MEMORANDUM

General Smuts was sent a copy of the Aide Memoire presented to the State Department on July 12th setting forth the anxiety of His Majesty's Government as to possible economic peace moves to be launched by Hitler. The essence of this Aide Memoire was that the world would enter a new and unparalleled era of prosperity if it accepted the totalitarian management of Europe by Germany and the only obstacle in the way of this era of prosperity was the resistance of Great Britain. To this General Smuts has replied saying that he thinks that it is probable that Hitler will start a peace offensive at an early date with either suggestions for a conference or of peace proposals launched before or after an attack on Britain. General Smuts had doubts about a blitzkrieg on Britain for the present because he thinks that British naval supremacy and the efficiency of the R.A.F. are two formidable obstacles.
both countries to help prepare
public opinion against Hitler's
manoeuvres. Advance ridicule, Smuts
thinks, might well take much of the
strength out of it.