

POOR PRINT  
Epreuve illisible

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14. Commerical - In a sense this factor follows naturally on that of maintenance of prestige, but it may be noted that China is one of the few remaining potential undeveloped markets of the world. It is in dire need of foreign capital for development, but because of China's long and tenacious struggle against the common enemy, this capital will surely be forthcoming in the days of peace to a far greater degree than heretofore. Furthermore, Japan's place in the economic development of China will have to be taken by some one. It is therefore most important that Canada should make a favourable impact on the Chinese government and peoples. The best way in which this may be done now is by a satisfactory military effort against Japan.

## PART II

### POSSIBLE COURSE OF THE JAPANESE WAR

15. After the defeat of Germany, the main general objective would seem to be to bring as heavy a blow as possible with the least loss of time against Japan. The Japanese appear to be pinning their hopes on dragging out the war to the point where the United Nations will weary of the long struggle and eventually accept a fairly favourable negotiated peace. It is to be assumed therefore that time will be an important consideration. In short, the problem will not be governed by quantity of power, but rather by how to deliver the necessary power quickly at the right places to terminate the war decisively and in short order.

16. The policy of reducing the outer defences of the swollen Japanese sphere of control, would be long, tedious and costly. Logically, the end can best be obtained by a direct assault on Japan and there can be little doubt that all other moves will be directed to assisting in that purpose.

17. From the British point of view, their main attack route would seem to be through Burma, Malaya, and on to the China Coast, or Formosa, where bases would be set up for the final assault. Meanwhile, courses open to the United States include attacks from Hawaii westward, from the Southwest Pacific Islands, or from Alaska and the Aleutians. However, while the main target will be the islands of Japan, for political and strategic reasons it seems clear that the British will want to smash the Japanese in Burma and Malaya, even if Russian cooperation might short circuit the reduction of these Japanese outposts.

18. Obviously any strategy that is devised will depend largely on the action that Russia will or will not take after Germany is defeated. It is possible that the war weariness of the Russian people will revolt at any further fighting, but at the worst the U.S. and the U.K. may count on benevolent neutrality that will certainly pin down a high proportion of the Japanese Army in MANCHURIA. On the other hand, there are very vital advantages to Russian participation after Germany is defeated. The quicker Japan is defeated the sooner may the Russians expect economic

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