at all. Whether anything at all exists, corresponding to this impressive name of International Information Bureau, is at least questionable, as you'll see in a moment, but certainly no correspondents of the Agency exist in North Africa, or anywhere else for that matter.

The Nazis keep up the pretence -- the pretence that it's a real agency, the Nazis keep up the pretence with considerable ingenuity. They always speak about it with an air of not very interested detachment, as if it really had nothing to do with them. On October 31, for instance, which was the first date on which I came across it at first hand, on that date, the German Radio said that the International Information Bureau had reported that U-boats in the Atlantic had sunk 100,000 tons of Allied shipping. Half an hour later, the German Radio broadcast that a later report from the International Information Bureau had said that the total had risen to 165,000 tons. And then, another three and a half hours later, the German Radio, with an air of disinterested detachment, suddenly told its listeners that the figure reported by the International Information Bureau might not be altogether reliable as the German authorities had not yet issued their official figures. It's rather like a literary man publishing a novel under a pen name, and then writing a review of it under his own name".

(i) Avoiding Responsibility for Statements.

"You see that the invention of the imaginary News Agency is for the Germans a most ingenious and useful device. When the Nazis want to say something which they would like to say, and which they yet feel to be so extreme and absurd that they don't want to risk having it quoted back at them later, they can do this by saying that this so-called neutral News Agency has reported it. This enables them to start rumours and drop hints in the hope that some fool somewhere or other will believe them. It enables them also to publish extreme claims, and then to escape the consequences afterwards when the full facts become known, by saying that it was not the Germans who made the statement but only this regrettably unreliable News Agency. They've used it for this purpose quite frequently, in reporting the fighting at Stalingrad, during the last few weeks, and, of course, the invention of this convenient News Agency enables the Nazi Propagandists to give themselves an appearance of moderation and of caution, and of reliability, by periodically warning their listeners against believing too much of what this News Agency announces, unless (so they say) it has been confirmed by the strictly truthful German Propaganda Ministry.

(ii) What Led To Its Invention.

There are two reasons that have, I think, led the Nazis to invent this News Agency. The first is that the old Nazi device of describing wild statements to neutral newspapers is no longer working very well. The B.B.C. have developed an inconvenient habit of getting hold of the neutral newspaper in question, and reading over the air to listeners the actual passage that the Nazis have distorted, thus pointing out that the Nazis alleged quotation is entirely imaginary, as it frequently is. The other reason is the change in the military situation, or the change in the kind of situation that the Nazis have to report.

Think back to the early days of the war, when the Nazi Armies were over-running Norway and Holland and Belgium and France; and think back even to the early days of the war in Russia, when the Nazi Armies were advancing regularly day after day. At that time people often said, 'Nazi Propaganda is all lies, but the German High Command communique is accurate'. If therefore, people said at that time, this High Command communique says that the German troops are in such-and-such a place, then they are in it. So said many people in your country in 1940 and even in 1941, and I heard people say it frequently in Britain too, at that time.

(c) German Official Communiques Now Discredited.

Many people, I believe, thought that the German High Command communiques were telling lies only after Hitler took over supreme command in the Army. This is not so. I think a certain change in the manner of wording, the communiques was noticeable after he took over, but they were no more truthful before than they were afterwards. As a matter of fact, the German High Command communiques were not accurate any more than the rest of German propaganda, though they often looked as if they were. What was happening was this. On say a Tuesday, in those early days of the war,

the German High Command communique would announce that German troops had crossed, say, the River Somme. Well, on that Tuesday very likely no German troops had even got near the River Somme, but by the Thursday or the Friday, they had got near it, and they had got across. Similarly, the High Command communiques regularly reported that a given town, say Calais, had been captured, when in fact it had not been captured, and was not captured until some days later. That's to say, the communiques were frequently plain lies, like the rest of Nazi propaganda, but the lies were detected only by those making a special study of the subject, because within a few days the Germans had advanced to the places they claimed.

(i) Need for Impressive News.

The Germans wanted to give an impression of continuous military advance, for they believe very strongly that nothing succeeds like success and they really were having a continuous military advance. They could, as a matter of fact, perfectly well have told the truth quite safely, but they preferred to go one better than the truth. Then things began to go differently from what the German High Command expected. Beginning at the time of the Battle of Britain, things stopped happening according to the German plan. For instance, the High Command announced that the R.A.F. had been driven out of the skies of England -- that was their own words -- and they announced that the Luftwaffe had complete air control, because, though the men in the German High Command were well aware that at the moment that was simply not true, still they expected that it would be true in, say, a week's time or so. Well, when that week passed, and as later weeks passed, it became extremely clear that the R.A.F. had not been driven out of the skies of England, and it became clear that the R.A.F. was, instead, proceeding to control the air on the other side of the Channel. The High Command communiques were neither true, nor did they come true, and then, the systematic lying in them became for the first time clear to the ordinary newspaper reader and radio listener.

Later, when Germany invaded Russia, the same process was gone through all over again. People began to believe the German communiques because the statements in them, though they were not true when the communiques were issued, did become true some days later. Then this ceased, because the German advance was halted by the Russians in the early winter of 1941, and again it became clear to the general public that the High Command communiques were just not true. The same sort of thing has been obvious again in the Russian fighting this winter, and I think it has been this situation which has finally led the Nazi propagandists to fall back upon inventing this International Information Bureau, instead of always using the High Command communiques to cheer on the German people and to distress the Allied Nations.

(ii) High Command Avoids Committing Itself.

They are quoting this imaginary neutral News Agency to say, for instance, that the whole factory district of Stalingrad is in German hands. This sort of thing, this quotation, enables them to give an impression of continuing success; it enables them to give a general atmosphere of military achievement to their news bulletins, without committing the High Command itself to a definite statement which might, a few days later, turn out to be plain lies. The interesting question about this News Agency -- a question that at the moment I just don't know enough to answer definitely -- the interesting question is whether anything at all exists corresponding to this impressive name of International Information Bureau. It may simply be a name, and nothing more. It may be like that Mrs. Harris in Dickens' novel, who was always being quoted by Sarah Gamp. You remember how it is only after a long acquaintance with Sarah that one realised that the loquacious Mrs. Harris existed in Sarah's imagination only, and no where else.

On the other hand, it may be the case that there are some one or two clerks in the Nazi Propaganda Ministry in Berlin who write reports which are then ascribed to the imaginary Foreign Correspondents of the Agency in remote places. But, in any case, whether it's just a Mrs. Harris, or whether it does consist of a small Office of some kind, it's simply an invention of the German Propaganda Ministry, and it's invented for the announcements or the things the Propaganda Ministry does not want to risk saying itself.

P.T.O.

This imaginary neutral News Agency has been appearing in the German news with increasing frequency during the last three weeks, and I expect that in the coming months the world will be told more and more of what it says, especially if the military events themselves continue to go more and more against Germany. And further, the Nazis will profess great indignation with anyone who says that it doesn't exist at all, and they may, with great solemnity, describe it, and they will describe how it works, and they will no doubt publish photographs of it, as is their invariable custom when perpetrating a fraud.

"350 - 5.12.42."

CONFIDENTIAL

255TH BI-WEEKLY GUIDANCE NOTES ON THE WAR SITUATION,
DATED DECEMBER 8, 1942.

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P O L I C Y

1. Interpret strong German resistance in Tunisia as sign of its importance in Axis eyes. Allied advance depends on preparation of adequate forward air bases.
2. In connection with the Japanese war anniversary emphasise Churchill's warning that Japan cannot hope to escape if Germany collapses first. Full retribution is coming to both.
3. Use the full story of Pearl Harbour to emphasise the initial advantage Japan obtained by treachery, and the fulfilment of the American production programme for 1942 to stress America's immense and rapidly growing strength.
4. Queen Wilhelmina's radio talk is another sign that the Atlantic Charter will be applied to Asia as well as Europe.

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1. THE WAR IN GENERAL.

(a) The New Outlook.

(i) Climbing the Chimney.

The public of the United Nations are at present in a position of peculiar difficulty. That may seem a strange thing to say at the end of a month of brilliant and uninterrupted victory. The difficulty is psychological. Let us try and make the point with a well-worn metaphor. After the avalanche of the summer of 1940 the nations of the British Commonwealth, bruised and bleeding, alone began the steep ascent of what mountain-climbers call a chimney. Every step was slippery, fraught with peril, and, an overhanging face of rock excluded the light of the sun. After more than a year powerful friends -- themselves having suffered the effects of other avalanches -- joined in the enterprise. Then, suddenly, the climbers reached the head of the chimney and found themselves on an open ledge in brilliant sunshine. Before them lay a wide expanse of sparkling snow and glacier sloping upward to the base of a majestic peak whose name is victory. They had not seen its shape before. To the eye of an experienced mountaineer that innocent expanse conceals much treacherous going; the lines of the peak itself reveal dangerous screes, precipices and knifelike ridges where the party will have to be roped together to hack each successive foothold out of the rock. The expert, like the novice, is exultant as he gazes at the splendid panorama but his practised eye takes in the difficulties ahead and his mind weighs the preparations and the effort required to overcome them.

(ii) The Danger of Overconfidence.

Most of us are novices in the art of winning a world war and we cannot share inside information with our leaders. When the latter are careful, as they always are on both sides of the Atlantic, to temper joy in achievement with warnings of a long and stern climb before

us, there is a real danger that we may mentally (perhaps unconsciously) discount such warnings on the ground that statesmen must always protect themselves against subsequent charges of optimism. That is required at this turning point of the war is neither deflation of confidence (for November 1942 has indeed been 'a miraculous month') nor acceptance -- even tacitly -- of the idea that victory is now assured because defeat has been put behind us.

(iii) A Moral Dynamic.

What is needed is a sort of mental revolution which will set on fire all the United Nations in their factories and offices and on farms, and inspire them with a sacrificial offensive ardour comparable in quality to that which galvanised the people of Britain in their defence after Dunkirk. To do that two things are required. The first essential is the driving force of faith in an ideal -- in this case a free and integrated post-war world in which the armed forces of the free will be so strong that aggression will cease to offer dividends. The second requisite is that confidence in ultimate victory, as it mounts higher and higher, should be an energiser, not a relaxer, driving us to hit harder and harder, forerunning us against setbacks which will surely occur from time to time during the stern and terrible year of 1943. This control, harnessing our own confidence, can be attained if -- like an experienced climber -- we train ourselves to subject all known factors in each situation as it arises to a cool realistic analysis.

(b) European Perspective.

(i) German Reserves.

1. The East.

In his recent broadcast Mr. Churchill put the strength of the Wehrmacht on the Russian front at "180 German divisions, many of them reduced to little more than brigades by the slaughters and privations they have suffered". Of these, it is estimated that some 30 reserve divisions are stationed in the Baltic countries, while a comparable reserve has been assembled in the region of Kharkov. The powerful Russian counter-offensive between Viliys Luki and Vyasma must be causing increasing drafts to be made on this northern reserve just as losses already suffered in the perilous situation in the Don elbow must be making heavy demands on the reserves near Kharkov.

Germany on the Eastern Front is very fully occupied and is suffering frightful losses in dead and captured at a time when it had become urgently important to limit operations to isolated activity at Stalingrad and in the Caucasus in order to release substantial forces to meet new and unexpected dangers elsewhere. By multiple counter-strokes the Red Army is pinning down and eating into the reserves of a major concentration of German forces. It is not only "General Winter" but General Stalin who is "freezing" this great German army in the Eastern Front.

2. The West.

Now turn westwards. The generally accepted figure for German garrison divisions in occupied countries is over 40; competent authorities have estimated that the implications of the occupation of the whole of France, Sardinia and the coastal strip of Tunisia must cost the Germans up to another 30 divisions. These have either been drawn from the Eastern Front reserves or (more probably) from the general strategic reserve in Central Europe. In the (at present unlikely) event of a German invasion of Spain, a considerably greater force would be required to crush

Spanish resistance and maintain lines of communication through a hostile and barren country.

2. The South.

In addition, it is reported that five German divisions -- two of them armoured -- have crossed the Brenner Pass within the last few days. Whether this report is accurate or not there is no doubt that Germans must reckon Italy as an increasing liability and a further drain on German military manpower. The same remark applies with equal force to the Satellite and occupied countries in the Balkans.

(ii) Freezing Hitler's Reserves.

When it is remembered that the total number of German divisions is approximately 290, it will be seen that when the Allies in the west are able to follow up the Russian blows (themselves an answering hammerstroke to the two offensives of their allies in the Mediterranean) with a yet further major action of their own, they will complete the process of freezing Hitler's defence arrangements and make it extremely difficult for him to concentrate sufficient force for an attack at any one point. This estimate of dispositions of the German Army -- and it is not claimed that it is more than approximately accurate -- takes no account of the armies of Italy and other satellite. Their fighting quality should not be underestimated; but it is true to say that their value in the field will decrease in direct proportion to German reverses.

(iii) Fortress Mobility.

The effective defence of the German fortress in Europe depends on the mobility of the garrison which involves freedom to reduce troops on all fronts but one to a skeleton holding force while massing the remainder to meet a major assault on the other -- whichever it may be.

German generals, such as von Leeb, have given it as their opinion that Germany lost the last war because she kept her armies too long evenly divided between the east and west and so lost the opportunity of massing an overwhelming force for an attack in the west before it was too late. If the Allies in the present struggle can go one better by freezing the German defence and then delivering co-ordinated assaults at widely separated points, their strategic position will be stronger than it was in 1918.

(iv) Strength of the Fortress.

We must not on that account jump to the conclusion that the German defence is about to be "stretched to the limit", and that a few swift blows will bring about a total collapse. If we can throw the Germans on the defensive from Norway to the Western Mediterranean and from the Eastern Mediterranean to the White Sea simultaneously, we shall have gained an enormous advantage, but the German defensive system, even when it is frozen, will still be formidable, for Germany commands more territory and therefore more resources, more manpower and more armament output than the Kaiser at the height of his military power. On this as on all other aspects of war a realistic appraisal can be an inspiration and shallow optimism can be a deadly danger.

2. RUSSIA.

(a) Hitler's Plight.

There is now an area between the Don and the Volga shaped something like a kidney in which some 150,000 to 200,000 German satellite forces are completely encircled. The Stalingrad garrison, having merged with relieving columns from the northwest and south-west, is thrusting at various points into the Volga front of the beleaguered area while other formations of tanks, guns and infantry are working in close co-operation and are jabbing at its isolated rear from the east bank of the Don.

(b) Hitler's Pride.

These concentric attacks represent the tightening grip of a boa constrictor. Realising their plight the troops inside are fighting with desperation. Significantly they have not been concentrating their efforts on breaking through the "bolt" which the Russians have drawn across their rear but on holding their ground; they are even continuing isolated attacks in the suburbs of Stalingrad. That can only mean that Hitler -- upon whom the sole responsibility devolved when he dismissed Halder and Bock -- either cannot or will not face a blow to his prestige by abandoning the assault on Stalingrad. Political considerations led him into a trap and kept him there until it could be closed. Considerations of prestige and blind faith in his own "intuition" are apparently inducing him to risk the annihilation of close on 200,000 men. The technique of throwing discretion to the winds and daring the impossible which proved so successful against unprepared nations is liable to lead to disaster in a military contest with a powerful opponent.

(c) Hitler's Choice.

Having rejected the course of ordering Hoth to try and fight his way to the west out of the trap, Hitler can do one of two things. He can mount a rapid and heavy counter-offensive against the Russian "bolt" which is steadily broadening down the railways to Krasnodar and Rostov. If he does so, he must constantly look over his left shoulder to the Moscow sector where the Red Army is striking in behind the key fortress of Rzhev and has nearly reached the very important Leningrad-Vitebsk Railway to the west of Velikye Luki -- the main line for lateral communication behind the German front. Alternatively, he can limit his counter-operations to trying to stem the Russian advance, trusting to the encircled army between the Don and the Volga being able to form a "hedgehog" maintained by airborne supplies as was done at Staraya Russa last winter. The strength of Russian ground attacks and of their air force should make such an attempt extremely difficult.

3. JAPAN: A YEAR OF AGGRESSION.

(a) Object of Japan's Imperial War.

A consideration of Japanese aims and achievements after a year of war falls into three distinct parts. The political aspect of Japanese rule, which has erected treachery into a diplomatic fine art, will be considered in detail now; while the other two aspects of Japanese rule viz. economic loot and cultural exploitation will be brought under review later.

A State Shinto document published in the Japan Weekly Mail, as far back as 1881 stated the political dynamic which was to galvanize the military clique in Japan for the following half century. The statement ran: "Our ancestors in Heaven watch our acts, and we recognize our responsibility to them for the faithful discharge of our high duties, in accordance with the principles and the perpetual increase of the glory they have bequeathed to us."

The two objects which Japan intended to advertise were glory for the Yamato Race -- that was for internal general consumption, and economic gains from neighbouring countries, that was for internal, specific consumption. General Tanaka has celebrated this for all time in his infamous document thus: "For settling difficulties in Eastern Asia, Japan must adopt a policy of Blood and Iron. In order to conquer the world, Japan must conquer Europe and Asia; in order to conquer Europe and Asia, Japan must first conquer China, and in order to conquer China, Japan must conquer Manchuria and Mongolia."

(i) Obstacles In Japan's Way.

This declaration sets out clearly the difficulties in the way of Japan, which she would first have to resolve before she could be in a position to "increase the glory bequeathed to her."

At first like all good criminals, Japan paid lip service to democratic ideals and pretended to abide by the conventions ordained by civilized ethics. One has only to recall the Konoye Cabinet's vacillations or Mr. Matsuoka's smiling professions to see what an obstacle the democratic world -- in particular Britain and America -- was to the realization of her expansionist aims. Moreover Japan required the tools of war, and as has been subsequently discovered the patents of designs of the engines of war, before she could muster sufficient calculated insolence to declare war on the world. So she went about matters cautiously. Her dalliance with Axis powers, was executed simultaneously with smiles and smirks towards Britain and smooth commercial negotiations with the U.S.A. particularly for scrap iron, machine tools, and oil. The moment she felt that the war situation in Europe enabled her to release her pent up dreams of aggrandisement, she did so, democratic conventions or so.

But nearer home the Japanese had an obstacle to the realization of these dreams tougher than they thought. It was China. Having romped through Manchuria, Japan thought it would be a matter of months if not weeks before China itself would tumble down like a house of cards, and then all would be well. With China in her hands, Japan imagined that she would be able to lord it over Asia and eventually over the rest of the world. One has only to recall Konoye's lament to his Cabinet a couple of years ago, and Tojo's this year about "war in China being a difficult and costly enterprise" to realise how unpleasant a shock this country has been to the Machiavellian gang of the Mitsubishi and the Military, and how with undying heroism it has impeded the implementation of their nefarious schemes.

(ii) Pretended Aims.

Madame Chiang Kai-Shek has told us with vivid pathos what the Japanese say before they ravage a country: "They say, they will come to liberate you" she says and adds "but it is a lie". To the Filipinos the Japanese said in January 1942 "Their independence would be given; it was only a matter of time". They repeated these assurances to Siam and wheedled Burma by an "early promise of Government for the Burmans by the Burmans". To Indo-China Japan promised "commercial prosperity", "complete independence of internal control" etc. But in each case everyone who has taken the trouble to see things for himself knows, in the words of Dr. C.I. Pao, the Chinese Consul General in Calcutta: "What Japan means by Asia for Asiatics is no more and no less than Asia for Japanese".

(b) What are the Results.

We need only quote the statements from the enemy itself to discover the amount of political enfranchisement Japan offers to those who have the misfortune to come under her sway.

Philippines. Mr. Murata, Advisor to the Imperial Army said in May 29, 1942:- "There is no spiritual independence among the Filipinos: The military administration is enforced in the Philippines. It is a mistake to consider the military administration as a free and independent organ".

Siam. Bangkok Radio bemoaning "external interference" said on July 12: "Regimentation of life is complete and exhaustive."

Burma. Dr. Ba Maw said recently that only the political party over which he presides will be allowed to exist. On November 13 a Tokyo broadcast said: the parties would be amalgamated "for the co-operation with the Japanese authorities in the prosecution of the G.E.A. War". On November 27, Rangoon Radio said: "Burmese cannot hope to attain independence by just sitting back".

Indo-China. Mr. Suzuki. The Consul General at Saigon said on 22.7.42:- "If Indo-China is not willing to co-operate with us, we may be compelled to take every means available whether she likes it or not".

And Watanabe's significant remark soon after Japan took hold of Malaya that mercy should not be a maxim in an administrator's text book is important enough to bear repetition.

(c) Summing Up.

This is just one aspect of the case. Every country which Japan has maltreated, and whose social organism she has distorted, had before her entry a career of gradual evolution into ampler civilized existence. That what has happened in S.E. Asia is but a grim facsimile of Japan's behaviour earlier in China, Korea and Formosa is an eloquent enough pointer to those who still can be gullible enough to believe that Japan is as she styles herself "The Leader of Asia" and "The Light of Asia".

Mr. Empson, an English scholar who has spent many years in Japan and worked in Tokyo University, said in an article: "The reason why Britain and other nations cooperated with the Japanese in the early years of the century was because they thought, that if Japan became a great industrial nation, she might help in the liberation of the rest of Asia". And that is sufficient evidence to show that if Japan can get little or no value now for her political stock in the world, the fault is absolutely and unarguably her own. By the fruits of her own iniquitous regime will she be judged.

4. NAZI PROPAGANDA BUBBLE PRICKED:

(a) Events Force A Change Of Themes.

Prior to November 8, the main themes of German Propaganda were, first, that Hitler always retains the initiative; secondly, that the U-boats have sunk so much Allied shipping that it was impossible for them to carry out military operations overseas; thirdly, that American soldiers cannot fight and finally, that Europe is an impregnable fortress. But since November 8, German propaganda has suffered a sea-change. Brent Wood, a well-known B.B.C. commentator on the subject, has explained in a talk on November 27, how the change was brought about by events which exploded the first three myths and have shaken the fourth to its foundations. Here is the full text of his talk:-

"The war has been moving at such a pace lately, it's no easy job to keep up with it. Certainly there's been very little time for looking round, taking stock, getting events into proper perspective. That goes for the propaganda situation, just as it does for the military. One has naturally kept track of everything new; all the things Germany's been saying since November 8, to try and cover up the transformation in Africa, but it was only last week-end, that I, at any rate, took my mind off those new things for a bit, and thought 'What's happened to the old Nazi propaganda -- the stuff we used to hear before November 8 -- what part is that playing now?' And when I looked into it, I found that it wasn't playing any part at all. It's just gone; and if you once begin to figure it out, it's not at all surprising. For by the very act of landing in North Africa, the Allies pushed over all the props that have supported German broadcasting for at least a year. All the chief props, anyway.

"If I was asked to name off hand, the themes German propaganda has lived on for the last 12 months, I should say, first, that Hitler always retains the initiative; second, that the U-boats have sunk so much shipping that the Allies couldn't even think of a big military undertaking overseas; third, that the American Army can't fight; fourth, that Europe is a fortress, and an impregnable one into the bargain. That would be my list, and I don't think I'd be very far wrong. Well now, let's take each of these in order, and see what November 8 has done for them.

(b) Hitler No Longer Retains The Initiative.

"Let us start with this question of the initiative. It's been an article of German Faith that Hitler always has it. He decides where battles should be fought, and when they should be fought. Enemy propaganda on this subject was recently summed up in one sentence by the editor of a leading Nazi Newspaper. He said: 'Three glorious years have proved to us that the war is being waged as

Adolph Hitler wills it'. The 8th of November rode through this idea with a coach and four. Nobody in his senses could imagine that Hitler had picked the time and place for the North African operations, and if there were any people dumb enough to think that he might have done, the Italian Radio put them wise. 'The political and military initiative of our adversaries' it said on November 10 'will be answered by other initiatives.' That settled the argument once and for all. Hitler, it was admitted, does not always retain the initiative. The first great prop of German broadcasting collapsed with a bang.

(c) U-boats Could Not Prevent It.

"Next, the U-boats. There were supposed to have crippled Allied strategy long since, and to be crippling it more and more every day. In August, one of the regular Berlin speakers to America, put it this way: 'The Allies' he said 'haven't got the shipping to make at an attempt at an offensive a success, for Germany is sinking their ships faster than Roosevelt and Churchill can build them'. Then, less than a month ago, Dr. Frisricher wrote in a Berlin periodical: 'The existing shipping position of Britain and the United States, makes it impossible for them to start further military operations'. The 8th of November rode through this idea, not merely with a coach and four, but with several mechanised divisions. The Allies, who the Germans said had hardly any shipping, launched a huge Armada across the Atlantic. The operations which the Germans said were impossible, were duly carried out. In vain, Berlin put forward explanations. The second great prop of German broadcasting collapsed like the first.

(d) America Can Fight.

"The third prop was not an assertion of German strength but of Allied weakness. 'The American Army', according to the Germans, was a joke. The reassured their own people, and bluff everybody else, German broadcasters expressed the greatest contempt for American fighting men. 'They are not soldiers, merely men in uniform' -- that was one of their cracks. 'American officers have only received a rudimentary training' -- that was another. Rome Radio backed them up, by jeering at America's cinematographic ideas, of a large expeditionary force, transported by a magnificent fleet. November 8 finished all this off, too. The cinematographic idea was executed. The large expeditionary force was successfully transported by the magnificent fleet; the American Officers, with their rudimentary training, showed themselves expert in military organisation. So German broadcasting's third prop followed its predecessors into the void.

(e) Festung Europa -- With A Difference.

"The fourth, and last prop, was the conception of Europe as a fortress which cannot be stormed. A fortress indeed, with defences which cannot be breached. More than a year ago, Heinz Freitcher, the leading German Home Commentator who is now in charge of all German Home broadcasts, spoke of 'an entire continent, self-sufficient, with frontiers which can be defended with comparative ease.' That was the key-note of Freitcher's talk then, and of other talks he's given since.

(f) Black Day of German Propaganda.

"Now November 8 didn't stop Freitcher talking about the Fortress Europe -- he was back on it last Saturday, but there was a subtle difference in the line he took. He still made great play with the phrase 'Fortress Europe'. He still stressed Europe's self-sufficiency; in fact, he gave up practically all his quarter of an hour to discussing questions of supply. But about defending Europe's frontiers, he said nothing at all. Perhaps it wouldn't be fair to say that the Fortress Europe prop went altogether, but it had a terrific jolt, and was certainly in no condition to keep things going, after the other three had gone. In due course, Goebbels may try to restore these themes, but he can never use them again with the same effect. November 8 made sure of that. Just as in the last war, August 8, 1918 was the Black Day of the German Army, just as in this September 15, 1940 was the Black Day of the German Air Force, so November 8, 1942, may take its place in history as the Black Day of German Propaganda."

"350 - 8.12.42."

CONFIDENTIAL

256TH BI-WEEKLY GUIDANCE NOTES ON THE WAR SITUATION;
DATED DECEMBER 12, 1942.

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P O L I C Y

1. Interpret lack of dramatic news on all fronts as preparatory stage for the next moves. Avoid speculation on timing and nature of these moves, and emphasise the immense achievement in moving whole battle-fronts hundreds of miles in a few weeks.
2. Emphasise that arrangement with Darlan has gained two months for the Allies. The feelings of the Fighting French are natural, but it is unlikely that any change will be made so long as fighting continues in North Africa.
3. Treat American statements about post war world as expressions of individual opinion only. They are part of the process; during which all view points are expressed, by which America makes up her mind.
4. The value of American reticence about Pearl Harbour is proved by reference to Japanese claims on the subject.

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1. THE WAR IN GENERAL.

(a) A Period of Waiting.

(i) The Time lag in Warfare.

The war in its new phase has encountered one of those pauses or lulls which have already been anticipated in North Africa, in Libya, in Russia and in the S.W. Pacific. There is at the moment a lull which has followed spectacular advances and achievements. It is important to realise that these pauses do not mean that the Allies have lost the initiative, or they are slipping into slothful ease; they are well defined and expected parts of a process which must recur at regular intervals. For each of these pauses there is a definite reason, and since most of these moves began -- and were indeed intended to begin -- together, it is natural that the pauses should roughly coincide also. Today, as at all other times, advances cannot be continuous so long as the enemy retains any strength. The problem of communications and supplies, of renewals and reinforcements, remains as it has been all through the history of organised warfare. Improvements of transport have been offset by the increased complexity of military impedimenta, and the progressive conquest of space by the widening range of operations.

(ii) Libya.

In Libya the cause of pause can be summed up in a word, distance. To the physical fact of 500 miles has to be added the well-known difficulties of the desert, and the limiting factor of a single road for much of the way. The surprise is not that the advance should come to a temporary halt, but that it should so soon be showing signs of being renewed.

(iii) North Africa.

In North Africa the same factor of distance is playing its part, and it is much more easy to forget it. With eyes fixed on the base of Bones close to the Tunisian frontier, it is easy to overlook the fact that the bulk of the troops were landed at Algiers and Oran, at Casablanca and other distant Moroccan ports. The problem of transporting these men and their supplies is comparable with that of Egypt and Libya. Nor should it be supposed that the French can greatly help in solving the supply problem. They can provide transport and goodwill, it is true, but they cannot furnish material, because they have, owing to German action, very little of their own. In Tunisia there is the additional fact that the Germans (who have their own supply problem in Libya) are very close to their own bases.

(iv) Russia.

In Russia the obstacles to a rapid advance without a break are of a different kind, but just as real. First, the main German strength has to be encountered. Hitler is determined to contest every inch, perhaps because he believes that boldness is always best, perhaps because he dare not risk the repercussions of a large scale retreat, even though it might conserve his strength for a blow in the spring. Secondly there is the fact of winter, with its biting winds, its blizzards and snow-drifts, the physical strain of which we in this country can hardly conceive. The task of supply and reinforcement is immensely complicated and the wonder is that men should be able to fight at all in such conditions. Stalin's achievement is that he has imposed active operations on the Germans at a time of year when they are likely to suffer more than the Russians, and when they want to withdraw men from the front for sorely needed rest or urgent reinforcement of their factories.

(v) S.W. Pacific.

The South West Pacific situation is rather different, for here the Allies, as Mr. Curtin has pointed out, have not yet definitely taken the offensive. Their's is an aggressive defence which has pinned down the Japanese forces. By it they have seized the initiative without yet taking the offensive. Nevertheless, in this form of warfare as in the others, there must be pauses for reinforcement and regrouping.

(b) Admiral Darlan.

The position of Admiral Darlan continues to excite interest and controversy. On the one hand there is the fact that his help has perhaps saved the Allies two months; on the other his past record of collaboration with Germany. It may be urged that this is eminently a case when judgement should be reserved. Henry VII did not question the bona fides of Lord Stanley on the field of Bosworth; he took his help and settled with him afterwards. The advantage of Darlan's action is clear; the temporary nature of the present arrangement has been explicitly stated by President Roosevelt; while fighting continues it would seem to be no moment for weighing pros and cons and speculating about rights and wrongs. Darlan's position among the French is ultimately a matter for the French themselves; it is only his action towards the Allies that concerns the United Nations. Speculation about the Admiral's past, present and future is, therefore, unwise and probably fruitless, for it can be based on so little authentic knowledge. The North African French, led by the hero Giraud, are fighting the Germans, and that should be enough for the present.

(c) America.

From America comes a steady stream of statements not only about the war, but about the future and the world in general. It is always worth remembering that this is the American and democratic way of weighing up public issues. American publicity with its statement and counter statement, is the forum of American democracy. The debate continues and no one statement should, therefore, be given undue weight. The important thing in American publicity is not individual speeches which indicate surface fluctuations, but trends of opinion which may eventually take shape in action. America has still to make up her mind on many things, but on one thing she is determined to win the war and the peace after the war. That, for the present, is enough for the United Nations.

2. UNITED STATES' ACHIEVEMENT.

(a) Recovery Since Pearl Harbour.

(i) Synopsis of U.S. Official Report.

One the eve of the first anniversary of the Japanese attack at Pearl Harbour the American Government made public for the first time a synopsis of the U.S. official report on that classic example of international treachery. Without tedious or equivocal preamble, the synopsis opens with the following stark sentence: "On the morning of December 7, 1941, Japanese aircraft temporarily disabled every battleship and most of the aircraft in the Hawaiian area".

(ii) Casualties at Pearl Harbour.

"As the result of the Japanese attack", continues the synopsis, "five battleships (Arizona, Oklahoma, California, Nevada and West Virginia); three destroyers (Shaw, Cassin and Downes); the minelayer Oglala; the target ship Utah and a large floating dock were either sunk or damaged so severely that they would serve no military purpose for some time. In addition, three battleships (Pennsylvania, Maryland and Tennessee); three cruisers (Helena, Honolulu and Raleigh); the seaplane tender Curtiss and the repair ship Vestal were damaged".

Eighty naval aircraft and 97 Army planes were destroyed. Service personnel casualties were as follows:-

Killed or died of wounds	 2,343 officers and men,
Still reported missing	 960 officers and men,
Wounded but survived	 1,272 officers and men.

(iii) Why the Delay?

One might well ask: Why did we have to wait a full year for the official report? The enemy radio asks the same question. A Japanese broadcast in Hindustani (from Singapore on December 8, 1942, tried to make propaganda capital out of the official disclosure by alleging that it "corroborates the Imperial Headquarters communique issued just after the engagement. It has confirmed the truthfulness of the Japanese".

The Navy Section of Imperial Headquarters did issue a communique just after the engagement. This is what it said: "Two American battleships were sunk, four battleships seriously damaged and four large cruisers heavily bombed and wrecked by Japanese naval bombers in their intense raid on Oahu (Pearl Harbour)".

Five days later Imperial Headquarters announced: "Besides the sinking of the two U.S. battleships West Virginia and Oklahoma, it has been confirmed that the Japanese naval forces sank another 32,600-ton battleship, Arizona, thus bringing the TOTAL number of the American battleships sunk in Hawaiian waters to THREE".

(iv) Col. Knox's Announcement.

On December 15, 1941, only eight days after the Japanese attack and at a time when there was the immediate possibility of the enemy coming back, the U.S. Navy Secretary announced that part of the story whose publication, it was considered, would be of little help to the enemy. Col. Knox said that the battleship Arizona, the destroyers Shaw, Cassin and Downes, the target ship Utah and the minelayer Oglala had been lost, that the battleship Oklahoma had capsized and that other vessels (unspecified) had been damaged.

Three days later the Navy Section of Imperial Headquarters published a fuller account of what they thought had happened at Pearl Harbour. Having seen Col. Knox's statement, they now mentioned the Utah for the first time and dropped their previous claim to have sunk the West Virginia. Their claim in respect of capital ships became: five battleships sunk, three "damaged beyond repair" and five damaged. This makes a total of ten sunk or damaged, whereas the true figure was eight.

(v) Tokyo Was Not Sure.

It is clear from these Tokyo communiques that the Japanese High Command had only the vaguest notion of the result of their attack. It is even clearer from their subsequent behaviour. Had they known the full extent of their success (and Japanese claims rarely reflect what the Japanese High Command believes to be true), they would most certainly have tried to capitalise it by sending an expeditionary force to Hawaii. If this had happened and they had succeeded in eliminating the main base of the U.S. Pacific Fleet (not to mention the possibility of salvaging the sunken ships for their own use), the Japanese would have removed the foundation stone on which were built the subsequent American victories in the Coral Sea, at Midway and in the Solomons.

(vi) Repair and Construction.

Why, if secrecy was so vital, are the full facts now published? The answer to this question is to be found in two sentences of the synopsis. They are: "Fortunately, the salvage and repair accomplishments at Pearl Harbour have exceeded our most hopeful expectations" and "Most of these ships are now back with the Fleet ... The 26-year-old battleship Arizona will be the only one permanently and totally lost".

A Japanese broadcast in Hindustani on December 7 -- the day after the synopsis was issued -- exclaimed: "It is beyond our understanding that in so short a period these ships were repaired and put back into commission". It may also be beyond Tokyo's understanding that a 45,000-ton battleship, due for launching in the spring of 1944, has taken the water before the end of 1942; but it does not alter the fact that the battleship New Jersey slid down the ways at

Philadelphia Navy Yard on December 7, nearly 18 months ahead of schedule. Before another Pearl Harbour anniversary comes round, New Jersey should be in full commission. She will be preceded by her sister-ship, Iowa, launched more than three months ago. It is reasonable to suppose that the 35,000-ton battleships South Dakota, Massachusetts and Indiana (launched respectively in June, September and November, 1941) are now in service and that their sister-ship, Alabama (launched in February, 1942), is nearing completion. In the past five months, five aircraft carriers have been launched from American yards. At last three of them -- Essex, Lexington and Bunker Hill -- are known to be vessels of about 25,000 tons displacement carrying 80 aircraft and 2,000 officers and men apiece.

(b) American War Production.

American war production in the twelve months after Pearl Harbour has indeed been remarkable: it has strengthened Allied hitting power in no small measure and, whatever Dr. Goebbels and Axis propagandists generally may say, it has caused great concern to the German High Command. As long ago as January 14, 1942, Admiral Luetzow warned the German people: "We must not make the mistake of underestimating U.S. industrial capacity". Dr. Goebbels may belittle American achievement but the figures for American production and, what is more, the effect this production is having on the actual trend of the war, will bring little comfort to those Germans who still see things objectively.

(i) Plan for 1942.

On January 7, 1942, President Roosevelt set the following goals for key items of American war production in 1942:-

Aircraft	60,000
Tanks	45,000
Merchant Shipping	8 million deadweight tons.

It was an ambitious plan and, considering that the whole American economy had to be transferred to a war-time footing before the programme could be implemented, American factories had no easy task ahead of them. Before the actual goods could be turned out of the factories, skilled labour had to be augmented and mobilised, the claims of competing industries had to be adjusted, priorities allocated, and raw materials diverted from civilian consumption to wartime requirements. The most remarkable thing about American production this year is that it shows the amazing speed and efficiency with which the nation, which only twelve months ago was primarily occupied in satisfying peace-time needs, has been able to put itself on a war-time footing.

(ii) What has been accomplished.

The first column in the following table shows American production in 1941, the second, what will actually have been produced in the 12 months ending December 31, 1942.

	1941	1942
Aircraft	19,000	45,000
Tanks	6,000	32,000 (including self-propelled guns)
Merchant Shipping	1,100,000 deadweight tons	8,200,000 deadweight tons

These figures show the tremendous increase in American production in 1942. It will be noted, however, that in only one of the three categories was the President's goal achieved.

(iii) Measurement of Production.

It became apparent soon after Pearl Harbour that merchant-shipping would be the greatest demand on American production. The war had become global and with it Allied lines of communication had lengthened. Reinforcements had to be sent not only to Britain and the Middle East but also to the South-west Pacific. Shipping was accorded priority above all other branches of war production, for without ships other war materials could not be made effective.

This concentration on building more ships inevitably had some effect on the production of aircraft and tanks. But there are other reasons why the President's goals were not achieved in respect of tanks and aircraft.

Tanks and aircraft, unlike ships, cannot be mass-produced according to one set pattern, and there is little doubt that, if only light tanks and small aircraft had to be produced, American factories would have achieved the goals set for these categories. Obviously it takes less material, smaller factory space and fewer man-hours to produce a trainer aircraft weighing 6,000 lbs. than it does to produce a four-engined bomber weighing 44,000 lbs. Heavy, long-range bombers have been produced in larger numbers and the total number of aircraft produced has been reduced accordingly.

3. RAIDS FROM INDIA.

(a) November Record

The most notable feature of the month's air activities was the inauguration of night bombing by the R.A.F., which began in about the middle of November when medium bombers made a series of attacks on enemy shipping at Kayab, "the invasion port" only 340 miles south-east of Calcutta. The past month also witnessed a decided intensification of allied air activity over Burma. Compared with October, when 13 daylight raids were made on enemy objectives, last month our aircraft were out on eight days and ten nights, when the enemy-occupied Mingaladon, Mogwe and Leiktila and their satellites received attacks. Another important feature of the November air activity was the first mention of the massive Tallington bombers having operated from India. These twin-engined long-range bombers, which, it will be recalled, have played an important part in devastating the industrial heart of Germany, are a welcome and powerful accession to India's rapidly growing air strength.

Concurrently with the R.A.F. operations, heavy bombers of the United States Air Forces, operating from India, have continued to hit hard at enemy objectives in Burma and Siam. Of nine raids last month, their most spectacular and damaging attack was on the only petroleum refinery in Siam. Railway yards at Mandalay were also singled out for particular attention.

(b) Enemy Activity and Propaganda.

As against our record, which averages almost a raid a day, making November the heaviest month for air raids from India so far, the enemy has, except for some reconnaissances by single aircraft flying at great height, little to show.

Against the background of this fact Japanese propaganda after their raids on India towards the end of October makes interesting reading. It was then that the Japanese-controlled Singapore "news" in Tamil emphasised (October 27) that Allied raids from Indian bases would no longer be possible. And it was also within 24 hours of the raid at Chittagong that the Japanese "news" in English decided that "Sunday's" surprise attack by the Japanese Army Air Force was a well-timed preventive measure against the materialisation of the contemplated major-scale onslaught by the Joint Forces of the U.S.A., Britain and Chungking.

(c) The Reality:

While the Allies are not disposed to under-estimate Japanese strength, the facts of November clearly corroborate General Bissell's view, expressed on October 30, that "there is nothing to indicate that the Japanese are in a position to take on any large offensive at the moment" and that advantages accruing from "short lines of communications within a comparatively small area from which we have a choice of many directions to hit the enemy" are considerable. The November activity, also, to say the least, justifies the inference that in one important sphere of warfare-the air-the Anglo-American air forces are now more than holding their own against an enemy who a few months ago was complete master of the situation. These air raids, moreover, besides preparing the way for an Allied offensive, have succeeded in pinning down in Burma a considerable enemy air force which, considering that the Japanese are in sore need of air support in sectors like New Guinea and the Solomons, is very useful. Speaking at the conclusion of Mr. Churchill's message to the armed forces of India, General Wavell said: "We have already been successful in helping to check the Axis design of a great pincer drive from east and west towards India The day will come when we will also avenge our reverses on land". The Allied air forces stationed in India have already substantially contributed towards hastening the approach of that day.

4. ONE YEAR OF WAR WITH JAPAN.

JAPANESE EXPLOITATION IN S.E. ASIA.

(a) The General Background.

The Japanese have many ways of expressing their coercive powers. To them Force is not a necessary evil in the background of the social organism but an instrument continually to be used for the daily sustenance of social relations. This vicious political ethic has many disastrous repercussions, and one aspect of it will be scrutinized here - the death of indigenous culture under Japanese rule.

(i) No Freedom Of Expression.

One of the methods by which Japan proposes to direct her power is to stifle local opinion in a sedulously manufactured atmosphere, whose calculated purpose is the complete destruction of national pride. The Japanese allow no one to reveal the slightest hint by word or deed that there exists any dissatisfaction whatever as to the status imposed on them by the conquerors. In the Philippines, for example, all locally owned newspapers and magazines have been suppressed. The publishing business has been taken over by Japanese monopolistic concerns. On November 1, 1942, a Japanese broadcast said that all local publishing concerns were under the control of the "Osaka Mainichi and Tokyo Nichi Nichi". It is superfluous to add that these are firms of well-established repute in Tokyo. Hardly had a few days passed after this announcement when Tokyo-controlled stations reported that both in Java and Malaya (where before Jap-occupation independent papers existed) would soon come under the purview of the prohibitive edict of November 1 administered in Manila.

A further inroad is made on the mental habits of these subject peoples by isolating them from possible communication with the outside world. One of the first acts of Japanese administration is to prohibit the use of short-wave radio, a prohibition which applies to Japan itself.

(ii) Positive Attack On Existence.

Japan does not confine itself to the merely negative aspect of preventing people from expressing themselves. It goes a step further. It attacks the culture of the people to complete their demoralization. We are familiar with the fact that in Korea, Formosa and Occupied China, indigenous languages can only exist in the secrecy of the home. But the inculcation of Japanese as the acid test of loyalty is being relentlessly practised in S.E. Asia. Teaching of Japanese is compulsory in all educational institutions, a knowledge of it a pre-requisite for public employment. Every country in S.E. Asia is flooded with a myriad Japanese text books. As long ago as June 1941 Setsuichi Aoki, Secretary of Japanese Culture Camp, wrote in an article in the "Keisai Joho Seikishon" the following remarkable words. "Cultural propaganda means in the overseas introduction not only of our science, and art, but of our politics, arguments, economics and everything... propaganda of Japanese culture is none other than the introduction of our national power".

(iii) In S.E. Asia.

A Tokyo broadcast exultingly announced on June 9: "More than 40 different languages were used in the city before the war, but Singapore is now practically a city with the Japanese language". The irony implicit in this observation is tragic. It is supposed to indicate how clever the Japanese are, but in effect it merely shows that an emporium of international repute has been reduced to the status of a gull-pot in a ruthless machine. According to a broadcast from Tokyo on July 26, Japanese was declared the official language of the Philippines. The reason was clear. Four days earlier another broadcast had said that the Filipino officers were in need of mental correction. On August 2 a broadcast from the same source stated: "The Philippines have received an American education and have a tendency to revert to their original ways. Rehabilitation therefore must be based on a perfect educational system". To attain this perfection the Manila University was reorganized by Japanese professors, and the Batavia Radio in July asked the culture-hungry to "con the brilliant poems of General Hamna", a superb butcher.

An Indo Chinese let an awkward cat out of the bag when in a broadcast talk from Saigon he lamented: "I am learning the Japanese language but it is very difficult". Sumatra also was not ignored. Sometime in August we were told that the people of the islands would be treated to the joy of listening to 100,000 Japanese records!

(iv) Religion.

As has been mentioned before, religion is an instrument of political power for the Japanese. They have said that, if only, they could control the priests in Burma, as they have done in other countries (Tokyo Broadcast June 1942), they would gain dominion in every other sphere with ease. It is known that in the Philippines in particular, and elsewhere in general, the religion of the country is under the supervisory control of the Religious Affairs Section of the Imperial Army. But we must not imagine that the Japanese set about tampering with the faiths of others crudely -- in the beginning at any rate. They set about things with caution. Local religious observances are first brought under Jap political control. Gradually, imperceptibly, these conventions are assimilated to the practices of Shintoism. Finally, the Emperor is installed as the quintessence of the newly created faith. Political disobedience becomes a "sin against the Holy Ghost." On November 8 a Batavia broadcast in English said: "In the meeting of Shintoists from all over the Empire, the discussion will centre on the enhancement of Co-Prosperity and ideological solidarity through the propagation of Shintoism throughout the G.E.A. Co-Prosperity Sphere". Further elaboration is hardly necessary.

(b) The Youth Movement.

There is another insidious side to this picture. Taking a leaf out of Goebbels' book, Tokyo propagandists are concentrating a great deal of energy in controlling the youth of the country overrun by the Japanese. The young of post-school age are being groomed into well-defined Japanese habits, through the semi-military dragooning provided by Jap-controlled "Youth Movements".

(i) Philippines.

Broadcasts in September from Manila declared that all Filipino youths between the ages of 9 and 23 were compelled to join Youth Organizations for the purpose of "cultural renovation". We were further informed that these lads would be given "special training along Japanese lines compatible with the Far Eastern environment". A Batavia broadcast said that the pre-war organizations existing in these islands "lacked organization and co-operative spirit"; the Jap-sponsored movements however would be "bound together with the common bond of labour", and "the reconstruction of the Philippines", added another message from the same source, "depends on co-operation with Japan". From Singapore came a portentous announcement a little later. It said: "This type of youthful activity will undoubtedly spread to all the inhabitants within the G.E.A. Sphere".

(ii) Java.

In the first week of September Singapore Radio said that a youth movement had been inaugurated in Java and all youths between the ages of 16 and 23 were compelled to join it. Another broadcast a little later elaborated the mission of the movement: "the movement in Java looks to Japan not only as its saviour but as the guide of Java's destiny". It was further declared that all young men were to receive compulsory military training. A special feature of this training was the holding of "athletic meetings". One broadcaster obligingly described one such meeting. "The sports began with the march past, the saluting of the Japanese flag, the singing of the Japanese National Anthem, and the opening remarks in Japanese by the Chairman -- a Japanese".

(iii) Burma.

Burma is also passing through the same experience. In June all Burmese youth organizations were amalgamated under Jap pressure into a single movement ominously styled the "Burma branch of the G.E.A. Youth League". Old organization like "the Burma Students Association" and the Burma Young Men's Spiritual Association were liquidated. Tokyo Radio announced in June that "a Japanese-style gymnasium will be created in Rangoon to train likely youths as gendarmes for the new Burma". And in November almost every day there were appeals over the radio for young men to join what is no longer "an Independence Army" but a "Defence Army", because, unless

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DATED DECEMBER 15, 1942.

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POLICY

1. The fall of the El Agheila position (and Rommel's retreat) is the Allied answer to German suggestion that General Montgomery had shot his bolt.
2. Stress Secretary Stimson's statement that the Allies in North Africa are a month ahead of schedule. The pause is due to the need for planning a campaign in Tunisia which could not have been foreseen because immediate success in Algeria could not be counted on.
3. Emphasise increasing weight of Allied air attacks on Italian and North African ports as evidence of steadily mounting Allied air strength.
4. Treat news of German concentrations at Kotselnikovo as proof of Hitler's desperate need to rescue the trapped Stalingrad Army.

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they do so, "Burma cannot get independence by sitting back". The young men are asked to emulate the noble virtues of the Japanese soldier even though their own pay is small and living conditions are poor".

(c) Conclusion.

The story and the moral are the same. Whatever Japan touches wilts. And one touch of Nippon makes the whole world kin. The danger that one confronts is not something just physical but a terrible, pernicious, spiritual plague. And immunity from it cannot be purchased by appeasement or complacency. It has to be fought with weapons, equally subtle, but more powerful, because of the resources they derive from the fount of eternal values.

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1. THE UNITED STATES.

- (a) The Failure of A Flot.
- (i) A Felon's Blow.

A year ago Japan delivered a felon's blow on Pearl Harbour. She did so because she had learned from the Washington discussions that the democracies were not prepared to negotiate an Oriental Munich which would have abandoned the Pacific to Japanese domination. The attack, delivered while the discussions were still proceeding, was made on a triple calculation; that by crippling America's seapower (at a time when the resources of the British Navy were stretched to the limit in other oceans) she would open the South-West Pacific to Japanese conquest; secondly, that the United States would be compelled to restrict their naval action to defending their own coasts; and thirdly, that the democracies, as a whole, would become so exhausted in the struggle against Germany in Europe and in the Atlantic that they would lack both the capacity and the will to challenge the consolidation of Japanese conquests.

- (ii) Triple Miscalculation.

This has already been proved to have been a triple miscalculation. Pearl Harbour will figure as the turning point in Japanese history, but of a very different sort from that contemplated by Tokyo a year ago. That it is possible to make such a statement 12 months after the Pearl Harbour catastrophe is due to the character of the American people. Had they as a nation and government been less resolute and less farsighted, they would have made the errors of judgment which the Japanese confidently expected them to make. They would have withdrawn their surviving ships to defend the East Pacific from home bases, and they would have shut their eyes to the fact that Germany is the central citadel of the totalitarian world of aggression.

- (iii) American Foresight.

Japanese expectations are being confounded because the United States are accomplishing an impressive feat, holding -- and more than holding -- Japanese sea and air power in the Pacific while at the same time pouring armaments and armies into the European theatres of war. When the German menace has been removed, then -- as Mr. Churchill declared the other day -- the British Commonwealth will concentrate all its force and resources with the rest of the United Nations for the final overthrow of Japan. In that order, and that order only, can the United Nations achieve a decisive victory. Piecemeal strategy would almost certainly have produced a stalemate -- which is another way of describing gradual extinction of freedom.

- (iv) American Skill.

While the Americans were secretly, and with astonishing speed, repairing the damage done to their ships at Pearl Harbour, they were laying the foundations for the eventual counter-offensive by consolidating the line of communication between San Francisco and Australia. Then came the two resounding victories of Midway Island and the Coral Sea. By the former (which began on the dawn of May 4) Americans brought the southward Japanese advance to a standstill, and by the latter -- a month later -- they smashed up the Japanese expeditionary force which intended to break the American cordon across the Pacific by seizing and occupying Midway Island. In neither of these sea and air battles were the opposing fleets within 200 miles of one another.

- (b) The Foundations of Victory.

- (i) Guadalcanal.

Comparative statistics were not, of course, available, but it seemed probable that Japanese losses in warships, aircraft-carriers and transports had been so heavy that Americans had a reasonable chance of meeting the enemy on more or less equal terms in the South-West Pacific. Any way they decided to take the initiative. On August 7, American marines landed in the Solomon Islands seizing the harbour of Tulagi and the airfield which had just been completed by the Japanese in Guadalcanal. This gave them a vital air base for operations throughout the Solomons which the Japanese have made strenuous and costly efforts to recover. No fewer than six separate full-scale attempts to re-invade Guadalcanal have been made, but until the "major victory" (as President Roosevelt called it) of mid-November, the American authorities were extremely cautious in their reports and comments.

The reason was this. By landing a force on Guadalcanal in the circumstances then existing they had deliberately run great risks. The Japs were in a position to concentrate a superior naval force in those waters and operate it from the naval bases in the Carolines which were much closer to the scene of action than the nearest American base. The American supply line to Guadalcanal was accordingly in constant danger being cut.

(ii) American Spring Board.

In this three months' duel the United States Navy has had its losses but all efforts to dislodge them from the Solomons have been decisively repelled, and the enemy has suffered so severely in warships and transports that it now seems reasonable to assume that the American hold on these islands is assured. By their ascendancy over the Japanese in the air and on sea and in the realm of strategy, Americans have deprived the enemy of his springboard for further advance and have heavily reduced his credit balance in naval power and secured a springboard for themselves for eventual counter-action. The success of the Australians with American support in driving the Japanese across the Owen Stanley range in New Guinea and in destroying the last remnants of their forces along the coastal strip between Gona and Buna further exposes the Japanese stronghold in Rabaul to an Allied attack.

(c) The Final Battle.

The Americans have laid the foundations for victory in the Pacific, but it would be premature to talk of a great counter-offensive as something imminent and it would be folly to assume that Japan is "groggy". As an Englishman recently returned after long residence in Japan has written, "Nothing will win the Far Eastern war for us but an overwhelming military, naval and air strength directed against the Japanese islands themselves where the United Nations will encounter the moral force and first class equipment and training of armed forces whose victories to-date have taught us their fighting value. That is no easy proposition: to suppose it is, is to make a mistake as great as any the Japanese have made."

2. NORTH AFRICA.

(a) Tunisia.

(i) A Check.

The British First Army have been temporarily checked in their drive to force a wedge between the German forces defending Tunis and Bizerta. They have been obliged to withdraw from the triangle Mateur-Tebourba-Dejeida and to dig themselves on the surrounding heights.

By piecing together the reports and comments from Allied Headquarters and from other devious sources in North Africa from which news has been percolating, one gets the impression that Generals Eisenhower and Anderson have been faced with a difficult problem. The keypoint of the remaining German and Italian resistance in North Africa is Tripoli. Just as Rommel's stand behind the deep defences of El Agheila was designed as a delaying action to hold off the Eighth Army, strong resistance along the northern tip of Tunisia could hold back the First Army advancing from the west. This would give the Germans badly needed time to organise the defence of the "underbelly of the European whale" which Anglo-American arrival in North Africa suddenly exposed, and it would also provide the shaken Italians with a breather.

(ii) German Reinforcements.

The Germans accordingly took the chance and began to pour airborne troops and seaborne supplies and heavy equipment across the Sicilian narrows. The Royal Navy and Allied air forces have inflicted heavy losses but the Germans were prepared to pay the price. Faced with an enemy force that was increasing nightly, the Allied commanders might have decided to strike at Tunis and Bizerta at top-speed. That would have involved the immediate use of motorised brigades and such a plan -- a point easily overlooked -- would have had to be worked out in London before the convoys set sail, in order that the loading of the ships might be organised accordingly. To have planned the arrangements beforehand on those lines would have required the gift of prophecy both as regards the Germans in Tunisia and the reactions of the French in Algeria.

(iii) Allied Boldness.

The Allied Commanders evidently decided to act as boldly as the enemy. Stores and supplies and all the paraphernalia needed for all purposes of the army were disembarked as rapidly as possible and columns of infantry with tanks and guns were pushed forward in the hope of breaking up the enemy's forces before they could consolidate. The operation was in fact a remarkable feat of organisation but could not compete in speed with the shuttle-service of carrier aircraft.

(iv) The Question Of Landing Grounds.

If the British spearhead could have broken through, it would have secured possession of the only two good airfields in North Tunisia, that of Sidi Ahmed near Bizerta and Al Aruna close to Tunis. As it was, they were at the disposal of the Luftwaffe which has been using them for continual dive-bombing of our troops. For the time being, therefore, we are at a disadvantage in the way of air protection. There are a number of rough landing grounds in the area under our control, but these are separated from the main Allied forces by difficult terrain, and it will be necessary to bring up ground staff and equipment to convert them into efficient air fields. Given the bases, there need be no doubt that we shall have aircraft in required numbers. The forthcoming duel with the Luftwaffe, which has massed in strength in Sicily, Sardinia, Pantelleria and North Tunisia, cannot fail to be of major -- and perhaps decisive -- importance for future operations against southern Europe.

Meanwhile, the task of the forward elements of the First Army is to hold on until a full-scale attack in North Africa can be staged.

(b) Libya.

The news that Rommel has recommenced his westward trek, this time from El Agheila, gives the lie to much recent German propaganda which has been suggesting that General Montgomery had shot his bolt, and that, as in the cases of General Wavell and Ritchie, the allied tide had again reached high water mark. History is always repeating itself, but always with a difference: the difference this time is that there is no near ally for whose aid honour demands the withdrawal of troops, no lack of reinforcements and supplies, and no blitz on Malta to allow Rommel to reform his army. The renewed advance is as much a tribute to allied air and sea power as to the Eighth Army itself, for it means that Rommel's supply line has been so much interrupted for the arrival of the necessary supplies.

The Eighth Army is on the move again, but it should not be supposed that it will be in Tripoli tomorrow. There are over three hundred miles to go with supply problems growing all the time. But provided no magic be looked for, the Eighth Army's record justifies the hope that these, like so many others, will also be overcome.

3. ONE YEAR OF WAR WITH JAPAN.

Japanese Economic Exploitation In The Far East.

(a) The General Scheme

(i) Japanese Expectations

A few months ago, Mr. Shimada, the Advisor to the Japanese Administration in S.E. Asia made the following announcement:- "The wealth obtained by our conquests will amply repay all the Japanese War Loans since 1931". In 1931, the figure was estimated at about 4,500 million yen. Even if it is modestly assumed that the figure is about ten times that now, the sum expected by Mr. Shimada as loot from the Co-Prosperity Sphere is at least 40,000 million yen or roughly the same amount in rupees.

This is the basic philosophy of Japan, crudely stated but pitilessly pursued, which places in perspective every detail of act and scheme imposed by Nippon on the countries of S.E. Asia.

(ii) The Inherent Weakness Of Japanese Economy.

Apart from some special items which make the working of the Japanese economy a difficult phenomenon, there are some general facts which have to be grasped in order that the details may be rendered more explicit. S.E. Asia has always been a supplier of raw materials to a World market. But at present Japan is unable to provide a market for these goods within the sphere of her influence, or even the transport facilities to carry the available goods to the limited outlets which her sphere can offer. Sugar, tobacco, and coconut products in the Philippines, rubber, tin, tea, coffee etc. in Malaya, rice in Burma, these former export staples are now, according to the evidence of their own broadcasts, piling up in godowns or rotting in the fields. It is inevitable therefore that these who depended for their livelihood on the prosperity of these and associated industries are now in desperate straits.

There are further complications. As Japanese Industry has closely integrated itself for the purposes of war, it is no longer in a position to flood these hapless countries under her jurisdiction with cheap manufactured articles of necessity, and freed from western competition, Japanese exporters are demanding increasingly high prices for such goods as they have to sell, even though incomes in the occupied areas have declined sharply.

(b) Facts From Enemy Broadcasts.

The enemy Radio has been most generous in the material it has provided about the tragic plight of the countries under Nippon's regime. Let us deal with each of the countries in turn.

(i) Siam.

On August 26, a speaker over Bangkok Radio warned the people of the wretched days that were ahead of them. "The truth is, the Thais cannot get goods from abroad any more; we must make the things we cannot get, or we will have to do without them and die a slow and certain death from starvation". On August 23 there was another talk. It said that "nothing can come from abroad except a very few goods from Japan. The present situation is very grave indeed". We are familiar with the avid cry of the Japanese Envoy in Bangkok as soon as he landed there. He realized for the first time, said the envoy, what the term a "Land of Rice" meant. What of Siam now? Here is a broadcast of December 5: "The Government cannot get any more goods from Japan. Thailand has to make the things it needs, because, if not, it will starve to death".

(ii) Malaya.

Early in October, Singapore Radio put out a flamboyant talk regarding the conditions in Greater East Asia. The lecture began, "In Malaya much has been done for reconstruction and stabilization of currency has resulted in the reduction of prices". Let us analyse this carefully.

The Japanese have flooded Malaya, like other occupied countries, with military notes. It requires little effort to see that this would inevitably have the effect of raising prices in general. That, in fact, this has happened is evidenced by Jap statements expressing the necessity for the introduction of rigid price control for checking the inflationary spiral.

As regards the food situation, the Malays were told by the Japanese four or five months ago "they must learn to eat other foods than rice so that the country might become self-sufficient". Cut off from the outside world, their own internal transport in a disorganised state, the Malays are asked to contemplate the virtues of skilled dieting because their Japanese masters are not in a position to do anything more than help themselves and let the Devil take the hindmost. On October 15 a Daimo message threw a flood of light on the significance of Japanese economic technique. The message was a report by the Political Advisor to the Japanese Military Administration and it said: "Japan must hold Malaya and Sumatra as permanent strongholds in the South. We have long been planning group emigration of Japanese to Malaya". We were then told that the first contingent of small merchants and manufacturers had arrived and that these people were being given every help to establish themselves. But an interesting sidelight was provided by the fact that, no sooner had the above message been sent out, than another one followed it swiftly. The second message instructed the recipients of the first message not to release it as the Malayan unemployment situation is acute and news of this type is not likely to be conducive to pleasant relations between the Japanese and the Malaysians.

(iii) The Philippines.

Guidance No. 251, Nov. 24, 1942 item 4 deals in full with the economic exploitation of these islands by the Japanese.

(iv) Burma

It is true that Lower Burma is at present choked with rice. Why? Merely because the Japanese are unable to provide adequate outlet for the 3½ million tons of rice which the Burmese farmers annually cultivated for an export market. And the irony of it is that, despite the Japs seizing as much of the rice as they need, there is still a glut of it in the delta area, while in the dry zone rice shortage is causing the people a great deal of distress. So long as it is only the Burmese who suffer, what does it matter to Tokyo?

(v) Indo-China

The principle that has guided Japan in her trade negotiations with this unfortunate country has been stated by Suzuki, Foreign Office Spokesman in a broadcast on July 22. "Indo-China," he said "is in an isolate position. We should not be particular about selecting the method to obtain materials vital to war-time industry. Therefore we may obtain the materials from Indo-China without paying that country any consideration if we so desire". Earlier, on October 16, A Domei message made this shameful confession:-

"Indo-China is making laws and regulations to ensure conditions in her favour. All Japanese in Indo-China have this impression. All quarters on the spot desire earnestly that the economic relations between Japan and Indo-China should be made clear and strong immediately and rapidly".

(c) Internal Evidence From Japan.

Broadcasts in March 1942 revealed emphatically that the Japanese were anxious to send as many emigrants as possible to relieve the pressure on their own internal economy. The philosophy of plunder emerges in all its detail. If loot can be seized let it be seized thus: "Java will supply Nippon with everything she needs". (Batavia broadcast 14.7.42) If not, let the people suffer. The first consideration, however, must always be given to the war needs of Tokyo. Sometime in July a Japanese broadcast dealt with their hopes and fears plainly enough. "If the present war is prolonged, the present annual total of production will be insufficient. The resources available in the South Seas are almost all raw materials. They will be of no use to us unless they are turned into manufactured articles. We have the further problem of shipping these raw materials to Japan. The expansion of wartime factories is an urgent necessity".

(d) Summing Up.

Japanese conquest has meant for the countries of S. East Asia plunder, loss of markets, unemployment, rising prices, shortages of foodstuffs for the inhabitants and local manufactures. And Tojo himself has said on July 7, "We have now the right to send emigrants to any part of these regions". The people in S.E. Asia may be having a hard time, but if anyone is to have the pickings it must be, if possible, the Japanese.

Malaya, Dutch East Indies, Indo-China, Siam, Burma, Philippines were moving steadily towards an emptier existence. These countries cannot get the goods they need from the outside world, as they used to, or from Japan, as most of her industries are now turning out only war equipment. In any case, what Japan is most interested in is not the smooth working of any one else's economy but the implementation of her own expansionist aims.

Japan is not in a position to serve as the linch-pin of a well-knit economic system. Absence of spare capital made her adventure in Manchuria an economic fiasco. Ever since, she has been chary of even attempting such experiments on a large scale elsewhere. So her only aim is, if possible, to siphon the wealth of the subject countries into the home country. If that cannot be done, then the alternative step is undertaken. As the Tokyo broadcast of June 29 said: "How is the great opportunity for everyone to go abroad and take a position..... Southward Ho! It is your task to develop these regions."

(i) The Revelations.

Shimada, The Navy Minister told the Diet: "What's the use of occupying an area where the economy is in the hands of other people. The Japanese have no scruples about eliminating elements reluctant to conform to the sphere of the Japanese race".

While Colonel Kato of the War Ministry said: "It is imperative that all measures necessary for Japan's existence should be carried out resolutely. Too much consideration for the inhabitants might engender in their minds the tendency to presume on Japan's kindness with pernicious effects on Japanese rule".

258TH BI-WEEKLY GUIDANCE NOTES ON THE WAR SITUATION,
DATED DECEMBER 19, 1942.

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P O L I C Y

1. Point out that Rommel cannot run fast enough to get clear away from 8th Army.
2. Show that statements of Darlan, Giraud and de Gaulle show agreement on two fundamental points, defeating the Germans and leaving liberated France to decide her own government.
3. Stress Allied statement about Nazi slaughter of Jews as showing that Hitler grows more ferocious as he gets more desperate.
4. Emphasise Ibn Saud's understanding of obstacles to Hajj from India this year, and stress his gratitude to Britain for arranging pilgrim transport in the Red Sea.

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(ii) The Moral.

An economic system that can exist only on loot is the inevitable concomitant of a political philosophy like Kodo, linked to a commercial clique like the Mitsui and Mitsubishi and propped by a proletariat of the type so correctly described by General Booth as "the submerged tenth". There can be no tranquillity but of the grave with such a nation free to pursue its ruthless ambitions, and there can be no salvation even to the Japanese themselves until, in Mr. Eden's words, the struggle against the false Gods which has begun, is completed, and real values are reinstated on unshakable foundations.

"350 -- 15.12.42".

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1. OPERATIONS.

(a) Libya.

(i) The Correct Move.

While the lull continues in Tunisia, a lull which is certainly creative and not exhaustive, there has come the welcome news from Tripolitania that part of Rommel's forces have been cut off at Wadi Latratin, 60 miles west of El Agheila. In withdrawing from El Agheila as soon as he realised that Montgomery was in strength, Rommel acted correctly. It was the right move of a chessplayer in a difficult position, to withdraw in time a piece "en prise".

(ii) Rommel Proposes.

The retreat once resolved upon, the important thing was to withdraw the German army intact so that it might stand again on favourable ground where the Eighth Army's supply lines would be still further elongated. Rommel relied for this process on the control of the only road to Tripoli. This would give his vehicles speed to prevent the outflanking of his forces from the south. It would also, he hoped, prevent undue harassment from the air owing to the difficulty of preparing advance airfields for fighter aircraft.

(iii) Montgomery Disposes.

Both these hopes have been disappointed, and it is interesting to note how it appears to have been done. Fifteen bombers were brought up the El Agheila district in large numbers, a development it would seem unexpected by Rommel. Having a longer range than fighters, they have been able, from their existing airfields, to harass Rommel's long strung out column. They have caused road blocks which slowed up the whole column particularly of course, the rear guard. This has given the Allies their chance. The slowing up of the Axis column enabled their mechanised units to overtake the German rearguard on the rough ground to the south and so, by a sudden turn north to the sea, to close the bolt. The success of this manoeuvre is another tribute to the co-operation of the Allied ground and air forces.

(iv) The Supply Problem.

There is one more encouraging aspect of the situation, the method by which the supply problem has been solved. It is now clear that transport planes are being largely used. These planes have been mentioned as in use in a number of areas lately and their increasingly frequent mention suggests that their numbers are now growing formidable. In a war situation where the Allies hold generally the exterior lines, an adequate supply of these planes may prove of incalculable value. In the Libyan campaign, if supply by transport plane can be organised on an adequate scale, the main difficulty of an advance to Tripoli and beyond will have been met.

(v) The Future.

It is too early to divine Rommel's ultimate intentions. He may equally well intend to stand at Misurata or to continue his retreat and join hands with General Nehring in Tunisia. Whichever course he decides upon, General Montgomery has shown that he is in grave danger of losing the rest of his army in the process.

(b) New Guinea.

(i) The Course of Operations.

The Australian offensive in this area began in earnest about the end of September 1942. The enemy were only about forty miles from Port Moresby at the time, and eighty miles away from one of their chief supply bases in Papua, Buna. By the beginning of November the situation began to brighten a little. By deft use of jungle technique, the Australians captured Kokoda, placed half way between Port Moresby and Buna. A month later Gona fell, and the enemy was cleared from the beach-head of Buna.

(ii) The Cost.

Facile tacticians might complain that the operations have taken a long time before concrete results have been achieved. But such a judgment ignores the difficulties of the terrain and the toughness of enemy opposition. In Gona village alone, 638 Japanese dead were counted. In the New Guinea area and the Solomons Japan has lost since the Pacific war began more than 1,000 planes and at least 124 ships. The Allies have paid a heavy price too, but much less than the Japanese. Up to December 1, Australian casualties were 2,140 in all, of whom at least 640 were dead.

(iii) The Cause of Victory.

As Mr. Curtin recently stated, while no pessimism was ever necessary as to the eventual result of Allied operations, what has contributed to the successful issue of our strategy is the excellence of co-operation between the Allies and the soundness of the long-term planning conceived by the General Staff. It is this long-headedness which has prevented enemy attempts to reinforce themselves and at the same time made it possible for the Allies to use long-range transport aircraft for bringing up troops and artillery. The enemy failed in their last minute attempts to get men and material into Gona and Buna. They failed also to exploit their positions at the mouths of the Kumusi and Mambare Rivers. Meanwhile the Allies continue to deliver blows on Japanese positions with increasing intensity.

(iv) The Future.

The nature of Allied air operations indicate the likely course future strategy may assume. Lae and Salamaua about 200 miles northwest are being heavily bombed. Rabaul and Gasmata have also received warm Allied notice. It is reasonable to infer, however, that the capture of Rabaul will take somewhat longer than that of either Lae or Salamaua. Meanwhile Timor is not being ignored. An ineffective raid over Darwin, probably from planes based in Timor, gave point to Mr. Curtin's recent warning that enemy would have to be smoked out of here in the very near future.

The same argument goes for the Solomon islands. Guadalcanal is not the only island where the Japanese have a foothold. In Munda in New Georgia islands, it is learnt, the enemy are attempting to construct an airfield. They are still active in the south end of Bougainville islands, watching Allied ships coming to Australia from America, and moving out of Australia towards America.

While these facts go to show that the Japanese are still very much of a menace in this area, a factor making for Allied confidence is that the enemy is being held back in the East, while Allied operational intensity is moving towards peak point in the west.

2. FRANCE -- THE BEGINNING OF UNITY.

(a) Determination to Free France.

The French situation is slowly disentangling itself and, if recent developments are any index, the problem has taken a step towards a settlement to the general satisfaction.

As was to be expected, it has been Nazi perfidy which has caused French leaders to close their ranks against the invaders. "For the Reich", says Gen. Giraud, "the Armistice has only been an instrument of war subject to systematic and daily violations". "After the Reich had practically reduced our country to slavery," continues Gen. Giraud, "there was only one hope and only one chance left to French patriots -- to take up the struggle by the side of our traditional allies until the defeat of the Axis was achieved". It is this common purpose -- to rid France of the German yoke -- that is slowly drawing Frenchmen of all shades of opinion together.

(b) De Gaulle and Darlan.

Stressing the complete loyalty of Great Britain to the Fighting French on the occasion of the agreement about Madagascar, Gen. de Gaulle said that the whole French Empire would have whole-heartedly continue the war, had it not been for the criminal policy which ordered her to fight against the Allies. Admiral Darlan, in his turn, declared at his Press Conference that cooperation with the Germans had been forced upon him. Whatever may have been Darlan's past, the important thing in his statement is that he announced his intention to save French Africa from the Germans and let the French peoples themselves choose the future leaders of France. As part of this process French warships in Alexandria and North Africa are to be actively used again, and all Vichy measures against Jews and pro-allied Frenchmen have been revoked.

(c) Boisson and Dargenlieu.

M. Boisson also, has made it clear that Dakar and the rest of French Africa intend to intervene against Germany with full armed strength as soon as they get the material and equipment from America.

The Fighting French, on their side, as Admiral Dargenlieu has declared, do not wish to impede in any way the North African operations and have the fullest confidence in President Roosevelt.

Thus in the common task of fighting the enemy both the Fighting French and the Allied French in Africa are in substantial agreement. Darlan's statement that he has no pretensions to be the sole representative of France; and the British government's attitude that the setting up of British consulates in North Africa does not constitute a recognition of the Admiral's regime, should go a long way in reassuring the Fighting French and the free world as to the future.

3. POLAND.

(a) Hitler and the Jews.

(i) Allied Concern.

During the past few days condemnation of the Hitlerite persecution of Jews in Poland has been voiced by noted ecclesiastics and politicians in Britain and America. Mrs Eden's statement in the House of Commons has revealed the concern of Allied governments at Nazi attempts to carry into effect Hitler's oft-repeated intention to exterminate the Jewish people in Europe.

A report reaching the Polish Government in London recently showed that more ruthless methods were being used in Poland to carry out Himmler's order of exterminating half the Jewish population by the end of the year. By the end of September 250,000 Jews had already been "eliminated" out of a population of about three million.

(ii) Dr. Wise's Statement.

Dr. Stephen Wise, the noted Jewish leader, in a statement last month said that the Jewish population of Warsaw had already been halved and that the Nazis had established the price of 50 Reichsmarks for each corpse obtained under the extermination plan for Jews in Poland. For this and other statements Dr. Wise has said that his sources of information had been confirmed as authentic by the American State Department.

(iii) Hitler's Policy.

"We shall have to develop," Hitler once told Dr. Rauschning, "a technique of depopulation, I mean the removal of entire racial units. I shall simply take systematic measures to dam their great national fertility."

Hitler has proved to the world that his words were no fitful rhetoric. Thousands of Jews have been executed or murdered outright, many have been deported to Germany for forced labour and many more have been thrown into concentration camps. For those who still remain in Poland, the bread ration is only one-fourth of what the Germans get. Not in vain did Hitler boast of the "many ways, systematic and comparatively painless, of causing undesirable races to die."

- 6 -

(b) Conclusion.

The "New Order" which is being inflicted on Poland and indeed on the whole of the European continent, will be new only to those who have an inadequate knowledge of the Dark Ages, says the Black Book published for the Polish Ministry of Information. The Jews, in the German law dispensed in the thirteenth century in the statutes called Sachsenspiegel and Schwabenspiegel were, in the Royal phrase, "the servants of our treasury;" chattels in the words of King Charles IV, "with which We, in the plenitude of Our Power, can deal as We please." From these conceptions it does not seem to be a far cry to the Nazi doctrine that "The Jew is not a human being at all."

It is on these principles, deriving as they do from the darkest deeds of the Dark Ages, that the Nazi "order" in Poland is built up.

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P O L I C Y

1. Treat the move into Burma as an exercise in aggressive defence. The Indian command's position has been strengthened, but the move is southwards along the coastal strip of Arakan not eastwards into Burma proper. Avoid speculation about the future.
2. Stress the importance of the Russian break through on the Middle Don. This advance threatens the whole of the German communications south of the Don and in the Caucasus. Its achievement in mid-winter is a fresh proof of Russian resilience.
3. Emphasise that the pause in Tunisia is of preparation not exhaustion. Allied strength is revealed in the intensive hammering of Axis Mediterranean ports and sinking of supply ships.

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1. BURMA.

(a) The Move Into Arakan.

The news of a move into Burmese territory is bound to cause a thrill of interest and excitement throughout India. It is, therefore, all the more necessary that the exact position should be appreciated, and that speculation should not outrun facts as announced. The facts are as stated in the Indian Command's communique of December 19. Troops have crossed the Burmese frontier between Chittagong and Akyab and have occupied the Maungdaw-Buthidaung area, about 60 miles north-west of Akyab. This means that they have proceeded about half-way from the frontier to Akyab. They have met with no opposition.

(b) The Value of the Move.

The value of this move may be described as an improvement in our positions. Maungdaw stands at the mouth of the Naf river, which is navigable for 30 miles of its course. Buthidaung is due east of Maungdaw and is connected with it by road. As the river Naf runs due north in its navigable course the control of Maungdaw gives us a double advantage. Maungdaw itself can be used for bringing supplies by sea, and the river Naf will supplement the military road as a means of communication on the land side.

(c) Significance of the Move.

It will be noted that this move is southwards along the coastal tract of Arakan, not eastwards into Burma proper. Between Arakan and the rest of Burma lies a range of steep and jungle covered mountains, where the rainfall is the heaviest in the world. Control of the whole of this strip would still leave a formidable barrier to be crossed into Burma proper. It should not be thought, therefore, that this operation is the beginning of a regular invasion; rather it should be regarded as a local operation successful in its execution and convenient in its effects. So far the Japanese have not shown their hand.

(d) Conclusion.

To sum up, this operation may be described as an exercise in aggressive defence.

2. RUSSIA.

(a) The Winter Offensive.

(i) The Latest Blow.

The latest Russian blow on the Middle Don, which has already brought in 13,500 prisoners, 89 tanks, (apart from a train load of unused ones) and 1300 guns, completes the pattern of the Russian winter offensive. Together with the German admission that the Russians have broken into Veliki Luki, it shows that this offensive is not only in being, but still has unwelcome surprises in store for the enemy.

(ii) Rival Theories of Attack.

It is now clear that the Russians have been using their favourite offensive tactics. In contrast to the German sledge hammer blow in one place, break through by sheer weight of numbers and follow through with thousands of vehicles, Russian military theory favoured a series of blows in different parts of the front of gradually increasing intensity. Then, when pressure was greatest, would come the decisive stroke to crumple the whole enemy's line. Behind the German plan is the idea of rolling up the two flanks of the sundered line and defeating each in detail; behind the Russian conception is the idea of producing a simultaneous disintegration throughout the front.

(iii) How the plan works.

The Russians are of course far from this consummation, but the pattern of their plan can clearly be seen. First the stroke at Stalingrad and in the Don bend which has encircled the Stalingrad assault force; then the blow in the north threatening the whole great lateral system of communications upon which the free movement of reserves depends, and then the attack in the Middle Don. The first of these blows compelled the Germans to bring up reserves in order to release the trapped army. The second compelled them to engage more reserves in order to save their lateral communications. The third attack comes at a point away from which reserves may have been moved either north or south. We do not know, of course, the exact drain upon Hitler's reserves, but it at least seems likely that even if Hitler succeeds in filling this gap, he will have to draw on troops intended to rest in winter quarters.

(b) The Future.

(i) Russian Objectives.

The Russian winter offensive, has a two-fold objective: the primary one is to improve their tactical positions wherever possible and stretch German resources to the limit; the secondary one is, of course, to cause a general retreat. At present we are concerned only with the former. Great tactical advantages have already been gained in Stalingrad and in the Don bend. A great tactical threat has been set up in the Rzhev region. Now comes the Voronezh move. It seems clear that the Voronezh-Rostov railway has been cut at Kontemiovka, which is in itself an important feat. The Russian advance also seems to be southwards in the direction of Millerovo rather than westward. The implications are clear. If this advance could be maintained, first the supply line to the Don bend, and then the supply lines to the Caucasus and Stalingrad fronts, which pass through Rostov, would be threatened. The whole German position would be in jeopardy.

(ii) Three Alternatives.

The course of the campaign will depend upon a number of factors, none of which are fully known to us. Have the Germans any unused reserves, and if so, can they move them in time? Can the Russians, on their side, bring forward their supplies quickly enough to maintain their advance? Will the weather, which at present seems to be distinctly milder than last year, continue to hold? The matter may be concluded for the moment by listing the three possibilities. The Germans may produce more reserves to stop the latest gap; they may bring up reserves at the price of tapping their recuperating troops in the rear and so weaken themselves for the spring, or they may be forced into general retreat in the depth of winter.

(iii) Hitler's Problem.

Hitler's problem is the switching of reserves without leaving a weak spot where a break through might occur. Hitler's intention seems to be to hold on everywhere unless positively driven back in overwhelming force. The result is a line full of crinkles and convolutions. His plan of action may be dictated by the fear of the moral consequences of withdrawal, but it places an immense strain on the army, and increases the chance, under the Russian system of attack, of a local break through developing into a general defeat.

3. UNITED NATIONS AIR TRAINING.

Third Birthday of A Far-Sighted Scheme.

(i) The Original Plan.

"Britain," said a German broadcast on September 10, 1940, "now has only a few airmen left". That statement was not true then, nor is it any nearer the truth today, thanks to a scheme first announced in the House of Commons exactly nine months before the allegation was made.

Sir Kingsley Wood (then British Air Minister) on December 10, 1939, published details of the British Commonwealth Air Training Scheme. The Agreement was signed a week later, and the first batch of recruits reported for duty in Canada on April 29, 1940.

The scheme was ambitious in its conception, bearing in mind the fact that the war was then a straight issue between Germany on the one hand and the British and French Empires on the other. It called for 83 training schools to be set up in the Dominions and Colonies, with 16 auxiliary establishments (dealing with recruiting, equipment and repairs), nearly 100 aerodromes and 1,360 buildings.

(ii) Expansion.

In May, 1942, a United Nations Air Conference was held in Ottawa to lay plans for coordinating the Commonwealth's great effort with those of her Allies and to make necessary adjustments to ensure that training kept pace with the output of new aircraft.

The war had assumed "global" proportions. As new discoveries were made, the man-hours required to fabricate certain aeroplane parts were drastically cut and the pace of aircraft production, even in Britain -- already working at full pressure -- was stepped up. Canada has taken on the production of Avro-Lancaster heavy bombers and all-wooden Mosquitos, her annual output of aircraft being now in the region of 5,000 planes a year. The United States, which in 1941 turned out 19,000 planes, have produced 49,000 this year.

In 1940, when defence was the order of the day, the accent was on the production of fighters. Today the call is for offensive weapons -- long-range heavy bombers. Britain's output of heavy bombers has been trebled in 1942. The Aeronautical Chamber of Commerce in Washington reports "a huge increase in the number of heavy, long-range aircraft" produced by American factories. Fighters require crews of one, sometimes two. Heavy bombers carry seven, eight or nine airmen. The inference is clear: more and more airmen are needed to man the planes now rolling off the assembly lines.

(iii) Expert Opinions.

Under the original plan, Canada -- the main training centre -- was committed to deliver 25,000 airmen to the battlefronts every year. These would suffice to man 3,000 Avro-Lancasters and 1,000 Spitfires. Today they would be hardly enough for the output of Canadian factories alone. It appears from official statements that the expanded scheme (details of which are necessarily secret) is coping with the increased demand.

In a third birthday message to the headquarters of the scheme Mr. Churchill says: "You are forging a potent instrument of victory", and Britain's Air Minister, Sir Archibald Sinclair, in his message, says: "The cloud coming from the airfields of Canada in 1940 was no bigger than a man's hand. Already it darkens the enemy's horizon and will soon destroy him".

Nor is the quality of training allowed to suffer by the need for mass production of airmen. On September 7, 1942, Air Marshal W.A. Bishop, V.C., Director of the Royal Canadian Air Force, said after an inspection tour: "In the last war, I had only a little more than 400 hours in the air altogether. Now, our men are putting in more than half that number of hours during their air training alone".

4. ONE YEAR OF WAR IN THE FAR EAST.

(a) A Record of The War.

(i) Treachery and Surprise.

On December 7, 1941 Japan came down on Pearl Harbour with calculated perfidy. Guam and Wake soon fell into her hands. Simultaneously the Philippines and Malaya came under concentrated and pitiless fire. But it was not until December 23 that a 100,000 Japanese were massed on the Philippines and began their real offensive, here.

The advantages of surprise still maintained the momentum of the enemy's aggressive schemes. True, the brave men of Batan held the enemy back until May before he could with reasonable assurance say that the Philippines were under his effective dominion. Meanwhile the Japanese were advancing swiftly in Malaya. Indo-China, infected with the poison of Vichy and Siam, and debilitated by the policy of appeasement, offered the Japanese an excellent spring-board for their westward advances.

Greater suffering was yet in store for the allies. Using their air arm with skill and availing themselves fully of their momentary superiority in resources, the Japanese wiped out the only available British naval force in the East under Sir Tom Philipps. On December 10, The Prince of Wales and the battle cruiser Repulse were destroyed by enemy air action in the South China Sea. By February 15 the whole of British Malaya and Singapore were in their hands.

(ii) Burma.

Almost contemporaneously in December Rangoon was subjected to air assaults by the Japanese. The strategy in Burma for the Allies was inevitably a depressing affair. To withdraw slowly, facing heavy enemy opposition, to delay hostile advance, hoping for a better day to attack, are operations that tax human endurance and valour to the extreme limit. General Alexander and his brave band of men had to reckon with an enemy left in jungle tactics and brilliant in the art of outflanking manoeuvres; but they unflinchingly confronted the enemy, and firmly resolved to gain for the allies, the one thing they required most -- Time. That they did succeed greatly in their purpose is evidenced by the manner in which India's defences under General Wavell got under way in a remarkably short period of time. The terror raids of the enemy over Chittagong, Ceylon and Vizagapatam, highlighted by the enemy propaganda, served merely to stiffen India's resolution to beat the enemy, whatever the cost.

(iii) The Dutch E. Indies and Further East.

In the fourth week of February Admiral Doorman, a gallant Dutch leader, sailed northward from Java with a force consisting of five cruisers and four destroyers to engage in battle five Japanese aircraft carriers, 15 cruisers, with a screen of at least 13 destroyers. Not one of the Dutch ships survived the ensuing series of engagements, but before they went down, they had either sunk or damaged three heavy enemy cruisers and four destroyers.

So the Dutch East Indies went the way of Malaya.

The shape of the Japanese menace began to assume a more definitive form. The Southward drive towards Australia had begun. New Ireland, New Britain and Lae in New Guinea were seized.

(b) The Great Change Over.

(i) Stout Hearts And Cool Heads.

The Allies did not lose heart. They planned with foresight and vigour. Time was the invisible ally of the United Nations and they knew how to make the most of this subtle and elusive friend.

Between December 1941 and June 1942 Admiral Halsey's American task force carried out daring raids on enemy strongholds in Marcus islands and in the Gilbert and Marshall groups; Planes from Pearl Harbour bombed Wake island, and enemy bases within bomber range of Midway Island, New Guinea, and N. Australia were attacked. It was at Lae that the Japanese received a taste of their own medicine. On March 10 the enemy had assembled there. Australian and American bombers got sight of this and subjected it to such an attack that further advance was delayed for two months.

(ii) The Coral Sea and Midway Actions.

Two clashes of the greatest importance took place in the Coral Sea in May, and off Midway island in June. In both instances the action was confined to attack and counter attack from the air, the opposing surface forces never being within gun-range of one another. At a cost of two aircraft carriers and two destroyers, five Japanese carriers, six cruisers, five destroyers and eight other warships were sunk.

Thus gradually but resolutely, the U.S. air arm made possible the reassertion of Allied sea power in the Pacific.

(iii) The Solomons Offensive.

Greater things were beginning to happen. In August the U.S. Marines landed on Guadalcanar and other islands in the Solomons group. The landings cost the Allied covering force four cruisers, but two objectives of major importance were achieved. Henderson airfield was seized, and Tulagi Harbour was occupied. These key points have been firmly held despite three major attempts by the Japanese to dislodge Allied forces.

In the Solomons as in New Guinea where operations have been fierce since 1942, it is the enemy who have quietened down, to lick their wounds and think things over. December 1942 presents a very different picture from that of December 1941, when surprise and treachery gave the Japanese an initially great momentum in the operational sphere.

(c) Hindrances to Jap Ambitions.

(i) China.

There are many factors making for the frustration of Japan's schemes. Japan's first victim is still draining her of men, money and material. As far back as January 1940, the Japanese Journal, Oriental Economist, wrote:- "Months and years of China operations have cut down the stocks of both gold and supplies and the surplus capacity is very near vanishing point". Since then the occupied territory of south East Asia has been made to feed the Japanese war machine in China but the margin of error in this calculation is dangerously small.

Between September 1939 and September 1942 the Chinese have inflicted three important reverses on the Japanese at Changsha, and successfully stemmed the tide in Chokiang and Kiangsi provinces.

The following casualty figures were announced in Generalissimo Chiang's declaration of July 7, 1942: 1,000,000 killed; 1,500,000 wounded; 29,924 taken prisoner. The Chinese, besides, shot down 2,504 aircraft; engaged in 14 major campaigns and 10,373 minor battles; they captured 1,981 field and mountain guns, 8,576 machine guns, 192,000 rifles, and 8,841 tanks, armoured cars and other vehicles. Our Allies were occupying the attention of over 800,000 enemy troops and 19,000 planes in China excluding Manchuria.

(ii) Shipping.

A serious worry for the Japanese is the merchant shipping problem. The Japanese have themselves admitted that they have lost 65 merchant ships in the first year of the war. It is estimated on reasonably objective grounds that Japan has lost a million tons sunk for certain and a further 1,500,000 tons probably.

Here are broadcasts from Tokyo indicative of the nature of the problems assailing them in this direction. "The three-day meeting of the Japanese military administrators in Java and Sumatra has decided to mobilize all wooden vessels to the fullest extent for the reciprocal exchange of materials between Java, Sumatra, Malaya. Much attention will be given to the invitation of shipbuilding experts from Japan on the one hand, and on the other, small shipbuilding yards owned by the people in Singapore and Malay will be fully utilized." (Jap broadcast in English 25.6.42.) "In an effort to encourage the shipbuilding industry, the Japanese military authorities called for the registration of all ship-builders in a proclamation issued today. According to the proclamation, ship-builders residing in the Manila district are requested to report to the Japanese authorities by the 1st August and those living in other cities and in the provinces to report to their municipal or provincial authorities by 15th September." (Domei Message 4.8.42): "It is extremely difficult to transport all the necessary raw materials in time, owing to limited shipping space available. It was found necessary to transport them by land. This affects the railways... it needs the co-operation of the people." (Chief of the Planning Board Suzuki in a speech before the Diet on Oct. 6, '42.)

Meanwhile U.S. naval production moves on apace. Only one of the eight battleships attacked at Pearl Harbour is likely to be a total loss, thanks to the repair and salvage efficiency of the U.S. Navy. And new warships are being laid down in the U.S. at the rate of 1,500,000 tons a year.

(iii) Internal Problems.

Tokyo by no means presents a picture of unadulterated strength. A Trans-Ocean message of August 23 reported: "Aluminium is apparently short." A Domei report of August 19 said "There has been a reduction of school leaving age due to lack of manpower as the result of war." At a police conference Tojo said: "The duties of the police are increasing with the mounting problems of living conditions;" as the Tokyo broadcast in Japanese said on August 22: "stricter surveillance on those ... who injure the nation's unity is necessary". No one proposes to derive complacency from these rumblings, but the facts merit attention, for they show that the flashy structures of dictatorship have their own doom written on their own sandy foundations.

That is why Tojo speaking over the radio on November 1, 1942 said: "Nippon has been compelled to take up arms in self-defence;" and fervently appealed "to the entire Nation to support Nippon in spirit of unity". He had discovered "there are still difficulties to be overcome in our future path." At the same time the Japanese Financial and Agricultural Ministers continue to make daily radio appeals in Japanese to the nation to conserve its thinning resources and put on a brave face as things get steadily worse. "These things" a speaker said in Japanese in December 1942 "are fire sent to test our souls". The fire will yet come down on them in larger measure until their souls are cleansed of ambitions that make of peaceful and civilized living for others a mockery on this earth.

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260TH BI-WEEKLY GUIDANCE NOTES ON THE WAR SITUATION, DATED DECEMBER 29, 1942.

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POLICY

1. Russian news is heartening, but this is the time to exercise restraint. Anticipations of recapture of Rostov and isolation of German Caucasus army are best avoided. German reports of fantastic masses of material thrown against them may be used to emphasise (a) reality of British and American aid to Russia and (b) Russian long-term planning as example of United Nations strategy.
2. Darlan's name may gradually be allowed to drop. Giraud is regarded as a valuable successor whose appointment is a further step towards French unity.
3. Contrast Tojo's warning to his people with earlier Japanese boasts. Japan is now expecting the Allied counter-offensive previously described as impossible.

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1. RAIDS ON CALCUTTA.

(a) Japanese Strength and Weakness.

Calcutta had its first enemy air raid on December 20, and up to December 28 there have been four more raids on the town. The main reaction is one of surprise that these enemy degradations in the air should take place nearly eight months after the Japanese were in a position to launch these air raids, and that if Japan intends this activity on her part to be considered an answer to our increasing plastering of the enemy-occupied military targets in Burma and our advance into the Arakan Division, it is a poor reply. Furthermore, when we bear in mind General Clayton Bissel's remarks to the Press Conference, on December 26, that enemy aerodromes in Burma were constantly under fire and he was shifting his air force from one to the other, and recall General Wavell's words, spoken on April 22, 1942, it strikes the observer that Japan's activity over Calcutta is an evidence more of her weakness than of strength and that the reasons for launching it are to some extent those of propaganda.

(b) General Wavell's Words.

On April 22 last when Japan was in the plenitude of power, our C-in-C described the danger to India as follows: "The immediate danger is that of air attack ... Consider the distance the Japanese are from their bases, the enormous area over which their war effort is already dispersed, the vulnerability to sea and air attacks of their line-of-communications towards India." And then General Wavell's assurance: "It is not in the power of the Japanese to bring air attack against the cities of India on anything approaching the scale, in intensity or continuity, of the German attack on Great Britain, or of our air attack on Germany". These were the limitations circumscribing Japan's power of aggression eight months ago. Events since then in the Solomons, in New Guinea and in Burma have weakened Japan and added to her difficulties.

(c) And Their Confirmation.

Calcutta's experience upto date bears out the soundness of General Wavell's observations. So far, the raids have been on a small scale and, although they must continue, it must be reiterated that Calcutta's ordeal, unfortunate and grievous though it is, cannot be nearly as great as that of Britain and the prison that Hitler has made of Europe. The Luftwaffe, it may be recalled, dropped during the blitz on London as much as 450 tons of bombs in a single raid and, as for the R.A.F., we still remember how in the course of its 1,000 bombers raid on Cologne on May 31, 1942, the R.A.F. dropped 3,000 tons of bombs in 90 minutes. True it is that the raids of the type on Cologne are as yet exceptional but the fact also remains that nowadays 200 bombers of the R.A.F. drop 450 tons in an average raid -- and raids on this scale are fairly frequent. Japan could launch raids of this nature if it possessed in Burma scores of aerodromes, a very large trained ground personnel, a well knit system of communications and factories manufacturing munitions of war. Some of these facilities are inherently unobtainable in Burma; and, as to others, the R.A.F. and the 10th American Air Force between them, see to it that Japan is allowed no respite. In this connexion it is worth mentioning that in their U.S. raid on Hoho on December 26 the weight of bombs dropped was greater than that dropped by the Japanese in their first four raids on Calcutta.

(d) Calcutta's Defences.

The three main requirements for effective defence against air attack, according to General Wavell, are Fighter aircraft and A.A. guns, A.R.P. arrangements and, the most important, the spirit and discipline of the people. The fact that the Japanese bombers have so far raided Calcutta at night, and flown very high, is a tribute to the town's fighter craft and A.A. guns. And the high morale of the citizens, commended by His Excellency the Viceroy, the Governor of Bengal and the Bengal Premier, has, besides defeating the enemy's purpose, helped in keeping the casualties low. Calcutta's defences, both morale and physical, are of a very high order indeed.

(e) To Sum Up:

Raids on Calcutta, seen in the correct perspective, constitute an obvious move in the offensive tactics intended to conceal the real defensive character of Japanese strategy. Eight months ago Japan, on the crest of the wave, was hitting out in all directions. Now, although far from exhausted, Japan like a wounded tiger has to hit somewhere -- and Calcutta is a very important target both from propaganda and other points of view. Further, these raids on Calcutta, intended as they are to cause panic, once again destroy enemy propaganda alleging that Japanese bombs are directed against military installations alone. "So far", declared General Wavell, "the Japanese have seldom resorted to indiscriminate bombing of the civilian population though they will no doubt do so if it suits their purpose". And the fact that, already during their raids on Calcutta, the Japanese have used anti-personnel bombs, shows that they have no tender feelings for the lives of the people.

2. RUSSIA.

(a) Timoshenko's Foresight.

(i) Voronezh.

When the Germans launched the only offensive which they have attempted on the Russian front this year, sweeping across the Donetz

into the Don elbow southward into the northern Caucasus, the importance of Voronezh was repeatedly emphasised. If the Germans could have broken through Russian resistance in that area, they would have fractured the hinge joining the Red Army of the south with the army holding the Moscow sector. They would then have been in a position either to curve north-east against Moscow or south-east down the left bank of the Don against Stalingrad.

Had that happened, it would have been extremely difficult for the Soviet Command to prevent a catastrophe. Their left wing would have been in imminent danger of being crumpled up and the Moscow sector might have had to be abandoned for a general withdrawal to the east in order to escape envelopment. When the northern end of the middle Don position (about 350 miles long) held firm, Hitler began to hurl his forces against Stalingrad. An early victory there would have enabled him to strike up behind the Don along the Stalingrad-Moscow railway and by that means hope to achieve -- at very long range -- what had been denied him at Voronezh.

(ii) Caucasian Cupboard.

In these conditions the invasion of the Caucasus was like thrusting a grasping arm into a store-cupboard past a sliding door made of heavy steel. All depended on whether there was someone strong enough to put his shoulder against the door and make it move. It was at this stage in the campaign that German propaganda began to assert that their objective in 1942 was not the destruction of the Red Army but its "neutralisation". If Soviet military strength could have been crippled and made incapable of serious counter-action, the Caucasian cupboard could have been added to the "fortress" of Europe. Moreover -- taking a wider view -- the Wehrmacht would have regained its mobility as a garrison to cope with new dangers along the southern and western ramparts of the beleaguered continent.

(b) The Battle of the Middle Don.

(i) The Sliding Door Moves.

The sliding door at the northern entrance to the Caucasus has begun to move. But it must be emphasised that we would be doing poor service to the Allied cause by prating at this stage of a "threat to Rostov" and the prospect of a great German catastrophe. The astonishing thing is that, after suffering losses in territory and war resources that would have taken the heart out of most people, the Russians, instead of leaning against the ropes, have moved into the centre of the ring and are planting powerful straight lefts on the enemy's body. Along the entire battlefield the Red Army has seized the initiative, and it is the Soviet Command which is deciding when and where the next blow will fall.

(ii) Russian Ulcer

The line of the Donetz, which has behind it a network of railways linking towns converted into fortresses and fortified positions, will be a hard nut to crack, particularly in winter conditions which impose a severe handicap on sustained offensives. Before that line there is bound to be stiff fighting. All the same, Hitler's pigheadedness in flouting the advice of experts such as Halder and Bock, and Russian resilience, have brought the German army with its Italian and Rumanian appendages into a more embarrassing situation than they have yet encountered. Their long-exposed flank from Voronezh to Tuapse on the Black Sea is becoming a running sore.

(c) Russian Achievement.

(i) The Stalingrad Hedgehog.

The Russian Achievement up to date may be summarised as follows:

Two perfectly timed assaults from the north-west and south-west of Stalingrad encircled a German army between the Don and the Volga which now numbers about 150,000 men. But for sudden thaw and heavy rain at the critical phase, this twin offensive might well have completely overwhelmed this force before it had had time to regroup and take up defensive positions. Even so, the enormous "hedgehog" which von Hoth has constructed between Stalingrad and the Don, although well equipped and, no doubt, plentifully provided with ammunition dumps, is increasingly dependent for food on carrier aircraft. These large and comparatively slow machines are very vulnerable to fighter attack, and the heavy daily toll which the Russian Stormoviks are taking is a clear indication that this air supply line is too costly and precarious to be relied on for long. It is reported that the Germans are being obliged to use civilian transport planes to keep the service going. Last winter they were able to succour encircled formations for extended periods by this method. The fact that it will be very much more difficult to do so now is one of the several advantages which the Red Army is deriving from the thinning-out of the Luftaffe to meet the new threat from North Africa.

(ii) The Ring Holds.

The second Russian achievement was the rapid consolidation of their band of encirclement which at its narrowest point was about 50 miles wide. Von Hoth has been comparatively passive inside his hedgehog, evidently nursing his resources in confident expectation that the German relief force striking northward along the railway from Kotelnikovo would soon hack a pathway through the Russian barrier. Powerful attacks have been delivered in this direction, but Russian consolidation (particularly as regards artillery) has been so thorough that they have been thrown back with heavy losses and from advances made. It seems evident that a much greater weight of men and metal will be required before the Germans can hope to smash a way through; such a concentration may not be easy to effect when the Russians are threatening attacks all along the line -- unless Hitler can face the shock to German confidence that would result from cutting his gains in the northern Caucasus. Meanwhile von Hoth's army must continue to be fed, or surrender.

(iii) Middle Don

The Third Russian achievement is the spectacular surge forward on a 75 mile front across the middle Don. Perhaps the most significant thing about it is that it has now been proceeding for nearly two weeks and has not yet lost its momentum. The immediate gains are twofold. First, this southward drive, by working in conjunction with the westward thrust from the Chir river, has created a German sack. Its southern end is still open but it is narrowing. The German can hardly relish the prospect of supplying and then trying to rescue a second encircled force.

The other gain -- apart from the enormous booty of some 50,000 prisoners -- is one of great strategic importance. It is the cutting of the arterial railway between Voronezh and Rostov. A stretch of about 50 miles of this line immediately south of Voronezh was already in Russian hands. Now other stretches have been seized to the north, south of Millerovo, which has itself been surrounded. This is not only an important German supply depot but also a railway junction, which links Voronezh and Rostov with Kharkov -- the German nerve center for this sector of the front. In other words, the Germans are being deprived of their principal mean lateral communication for switching supplies and reinforcements to threatened points. There is no similar railway for another 50 miles further west, and that line passes through the middle of the rich industrial Donetz basin.

(iv) British Help

By keeping a strong screen of artillery well forward all the time and by-passing strong islands of German resistance, the Russians have been able to keep the Italians (who appear to have held forward positions here) on the move and have so far prevented them from regrouping. It is also satisfactory to note that the use of great numbers of British Valentine and Matilda tanks has also contributed to this achievement. A slowing down of advance may probably be expected owing to the need for Russian consolidation and to the arrival of strong German reinforcements.

(d) The Future.

The situation is full of great possibilities; but as regards Rostov and the closing of the overland route to the Caucasus, we should think in terms of months rather than weeks. The near future may see new Russian attacks for the relief of Leningrad in the central sector, in the neighbourhood of Voronezh or elsewhere. They will be cumulative and complementary blows like those in the south. All will form part of a comprehensive winter plan designed to immobilise and eat into German reserves. Every bulge carved in the German defences exposes fresh nerve-ends to Russian punishment and still further lengthens the already too-distended German line. Stalin is preparing for the spring. So too are the British and Americans in the west.

3. NORTH AFRICA.

(a) Admiral Darlan.

(i) Darlan's service.

The assassination of Admiral Darlan has ended a career of tragic contradictions. The career of this enigmatic and controversial figure has been cut short barely a month after he threw in his lot with the Allies, and so saved for them, according to Mr. Stimson's calculation at least a month's time and perhaps 15,000 lives.

(ii) Darlan the Man.

Admiral Darlan's career will be a subject of controversy for many years to come. If ambition and pride had their share in his character, it is fair to add that love of the French fleet was his ruling passion, and that he was, according to his lights, a patriotic Frenchman. The full story cannot be known until the records are opened, as they were after the last war. Meanwhile death has hushed criticism and the turbulent controversy which surrounded all his actions. It is fitting now to remember that he was a sailor who loved his fleet; and that he seized the first opportunity of joining the Allies when he had been completely disillusioned in the Vichy policy by constant German bad faith and Nazi determination not to abide by their own armistice conditions. Darlan's action in joining the Allies shows how German methods have outraged even those who for a time lost hope of Allied victory and were willing to negotiate with their conquerors. In conclusion, General Eisenhower's description of his actions as the ruler of North Africa may be recorded. "He never, so far as I know, broke his word in attempting to carry out everything he promised".

(b) Political Assassination.

Political assassinations may be roughly divided into those which are the work of insane or unbalanced minds, like, for instance, the attempts on the life of Queen Victoria or the murder of President Doumer in 1932, and those which are the joint products of design and passion. Periods of great emotional stress, like the Wars of Religion in Europe, produced the fanatics who murdered men like William the Silent on principle. Similarly, leaders who have aroused deep passions by their actions always walk in danger of the assassin's blow. Such were Wallenstein in the Thirty Years war, Count Rossi the Papal Premier in 1849, Stolypin in pre-Great War Russia and Walter Rathenau in post-Great War Germany. To this class of men Darlan belonged. His assassination is fully explained by these considerations; and Axis assertions that it was the work of the Allies, who have already executed the murderer, are as fantastic in their absurdity as they are obviously malicious.

(c) General Giraud.

In General Giraud the North African French have found a leader distinguished equally by his daring, his generalship and his patriotism. After de Gaulle, he is the first heroic figure thrown up by France, but he will not be the last. His appointment to leadership has been generally welcomed. General Eisenhower has said that he is delighted to have a man of such standing and character to deal with. A fighting French spokesman in Washington said on December 27, that General Giraud was undoubtedly the best man available and that he, more than any other, was in a position to reconcile effectively all patriotic elements in the French colonies and in France itself. While no doubt difficulties to a general reconciliation may still remain, General Giraud's appointment and its welcome are good auguries for the future of France and for Victory.

4. POLAND -- NAZI EXTERMINATION OF JEWS.

The following account is condensed from a detailed and very soberly written report which the Polish Government in London has recently received from a reliable source in Poland, supplemented by statements in the German and neutral Press.

This evidence confirms rumours which have been current for some months that the German Government has deliberately adopted a policy of wiping out the Jewish race in Poland and, as far as possible, in other occupied countries. In the eastern Polish provinces wholesale executions seem to have begun as soon as the German army had pushed back the Russians. In the Wilno region there is now only one Jewish centre -- in the city of Wilno itself. According to information reaching Warsaw from the east, 60,000 Jews have been murdered in Wilno, 14,000 at Rowne, 10,000 at Kowel and half the Jewish population of Lwow. Similar massacres have occurred in other towns in East Galicia. In March and April mass murders began in Lublin, central Poland. In the town of Lublin only 2,500 Jews were left out of 30,000.

(a) The Warsaw Ghetto

In July, after the ominous visit of Himmler, the terror moved to Warsaw. According to official statements in the Berlin Press, there were 480,000 Jews crowded into the Warsaw ghetto. On July 20 the work of "liquidating" the ghetto was begun by placing a dense cordon of armed junaks (security battalions) around the ghetto boundary walls. On the following morning uniformed Germans entered houses in the ghetto and singled out members of the Jewish intellectual class and shot them out of hand. The next day all members of the Jewish Council who had not been arrested were forced to sign a proclamation beginning with the words, "By order of the German authorities all Jews living in Warsaw, without regard of age or sex, are to be deported to the east". On July 23 the President of the Jewish Council committed suicide after a further interview with the German authorities, who apparently ordered him to supply 10,000 persons for evacuation the following day instead of 6,000 as previously fixed.

(b) Daily Deportation

Since then deportation has been going on daily without break. By September 1 some 250,000 had already gone. For the month of September 120,000 ration cards were printed, for October only 40,000. A cordon is drawn around blocks of houses; the Germans then enter the courtyards and fire a few shots as a warning to the inhabitants to come out. Those who are slow to obey or try to hide are shot at once, as are cripples and old people who are too infirm to move. At the place of entrainment they are sorted. Elderly and useless (from 60 to 100 per day) are taken to the cemetery and shot; the remainder are put into goods trucks -- 120 persons into a truck large enough to hold 40. The floors of the trucks are spread with quicklime. The trucks are closed and sealed and the train then sets out for one of the three execution camps at Treblinka, Sobibor or Belzec. Here the train is unloaded and the condemned are stripped naked and then killed. For the purpose of burying the bodies, a great "bulldozer" has been taken to Treblinka and this machine works without stopping. The stench of decomposed bodies has nauseated all peasants for three miles around and forced them to flight.

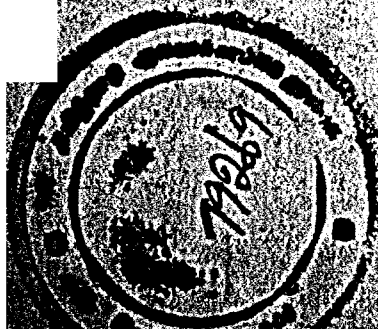
Only two parties, numbering 4,000 in all, are known to have been sent on from these camps to work on the Russian front. In Warsaw victims implore junaks to shoot them as a means of escape from the horrors awaiting them. A regular fee for this act of mercy is said to be 100 zlotys.

(c) Neutral Press Reports.

From all over enslaved Europe trainloads of Jewish deportees are being sent east. In France all Jews of foreign origin between 18 and 55 years of age are being arrested and put in labour camps preparatory to transportation. In Holland the pro-Nazi paper Volk en Vaderland of Rotterdam, when recently discussing "political disturbances" by Christians, Jews and their friends in Churches, made the sinister remark: "Owing to the absence of Jews such demonstrations will shortly be no longer possible." According to Swedish reports, a thousand Norwegian Jews have been arrested and put aboard a German ship destined for Poland. "The destination of the poor deported men", writes the Nya Dagligt Allehanda of Stockholm, "is the ghettos of Poland and there is no exuberance of speculation needed to imagine the fate which awaits them there." The Stockholms Tidningen reports that all Jews seized in Bergen, Stavanger and Trondheim have been taken to a concentration camp near Oslo, "where male and female Jews from 14 to 80 years of age are at present imprisoned. Probably even these will be deported."

A similar situation in the Balkan countries could be illustrated by quotations from their own Press. The Germans have recently demanded the surrender of 100 Jews from Finland in return for food. "The question," reports the Dagens Nyheter, "seems to have been postponed and Finland has for the present escaped the ignominy of buying food with human lives."

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(d) Allied Declaration.

Replying to a question in the House of Commons on December 17, Mr. Eden, Secretary of State for Foreign Affairs, read out the text of a formal joint declaration which had been agreed upon by the Governments in London of Belgium, Czechoslovakia, Greece, Luxembourg, the Netherlands, Norway, Poland and Yugoslavia, and the French National Committee, together with the United Kingdom, the United States and the U.S.S.R.

After referring to the conditions of "appalling horror and brutality" under which Jews of all occupied countries are being transported to Eastern Europe, the declaration concludes with a reaffirmation of the solemn resolution of the signatories "to ensure that those responsible for these crimes shall not escape retribution and to press on with necessary practical measures to this end."

NOTE: There was no issue of the Bi-Weekly Guidance Notes on Saturday, December 26, 1942.

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