

C.S.

SECRET

WAR/W2H/4#2

1940

No.

S/20/40.

S. of S. Secret despatch

SUBJECT.

19 40.

13th Febr.

THE BATTLE OF THE RIVER PLATE AND OTHER
INCIDENTS IN THE MARITIME SECURITY ZONE PROPOSED
IN THE DECLARATION OF PANAMA.

Previous Paper.

To be retained

MINUTES.

1-8

S. of S. Secret despatch of 13/2/40.

Y.E.

Returned as requested

AD. 3.14.40

Thanks etc

~~tttt~~ 3/4

P.A.
4/4/40.

9.

Telegram from B.A.A, B.A, 9/9/40 etc

Subsequent Paper.

A
I

5/20/40

Reference to previous correspondence:—

8

Secretary of State's
Governor's

Despatch No.

Falkland Islands

Secret



DOWNING STREET,

13th Feb. 1940

Sir,

I have the honour to transmit to you

for

your information a copy of

the papers noted below on the subject of the "Battle of
the River Plate".

I have the honour to be,

Sir,

Your most obedient, humble servant,

The Officer Administering

the Government.

Falkland Islands

Malcolm MacDonald

Date.

Description.

23rd Dec.

Telegram from the Acting President of
the Republic of Panama, and a copy
of the reply.

NORTH AMERICA.

December 24, 1939.

CONFIDENTIAL.

SECTION 1.

[A 9049/5992/51]

Copy No. 034

*Telegram from the Acting President of the Republic of Panamá to
His Majesty The King.*

(Received Sandringham, December 24, 1939.)

Panamá, December 23, 1939.

HIS Majesty King George VI, King of Great Britain, Ireland and the British Dominions beyond the Seas, Emperor of India, London.

I have the honour to transmit to your Majesty the following communication agreed to unanimously by the twenty-one American republics as a result of mutual consultations carried out in accordance with paragraph 3 of the Panamá Declaration of the 3rd October last, already transmitted to your Majesty by the late President Arosemena by his message of the 4th October:—

“The American Governments are officially informed of the naval encounter which took place on the 13th December off the north-west coast of Uruguay between certain British men-of-war and the German vessel *Graf von Spee*, which, according to reliable reports, attempted to overtake the French merchant vessel *Formose* between Brazil and the port of Montevideo, after having sunk other ships. They have also been informed of the entry and sinking of the German warship in the waters of the River Plate at the expiry of the term which, in accordance with the rules of international law, had been granted to it by the Government of the Republic of Uruguay. On the other hand, the sinking or the detention of German merchant vessels by British ships in American waters is a fact publicly recognised as certain, as is proved by the recent cases of the *Düsseldorf*, *Ussukuma* and others. All these facts, which affect the neutrality of American waters, imperil the proposals for the protection of the continent which inspired the Panamá Declaration of the 3rd October, 1939, the first paragraph of which provides:—

“As a measure of continental protection, the American republics, so long as they maintain their neutrality, have the indisputable right to preserve free of all hostile action on the part of any belligerent non-American nation those waters adjoining the American continent which they consider as of primary interest and direct usefulness for their relations, whether by land, sea or air.”

“Consequently, in accordance with the method laid down in that instrument, and with a view to avoiding the repetition of other actions of the kind referred to above, the American nations resolve to formulate their protest to the belligerent nations, and to inaugurate the necessary consultations with the object of strengthening the system of common protection through the adoption of suitable measures, including the prevention of belligerent ships supplying themselves and repairing damage in American ports when those ships have committed warlike acts within the security zone established by the Declaration of Panamá.”

In transmitting this communication to your Majesty I beg you to accept the assurance of my highest and most distinguished consideration.

AUGUSTO S. BOYD.
Acting President of Panamá.

(A 313/1/51).

Reply of His Majesty's Government in the United Kingdom to the communication of the 23rd December from the Acting President of the Republic of Panama (on behalf of the Governments of the American Republics) regarding the Battle of the River Plate and other incidents in the Maritime Security Zone proposed in the Declaration of Panama of the 3rd October, 1939. (Presented to the Government of Panama by His Majesty's Minister at Panama, the 14th January, 1940.)

1. His Majesty's Government in the United Kingdom have devoted most careful consideration to the communication agreed upon unanimously by the 21 American Republics the text of which was telegraphed to His Majesty The King by the Acting-President of Panama on December 25th last. In that communication reference was made among other matters, to the recent naval action between British and German warships in the South Atlantic and to the maritime security zone described in the Declaration of Panama of October 3rd, 1939.

2. His Majesty's Government, who themselves so long strove to prevent war, fully appreciate the desire of the American Republics to keep the war away from the shores of the American continent. It was therefore not merely with interest but with understanding that His Majesty's Government learned of the maritime security zone proposal. His Majesty's Government noted with satisfaction from the Declaration of Panama itself that the attempt would be made to base the observance of its provisions upon the consent of the belligerents. This fresh expression of adherence to the idea of solving international difficulties by mutual discussion, which has always been upheld by the American Republics, confirmed His Majesty's Government's belief that these Powers would not attempt to enforce observance of the zone by unilateral action and encouraged their hope that it would be possible to give effect by means of negotiation to the intentions which inspired it.

3. It was in this spirit that His Majesty's Government were examining the proposal of the Conference of Panama at the time when the communication of December 25th was received.

In view of this communication His Majesty's Government desire to draw the attention of the American Republics to the following considerations:

4. It will be apparent, in the first place, that the proposal, involving as it does the abandonment by the belligerents of certain legitimate belligerent rights, is not one which on any basis of international law can be imposed upon them by unilateral action, and that its adoption requires their specific assent.

5. The acceptance by His Majesty's Government of the suggestion that the belligerents should forego their rights in the Zone must clearly be dependent upon their being satisfied that the adoption of the Zone proposal would not provide German warships and supply ships with a vast sanctuary from which they could emerge to attack Allied and neutral shipping, to which they could return to avoid being brought to action, and in which acts of unneutral service might be performed by non German ships, for example, by the use of wireless communications. It would also be necessary to ensure that German warships and supply ships would not be enabled to pass with impunity from one ocean to another through the Zone, or German merchant ships to take part in inter-American trade and earn foreign exchange which might be used in attempts to promote subversion and sabotage abroad and to procure supplies for the prolongation of the war, thus depriving the Allies of the fruits of their superiority at sea.

6. Moreover, the acceptance of the Zone proposals would have to be on the basis that it should not constitute a precedent for a far-reaching alteration in the existing laws of maritime neutrality.

7. Unless these points are adequately safeguarded, the Zone proposals might only lead to the accumulation of belligerent ships in the Zone. This in turn might well bring the risk of war nearer to the American States and lead to friction between on the one hand the Allies, pursuing their legitimate belligerent activities, and on the other the American Republics, endeavouring to make this new policy prevail.

8. The risk of such friction, which His Majesty's Government would be the first to deplore, would be increased by the application of sanctions. His Majesty's Government must emphatically repudiate any suggestion that His Majesty's Ships have acted, or would act, in any way that would justify the adoption by neutrals of punitive measures which do not spring from the accepted canons of neutral rights and obligations. If, therefore, the American States were to adopt a scheme of sanctions for the enforcement of the Zone proposal, they would, in effect, be offering a sanctuary to German warships within which His Majesty's Ships would be confronted with the invidious choice of having either to refrain from engaging their enemy or laying themselves open to penalties in American ports and waters.

9. Up to the present it does not appear that means have been found by which the disadvantages of the zone proposal could be eliminated. That this is the case was shown by the operations in the Zone of the warship Admiral GRAF SPEE and the supply ship TACOMA. With regard to the specific incidents of which mention is made in the communication under reply, His Majesty's Government must

observe

(2)

observe that the legitimate activities of His Majesty's Ships can in no way imperil, but must rather contribute to the security of the American continent, the protection of which was the object of the framers of the Declaration of Panama. His Majesty's Government cannot admit that there is any foundation for a claim that such activities have in any way exposed them to justifiable reproach, seeing that the Zone proposal has not been made effective and belligerent assent has not yet been given to its operation.

10. In view of the difficulties described above, it appears to His Majesty's Government that the only effective method of achieving the American object of preventing belligerent acts within the Zone would be firstly to ensure that the German Government would send no more warships into it. Secondly, there are obvious difficulties in applying the Zone proposal at this stage of the war when so much German shipping has already taken refuge in American waters. If the Allies are to be asked to forego the opportunity of capturing these vessels, it would also seem to be necessary that they should be laid up under Pan-American control for the duration of the war.

11. In the view of His Majesty's Government it would only be by means such as those indicated that the wish of the American Governments to keep war away from their coasts could be realised in a truly effective and equitable manner. Until His Majesty's Government are able to feel assured that the scheme will operate satisfactorily they must, anxious as they are for the fulfilment of American hopes, necessarily reserve their full belligerent rights in order to fight the
menace

menace presented by German action and policy and to defend that conception of law and that way of life which they believe to be as dear to the peoples and Governments of America as they are to the peoples and Governments of the British Commonwealth of Nations.

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(9)

Originators Instructions:
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INTERCEPT GROUP.

TO: D.H.E. R C.S.M.D. S.O.(I).A.V. S.O.(I).Fre town.
N.A. Santiago Rio.

FROM: B.N.A.
B.A.

Minister of Marine informed press Sept 7th that 15 out of 16

"Graf Spee" interned Officers have escaped from MARTINGARCIA. Communique

suggests that clandestine embarkation from island but press state that

they failed to return from week end leave in Buenos Aires expiring on

1st September. Spanish Ship NOTURIA passed MARTINGARCIA about

23th August on voyage Rosario to Tampa U.S.

1145/9.

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