

Received 3.10 p.m., 31.10.39.

Your 737 of October 31st.

A. Following is submitted prior to despatch of your considered reply to German delegation:

B. Following constituted German delegation:

A Colonel from German General Staff, an official from Permanent Secretariat German Foreign Office, and the Officer who visited us before.

They expressed inability at this stage to disclose further identities of the leaders of this movement, but admitted that Generals Wiedersheim and Rundstedt were members, and added, "and many more like them".

C. Difficulty, if not impossibility, of accepting Hitler was fully emphasised by us. We are, however, inclined to believe that assertion by Germans that Hitler's initial presence would be indispensable if new Government is to command popular support, was made by them in all sincerity. They repeated that adequate guarantees against continuance of Dictatorial action would certainly be given.

D. Suggestion regarding Royalty was made in effort to find individual from whom H.M.G. would be prepared to receive proposals for a settlement. Any alternative suggestion by H.M.G. would be welcomed by German delegation.

E. Germans gave following picture of current efforts:

The centre of influence is moving, under Papal and Italian patronage, to the Catholic South, which, with Austria represents approximately half the population of Greater Germany. War has compelled Hitler to choose between Party and Wermach