

for further consideration.

18. It is evident from the failure of Canada to obtain an adequate role in the drafting of European peace treaties prepared under the control of the Council of Foreign Ministers that this procedure should if possible be avoided for the settlement with Japan. When the Council of Foreign Ministers was established at Potsdam the prospect of an early victory against Japan was not fully apparent. Moreover, the Soviet Union was still at peace with that country. The terms of reference of the Council of Foreign Ministers make no specific mention of any possible action that the Council might take with respect to the Far Eastern settlement. However before the invitation to form the Council of Foreign Ministers was issued to China and France, the other three great powers agreed informally that China would take an active part only in the discussions of the Council on matters affecting Asiatic interests or questions of world wide concern. The possibility that the Council might ultimately concern itself with the Far Eastern settlement is thus recognized by the fact of Chinese membership. Moreover, subsection 3 of para. III of the terms of reference of the Council provided that "...other matters may from time to time be referred to the Council by agreement between the member governments". Press reports originating from Moscow indicate that the Soviet Government holds the view that the peace treaty with Japan should be dealt with by the Council of Foreign Ministers and the implication is that the Soviet authorities would wish to see the settlement prepared in a manner similar to that used for the peace treaties with the European satellite states or under discussion with respect to Germany. Attempts so far by the Soviet Union to have the Far Eastern matters discussed by the Council of Foreign Ministers have been rebuffed by representatives of United States and Great Britain. In the London meeting of the Council in September 1945 the Soviet Foreign Minister attempted to put the question to control of machinery for Japan on the agenda. To this proposal Mr. Byrnes would not agree. Again at the recent meetings of Foreign Ministers in Moscow when the Soviet delegate proposed that China should be discussed both General Marshall and Mr. Bevin were opposed and the question was not considered.

19. The proposals which were made on July 11th 1947 by the United States Government, for the early convening of an eleven nation conference for the preparation of a settlement with Japan, under procedures which would deprive any one nation of the veto power, are a strong indication that the United States Government will oppose any move by the Soviet Union to return to the restrictive Council of Foreign Ministers procedure. Favourable replies to the United States invitation which have been made by the United Kingdom and China would seem to mean that the U.S.S.R. would be alone in wishing to deprive the other allies of an effective voice in the preparation of a treaty for Japan.

20. There is always the possibility that in order to ensure Soviet participation in the treaty making the U.S.A., the U.K. and China will be prepared ultimately to make some concession to the Soviet view that the Great Powers members of the Council of Foreign Ministers should