

at the Canberra meeting from others besides ourselves; this resistance may, however, tend to diminish at a later stage of the peace negotiations. If this is the case and if other Commonwealth countries are later inclined to enter into some arrangement for joint representation or action in the peace negotiations we will have to be prepared to part company from the other Commonwealth countries on this matter. Peace and security in the South-West Pacific, as in all other parts of the world, are, of course, matters of concern to us. On the other hand, our interests in that region of the Pacific are not so vital as to render it advisable for us to depart from the established Canadian practice of avoiding special commitments to act jointly with other Commonwealth countries in any negotiations of a general kind. In addition, we are likely to be much more immediately affected by United States policy in the Pacific area than the other Commonwealth nations, and until United States policy is more clearly defined in this area it will be necessary for us to avoid making any commitments which will bind us in later stages of the negotiations.

12. It is not our intention that the Canadian delegates at Canberra should be prepared to expound a fully matured policy for the Pacific area. We do not expect to be in a position to put forward alternative suggestions to all the specific Australian proposals with which we do not agree. The Canadian delegation will be prepared only to express our tentative views on various aspects of the settlement with Japan, and in some cases they will certainly be bringing home more than they take with them. Our intention at present is to formulate in a general way our own basic requirements for a peace settlement with Japan, and it is for this reason that a tentative statement of our minimum military and security requirements is now being requested.

13. With regard to the military aspects of the peace treaty with Japan, it is realized that it will not be possible to give full definition to our position so long as United States views on certain subjects are not fully known. It will be most useful, however, to have some indication of what our requirements are likely to be within the limitations of the information available concerning United States policy in the Pacific area.

II

14. The Potsdam Declaration of July, 1945, contained certain conditions which were to determine the character of the post-surrender period. The Declaration called for the elimination of the authority and influence of the militarists and the complete disarmament of all Japanese military forces, and the limitation of Japanese sovereignty to the four main islands of Japan. The following clause established the pattern of later economic controls:-

"Japan shall be permitted to maintain such industries as will sustain her economy and permit the exaction of just reparations in kind, but not those which would enable her to re-arm for war. To this end, access to, as distinguished from control of, raw materials shall be permitted. Eventual Japanese participation in world trade relations shall be permitted."