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Sir S. Hoare to Mr. Eden.—(Received January 2, 1941.)

(No. 559.)

Madrid, December 28, 1940.

THE New Year seems a suitable moment for taking stock of the Spanish position. I have now been in Spain for seven months and have been able to note the changes that have taken place in the Spanish atmosphere. When I arrived at the beginning of June, there was no doubt in the minds of nine Spaniards out of ten that Germany was certain of a complete victory in the course of the summer. It was then touch and go whether Spain followed Italy into the war. If General Franco had given the order of belligerency instead of non-belligerency, the army would have marched solidly on the side of the Axis. Gibraltar and French Morocco then seemed to Spaniards to be dropping into their mouth. Since then, for several reasons that I need not describe, the picture has completely changed. Feeling against German dictation has steadily grown, the will to resist, a tender but none the less a living plant, has showed its head, whilst feeling in the army, the only effective organisation in Spain, has veered definitely round against a military alliance with the Axis. In fact, the position to-day resembles in many respects the position in 1807, when Spanish national feeling began to react against the infiltration and dictation of a great foreign and military dictator. Then, as now, the movement of national resistance was strongest in the northern provinces. It was from Asturias that the first Spanish mission went to London at the beginning of June, there was no doubt in the minds of nine Spaniards out provinces. It was from Asturias that the first Spanish mission went to London to ask for aid, and it is diverting to remember that, when the delegates arrived and visited the Admiralty, they found great difficulty in explaining who they were and where in the world their province was situated. The fact that the first move in the Poningular Were care from the Spanish with the first move in the Peninsular War came from the Spanish side is also worth remembering. For it is now the strongly held view of influential Spaniards that, if there is to be a new Peninsular War, the British must once again arrive at the invitation of Spaniards and after the movement of Spanish resistance has actually

2. The growth of the will to resist is the first great change that has come over the country. The second is of a different and sadder character. It is the catastrophic deterioration of the Spanish economy. In these seven months scarcity has become famine, confusion has become chaos. The machine of Government has practically broken down. In the administration there is neither collective non-individual ministration approachibility and as the pression rather collective nor individual ministerial responsibility, and as the press is nothing more than the instrument of German and Falange propaganda, the people are compelled to suffer without the chance of ventilating their innumerable grievances. Famine, anarchy and irresponsibility are each of them bad enough plagues, but when they fall together upon a country exhausted and exacerbated by one of the

when they fall together upon a country exhausted and exacerbated by one of the most savage wars in history, their effect is devastating.

3. I am told that all Spaniards are rash and irresponsible. I can well believe it, if the present Minister for Foreign Affairs represents in this respect the Spanish mentality. Alone of all Spaniards, he seems to have taken no interest in the economic crisis. More than once he has gone out of his way to make it worse. When the United States made their offer of wheat last June, he seemed indifferent. When, a fortnight ago, we were on the point of starting our chapter of economic co-operation, he projected the Tangier provocation into the last stages of our discussions. Such behaviour is at the best criminal rashness, whilst at the worst it may mask a sinister wish to provoke the Spanish people against the British Empire and the United States on the ground that we are starving Spain. Whatever may be the motive, the fact remains that this maltreated country goes from bad to worse and that rashness and irresponsibility hasten the landslide.

[13-42]

61

Day after day I have wondered how best to deal with people and problems 4. Day after day I have wondered how best to deal with people and problems such as I have described. If we offer the Spanish Government economic help, they show us no particular gratitude. If we refuse it, they attack us for starving the country. This attitude, indifferent, irritating, often non-co-operative, is very hard to bear. We should, however, remember that the Spanish Government is to a certain point in a similar position to the Vichy Government. With the Germans close at hand it is impossible for either Government to show outward Triendliness to Great Britain, and it is necessary for both of them to give way from time to time to German dictation. Neither Government is a free agent, the Vichy Government scarcely at all and the Spanish Government only up to a certain point. The result is that we can expect no outward signs of goodwill from Vichy and few from Madrid.

5. If this is the actual position, it may well be asked whether it would not

from Vichy and few from Madrid.

5. If this is the actual position, it may well be asked whether it would not be wiser to treat Spain as we treated her at the end of the 18th century, when we forced her into war against us. The answer I suggest is that the position then was outwardly very different. Spain had a great fleet and it was essential for us to destroy it. Inwardly, however, the reason that guided Pitt's decision is the same reason that should guide us to-day. Pitt acted purely and only in British interests. So it must be to-day. The test of our Spanish policy must be whether or not it is helping us to win the war. We must, therefore, act in our own interests and judge the irritating questions that are constantly raised between us and the Spanish Government from this point of view, and this point of view alone.

of view alone.

6. His Majesty's Government, basing their view upon the strategic necessity of the position, that is to say the strategic necessity of keeping the Iberian and North African ports out of German hands, have decided that we must do our north African ports out of German hands, have declided that we must do out utmost to prevent Spain's entry into the war against us and the occupation of Spanish and Portuguese territory by German troops. I feel sure myself from such knowledge that I have gathered here that this is the only sound policy, but I do not disguise from myself the unpalatable fact that in carrying it out, we shall have to submit to many vexations in Spain and to many criticisms in Great Britain. We must, however, face these unpleasant consequences, for bound up with the policy are two issues of incalculable importance, firstly, the possibility of a Spanish national movement and a new Peninsular War, and, secondly, the possibility of attracting the Iberian Peninsula into the Atlantic orbit of the British Empire and the United States of America.

I have, &c. SAMUEL HOARE.