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1. GENERAL

published a pamphlet by Mr. Henry A. Wallace, Vice-President of the United States, under the title "Our Job in the Facific." Dealing with the postwar treatment of Japan Mr. Wallace said (pp. 39-40):

"Since the primary division in post-war Asia will be between the free and the subject nations, it is to the advantage of the free peoples that Japan should event-ually join them. While we must be strict in safeguards against any secret renascence of Japanese militarism, we must remember that one of the most reliable of all safe-guards is that 'the ranks of freedom must be easy to join.'

Our policy toward Japan must be a consequence of the facts that Japan started the war, and that in the peace our interests lie with China, Britain and Russia. It is limited by two things. We cannot keep Japan in permanent subjection without going against the trend toward the reduction of colonial areas; and we cannot rebuild Japan on the balance of power theory without being hostile to China and Russia.

Our primary objective must be to keep Japan disarmed, and this should never be lost sight of in considering the terms to be imposed on a defeated Japan.

The rise of militant Japan was not only made possible by efficiency of organisation. Step for step it corresponded to the acquisition of the sources of raw materials for heavy industry, i.e. war industry, outside of Japan, first under terms of special access such as the agreements which gave Japan a privileged position in Manchuria, and later by outright conquest. The decline of Japan will be realistically measurable only by the reversal of this process. Unlike Germany, Japan has practically no heavy industry raw materials in her home territory. If she can obtain raw materials only on competitive trade terms, without control of the sources by treaty or occupation, the nations from whom she will have to buy will have in their hands the power to withhold these materials if they are used for military purposes.

The long-term solution should be to press toward Japan's becoming an Asiatic Sweden. Like Sweden, Japan lies at the side of major continental countries and possesses limited and unbalanced raw materials and fuels. Rather than aiming at becoming militarily powerful, she should work for self-sufficient food production, for high technological skill and for trade in competitive markets based on high quality rather than cheapness.

This cannot be accomplished by any special formal attempts to change the political, social and economic structure of Japan, except for the system of controls necessary to keep Japan sidarmed. The United States, however, should follow a clear policy of encouraging any elements within Japan that can be called "liberal" and that are intent on political, economic or social reform. Such a policy can be implemented in many indirect ways and it is one in which we have had considerable experience in our Latin American relations."

**Imposition of stringent peace measures against Japan but under terms that would be conducive to her cooperation in the building and maintenance of a stable world order were advocated in a statement issued on June 14 by 15 religious leaders, members of the Far East Settlement Group called together by the Commission on a Just

** Special attention is called to items thus indicated.

W.L.M. King Papers, Memoranda and Notes, 1940-1950, MG 26 J 4, Volume 360, pages C248564-C249290

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