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economic, character, to which only those governments willing to undertake responsibilities for the future behaviour of Japan would become party. These might be the eleven states now represented on the Far Eastern Commission, or a smaller group of the Great Powers, such as the United States of America, the Soviet Union, China, the United Kingdom and perhaps Australia because of its regional interest. Conceivably the agreement might be drafted in two parts, covering separately the military and economic aspects of post-treaty control of Japan. Under this arrangement a small group of powers might assume primary responsibilities of a military nature, and a larger group might undertake to maintain requisite economic controls and assume very general military obligations commensurate with their commitments under the United Nations Charter. In this connection the present economic difficulties of the United Kingdom may weigh against its participating in a separate agreement involving specific military commitments. Australia would, however, probably wish to become party to such an agreement and would cite its membership on the Allied Council for Japan and its command of the B.C.O.F. as precedents for its participation in any continuing military control which may be established.

40. It is questionable whether Canada would wish to enter into any four or five power scheme for the post treaty military control of Japan, having regard to its non-participation in the present occupation. Consideration would have to be given, however, to Canadian adherence to any proposed control of a general international character, either by all states party to the treaty with Japan or under the United Nations. It will also be necessary to consider whether Canada would wish to be associated with any continuing economic controls which may be agreed for Japan. It is not possible at this time to formulate any definitive policy on this matter. It will be for the Canadian Government to consider in the light of the discussions at Canberra and at subsequent conferences called for the preparation of the Japanese settlement, whether Canada will assume any responsibilities for the post treaty control of Japan.

41. As regards the adherence of other governments, the United States proposal envisages that the final Peace Conference will be composed of all states at war with Japan, and there would seem to be no objection from the Canadian point of view to these states becoming party to the Japanese Treaty. The question of adherence to the treaty proper therefore seems to be relatively unimportant. If, however, it is eventually decided that a second agreement should be concluded for the post treaty control of Japan, it would appear that only those countries willing to undertake military and or economic responsibilities in the Far East should be required to adhere. Whether or not Canada would wish to become party to such a control treaty cannot be decided until specific proposals can be submitted for Government consideration.

VI.

COMMONWEALTH RELATIONS

42. Mention has been made in the introduction to this memorandum of the significance of the procedure for the Japanese settlement to the development of Commonwealth relations. This aspect of the treaty procedure has importance because of Australian dissatisfaction with its