

# WALL STREET OVER THE FAR EAST

By JACK WODDIS and NEIL STEWART

**I**N its offensive against world democracy, fascism resorted to a division of spoils. Nazi Germany was to take Europe, the Near East and the Soviet Union as far as the Urals, while Imperial Japan was to take Asia and the Pacific area. No such share-out of the loot marks the present aggressive drive against the forces of democracy, peace and socialism: nothing but the whole “jack-pot” will satisfy the present war-crazed maniacs of Wall Street. Western Union and the Marshall Plan in Europe march side by side with Kennan’s “Little Marshall Plan” for Asia, the Wedemeyer Plan for China, and MacArthur’s “Co-prosperity Plan” for Japan. The thousand million people of Asia, half of mankind, are marked down for perpetual slavery in the plans of the American imperialists and militarists. The vast natural resources—tin, rubber, oil, iron ore, palm oil, rice, tea, tungsten, copra, lead, bauxite, soya bean, zinc, timber (and perhaps uranium?)—are eagerly eyed by U.S. bankers and militarists alike. Whether as profitable loot, or as valuable stock-piling commodities for war, the natural wealth of Asia arouses the appetites of the American rulers.

The military, political and economic fulcrum of United States policy in the Far East is Japan. The aim is to restore Japan as “the industrial workshop of the Far East” under American supervision and to re-establish her military strength. Japan is expected, in return, to play her part in crushing the colonial liberation movements, driving Britain from her Asiatic markets, and provide a jumping off base for an attack on the Soviet Union. The *Economist* (1.11.47) explained the case of the American imperialists thus:

Have not some American papers already gone so far as to suggest that a new Japanese Army should be organised under American officers? But then, an army is of little use without heavy industry to keep it supplied; and, after all, the past is past and best forgotten.

How far “the past is past and forgotten” by the bankers of Wall Street, their trusted Truman Administration, and their “shoe-shine” boys of the American Federation of Labour, who jointly clamour and prepare for war against the Soviet Union, is strikingly revealed by an article which appeared in the *Detroit Free Press*, August 8th, 1947. Brazenly entitled “Our Possible Ally, Japan”, it estimated that “by turning the Jap loose against Siberia” one could “dominate approximately the Eastern third” of the Soviet Union which, while it “wouldn’t alone lick the Russians . . . would help matters along tremendously”. A few days later (13th August), Hamilton Owens, editor of the *Baltimore Sun*, outlined “MacArthur’s plan for Japan” and compared it not only with the Marshall Plan for Europe but also

with the Japanese "Co-prosperity sphere for Asia". By his babbling, Hamilton Owens has revealed that MacArthur and the American imperialists hope to accomplish in Asia what Japanese fascism was unable to complete.

How important a place Japan occupies in U.S.A. plans, and the pace with which military and economic preparations are being pushed ahead is shown by a series of recent visits to Japan of key American State Department and military figures. Top level policy-makers of the United States, such as Mr. Kennan, Director of the Policy Planning Staff of the Department of State, Mr. Draper, Under-Secretary of the Army, and Mr. Hoffman, head of the Economic Co-operation Administration, have all recently visited Japan. It is understood all expressed full agreement with the principles of the report prepared for the Army by the Overseas Consultants Inc., which advocated the virtual cessation of reparations from Japan. Mr. Draper advocates \$150 million to aid Japan's recovery. But that the aid is to be for military purposes is clear from the key part that the American Army is playing in these developments. In fact the *Observer* (11th April, 1948) commented that "the initiative in the present moves has come from the Army with the State Department tagging along in the rear". Following the return to America of the Draper-Hoffman and Kennan missions, a further mission went out to Japan, headed by Major-General Noce, chief of the Civil Affairs Division of the United States Department of the Army, and composed of members of his own staff and representatives of the Departments of State and Commerce. *The Times* reported (14th April, 1948) that the purpose of this mission was "to further American plans to restore Japan to virtually a peace-time basis even before the peace treaty is signed". Of course, the term "peace-time basis" could cover 1941, before Pearl Harbour, or 1939, before Britain declared war against Germany, or 1937, before Japan attacked China. In fact, however, Japan was on a virtual war-footing from at least 1937. The restoration of Japan to a "peace-time basis" means in practice the placing of Japan on a *war* footing.

Other steps being taken fully bear out this estimate. United States Army engineers are building a \$13 million air base in Aomori Prefecture, Northern Honshu, which, already 60% completed, is expected to be finished by the end of 1948; the farcical Tokyo war criminals' trial marks the end of de-fascisation of Japan; 300,000 former Japanese servicemen are maintaining their organisation, camouflaged as "settlers' detachments"; military science is being taught in the newly-created police university; the 123,000 strong police is already double what it was before the 1945 surrender; a new "railway police" and "naval police" has been created; steps are being taken to lease Ryukyu and Tsushima Islands to the United States for 66 years, and to establish Army and Navy bases on Kyushu and Hokkaido; MacArthur has stopped the dismantling of Japanese war plants, the Chiang Kai-shek Government has been persuaded to cut its reparations claim on Japan by a half; MacArthur (following the

pattern of General Clay and Guderian in the West) is reforming the Japanese espionage network in the Far East.

Every step taken by the American rulers in Japan is a step towards war. There is even no pretence that it is otherwise. Even Kennan's "Little Marshall Plan" for economic and strategic co-ordination between Japan, Southern Korea, the Philippines and the former Japanese mandated islands, is designed to facilitate the military measure of which they are a part. The same motive lies behind the restrictions placed on Japanese democratic and trade union activities; as well as the removal of the largest monopoly banks—Mitsui, Mitsubishi, Sumitomo, Yasuda—from the scope of decentralising legislation. A Japanese Peace Treaty which sanctioned all these blatant departures from the Moscow and Potsdam agreements—which is what the United States imperialists desire—would be no *peace* treaty but a dangerous step along the road to war.

China, no less than Japan, occupies a key place in the U.S.A. plans for Asia. Nothing would be more mistaken than to assume, as many commentators are doing, that United States imperialism has switched from a "China" policy to a "Japan" policy. Not for nothing has the American Government poured out the colossal sum of \$4,640,498,223 to Chiang Kai-shek since V.J. Day—compared with \$1,567,800,000 given during the period of the anti-Japanese war (and even this latter amount was stored up for use *after* the war against the Chinese people). A graphic illustration of the immense effort made by American imperialism to maintain her foothold in China is the fact that the American taxpayer has paid the equivalent of a post-war levy of 30 dollars a head to maintain the Chiang Kai-shek régime. The debates in the U.S.A. Congress and Senate only confirm the intention to keep China as a war base and a dumping ground for American goods. The military plan outlined last year by Lt.-General Albert C. Wedemeyer, after his return to America from China, is still the main strategic policy of the United States towards China. The Wedemeyer Plan envisages the division of China into six strategic areas:

1. North-West Soviet Defence Area.
2. South-West International Communications Area.
3. North-East and North China Military Area.
4. North China Absolute Military Area.
5. Central China Absolute Military Area.
6. South China Economical Reconstruction Area.

This plan is no counter to or substitute for Kennan's "Little Marshall Plan", but is intended to dovetail into it, the two together forming part of the grandiose scheme for the new "Co-prosperity sphere in Asia". In essence the aim of the Wedemeyer Plan is to fight a delaying, holding action in the North East and North, so as to give time for Central China to be strengthened and retained. If these three areas can hold for two years (and it's a big "if"), then economic reconstruction—or to be more exact, American penetration—can go ahead in South China. Then, with this area as a base, the plan aims

to launch a counter-offensive against the Liberated Areas and eventually against the Soviet Union. The plan relies for its success on the bringing of South China entirely under U.S. control. In the plan Formosa becomes a joint Sino-American military base. Ports along the South Coast (including Hainan Island) are needed to cover Formosa; a railway will need to be built between Canton and Amoy to strengthen communications between the Formosa base and Kwantung Province. The Wedemeyer plan is already being put into operation. Wei Tao-ming and T.V. Soong, both notorious as stooges of America, have been made Provincial Governors of Formosa and Kwantung respectively. General Sun Lijen, a West Point graduate, has been transferred from Manchuria to Formosa, to take charge of the army training programme under the instruction of American officers. The United States is meanwhile speeding up preparations on Hainan Island; naval bases are being developed there, and naval cadets are receiving training. Hainan iron ore is being shipped direct to Japan and the five railways are being restored. Recently Dr. Leighton Stuart, American Ambassador to Chiang Kai-shek, and General David Barr, head of the U.S. Military Advisory Group in China (MAGIC), toured Hainan, accompanied by T. V. Soong. Hainan Island, strategically placed with regard to the China coast and Indo-China, is an indispensable link in the chain of bases running from Southern Korea, through Japan, the Riukiu Islands and Formosa. It completes the chain blockading the whole China coast. There are reports that America is planning to build a big military airfield in Canton, and to build a port opposite Macao, to enable the by-passing of Hong Kong. Reports also show that America is gaining control of China's inland waterways. Latest reports from China state that MAGIC has demanded more direct control over all the Kuomintang Armies, including advisory powers in Staff planning and operations, and control over all training and over military equipment and supply services.

Included in the Wedemeyer Plan is the South West International Communications Area. The purpose of this segment of the plan is to use East Asia as a base for American economic and military expansion to drive deeply into South East Asia. Everyone knows whose voice is being echoed when the National Assembly of China calls on the Chiang Kai-shek Government to seek a military alliance binding South-East Asia countries in a "common effort to halt Communist expansion". But neither Chiang Kai-shek nor Anglo-U.S. imperialism can halt history. The peoples of Asia are tearing huge gaps in the system of world capitalism, and are forging in struggle new democratic States. They are on the march to freedom and will not be denied.

Napoleon once said: "China is a slumbering giant. Let her sleep, for when she wakes she'll move the world." China has awoken. So has the rest of Asia. And the world, in truth, is being moved.