



JAPAN is not getting a soft peace. On the contrary it is going to be a very hard one. It will take many years to fulfil the terms of surrender." Thus General MacArthur, Supreme Commander in the Pacific, in a recent statement on the occupation of Japan. MacArthur supplemented this categorical pronouncement with the hardly surprising information that Japan, industrially, commercially, militarily, and in every other way, was in a state of complete collapse; her food supplies were scant, and she faced conditions that might well become catastrophic.

That, in brief, is the fate of defeated Japan, a fate which she brought on herself. It is the fate of seventy million Japanese who must now pay the price of the foolhardy war of aggression into which they allowed themselves, not unwillingly, to be led. MacArthur's statement dispelled many of the uncertainties about the aims and methods of the Allied occupation which had been causing concern in the United States and elsewhere, and at the same time it gave warning of the immense task facing the United Nations and the occupying authorities in restoring order out of chaos in the Far East. For, if it is true that the Japanese must be prepared to take their medicine, equally true is it that in varying degrees scarcely a country in the Far East will escape the repercussions from the breakdown of the Japanese economy under the strain of war.

Every effort will have to be made by the occupation authorities during the coming months to save something out of the wreckage of the Japanese industrial machine if a centre of famine and despair is to be prevented from making its appearance in the Far East. That is a matter of primary concern to the Allied nations, as much for their own convenience as for the fact that it can hardly be to the benefit of the impoverished peoples of Asia that they should be deprived of access to the cheap manufactured goods which Japan can still provide in return for their raw materials. To suggest that it will be possible for a breakdown in such supplies from Japan to be made up by an equivalent quantity of British or American goods is out of the question, and the only alternative to Japanese goods is a much lower level of consumption among the native populations. These considerations have to be taken into account, quite apart from any question of Japan's own position or the general principles of economic policy to which the United Nations are committed.

The war has brought wide devastation to Japan's industrial structure and the peace has brought sweeping controls imposed by the Allied authorities. Stripped of her colonies, including Korea and Formosa, and presumably deprived of all the privileges which have hitherto been hers in Manchuria and China, her political