

OUR RYUKYUS BASES  
REPORT OF RYUKYU WORKING GROUP

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"Our Ryukyus Bases"  
Report of Ryukyu Working Group

SUMMARY AND CONCLUSIONS

1. Pressures for the reversion of the Ryukyus to Japan are rising in both Japan and the Ryukyus, to some extent because of dissatisfaction with aspects of U.S. administration but fundamentally as a result of (a) an understandable urge to conclude the prolonged foreign rule, and more recently, (b) the resurgence of Japanese national pride in the wake of Japan's recovery of a major power position in Asia.

2. Concurrent with increased reversionist pressures has been a growing sense of realism in Japan's consideration of its security interests, including a greater recognition of the longer-term value to Japan of U.S. bases in the Ryukyus. The conservative leadership in the Ryukyus also shares recognition of the need for U.S. Ryukyu bases extending through the post-reversion period.

3. A crisis resulting in unmanageable demands for reversion is not presently likely, given effective U.S. handling of local problems. Pressures for early reversion are largely passive, primarily constrained (a) by Japanese Government recognition of the strategic importance to Japan of the U.S. bases, (b) by the strong desire of ruling conservative elements in both Japan and the Ryukyus to maintain the close alliance with the U.S., (c) by the use of alternative outlets to absorb political pressures by granting greater local autonomy and a larger Japanese role in the area.

4. At the present time, however, pressures for change in the character of U.S. administration towards greater local autonomy and a larger Japanese role are strong. The satisfaction of these demands within the framework of continued U.S. administration will help contain reversionist pressures, prolong the acceptability of our U.S. administration of the Ryukyus pending the time when Japan is prepared to offer a satisfactory long-term base agreement, and ease the eventual transition to Japanese rule over the area.

5. Looking further ahead, current trends in Japan and the Ryukyus point toward the possibility of a major Japanese

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initiative for the return of administrative control over the Ryukyus to Japan, probably after settlement of the Viet-Nam war, but [REDACTED] within the next five years. A major Japanese policy reappraisal concerning the Ryukyus will be taking place between now and 1970 in connection with the expected Japanese review at that time of the U.S.-Japan Treaty of Mutual Cooperation and Security. Confrontation would result if the U.S. should object to returning administration over the Ryukyus when the GOJ actually requests it.

6. A more precise estimate as to when reversionist pressures might force a confrontation is not possible at this time due to the variable factors which could either accelerate or retard the pressures against continued U.S. administrative control. These factors include: (a) the political fortunes of the Japanese conservative leadership, particularly in the Diet general election required by November 1967 and in the potentially critical period leading up to 1970; (b) developments in the Ryukyus, particularly the possibility of an outbreak of major discontent over an issue or a leftist victory in the 1968 legislative elections; (c) the course of the Viet-Nam war, including the possibility of its escalation; and most importantly, (d) the capacity of the United States by skillful administration of the area to prolong and keep manageable its continued administrative control.

7. On the other hand, while a major challenge to continued U.S. administration of the Ryukyus is thus not unlikely within the next five years, the likelihood grows that by the 1970 period the Japanese Government will be prepared to negotiate with sufficient public support an agreement on the Ryukyus providing for special U.S. base rights including the maximum possible freedom of operational action essential for U.S. security needs, thus permitting retention of an effective U.S. base complex in the area for an extended period after reversion.

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Recommendations:

1. Actions to counter pressures in both Japan and the Ryukyus as set forth in Section V of the attached report should be undertaken -- constantly maintaining a sense of forward motion -- to expand local Ryukyuan autonomy and increase the Japanese role in Ryukyuan affairs without impairing the essential integrity of U.S. administration and the operational capability of the U.S. bases in the Ryukyus.
2. At the same time, we should emphasize to the Japanese Government the importance of maintaining the operational capability of the Ryukyuan bases and keeping reversionist pressures within manageable proportions, and seek the advice, cooperation and assistance of the Japanese Government in accomplishing these objectives.
3. Ryukyuan and Japanese pressures for reversion and for changes in the character of the U.S. administration over the area should be periodically assessed and reported by HICOM and Embassy Tokyo along with those actions taken to contain these pressures.
4. The SIG should direct at an early appropriate time the Ryukyu Working Group to undertake a further study of the feasibility and implications of a transfer to Japan of administrative authority over the Ryukyus, as set forth in paragraph 4 of the memorandum on "Our Ryukyus Bases" approved by the SIG on June 7.

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Our Ryukyus Bases

I. Terms of Reference

The SIG directed on June 7 that a working group, chaired by the Department of State, study and report on the following:

(a) Public opinion and official attitudes in the Ryukyus and Japan with respect to the Ryukyus, including an assessment of possible changes therein over the next four or five years, and the effect such changes might have on over-all relations between the U.S. and Japan.

(b) An examination of what steps might be taken under continued United States administrative authority to deal with (i) Ryukyuan aspirations for increased autonomy and closer association with Japan and (ii) Japanese desires for a greater role in Ryukyuan affairs (including specifically an examination of the appropriate degree of consultation with Japan in the framework of the Japan-United States Consultative Committee on Okinawa), together with an assessment of whether the taking of such steps will serve to contain Japanese pressure for return of administrative authority in the next several years.

II. Introduction and Statement of the Problem

A. Status of the Ryukyus

The U.S. has had exclusive control of the Ryukyu Islands since 1952 under the terms of Article 3 of the Treaty of Peace with Japan, which gives the U.S. full powers of administration, legislation and jurisdiction over the islands and their inhabitants. We recognize the Ryukyus to be a part of the Japanese homeland, however, and have promised to return them to full Japanese sovereignty as soon as Free World security interests permit.

B. Relevant U.S. Policy Interests

1. The Base Structure - The U.S. military base complex in the Ryukyus is vital at the present time to

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U.S. security interests and strategy in the Far East and world-wide, and to the effective prosecution of the U.S. military effort in Viet-Nam.

2. Administrative Authority - Effective U.S. administrative authority over the Ryukyus (so long as it is acquiesced in by Ryukyuans and Japanese) permits and at present is necessary for maximum operational flexibility for the U.S. military forces.

3. U.S.-Japan Relationship - A strong, mutually responsive U.S.-Japanese partnership, permitting increasing collaborative efforts, is of vital importance to the stability and security of Asia.

C. The Policy Problem

The U.S. has been successful in maintaining its policy interests in the Ryukyus without basically impairing overall U.S.-Japanese relations. This should continue to be the objective of U.S. policy. The current status of the Ryukyus poses a potential area of serious friction between the U.S. and Japan given the inherent instability of prolonged alien (U.S.) rule over a part of the Japanese homeland. U.S. tenure in the Ryukyus depends on the acquiescence of Japan and the Ryukyuans. As the Ryukyus Task Force report of December 1961 recognized, "our ability to continue to use the base freely depends on at least tacit cooperation from the Government of Japan. A Japanese Government which desired to make our tenure of the Ryukyus so uncomfortable as to cause us to abandon the base rather than maintain the degree of repression that would be necessary to continue to hold it could readily do so, except in circumstances of overt war in the Western Pacific".

We are now faced by indications of increasing Ryukyuan and Japanese concern with the current situation in the Ryukyus. The essential problem is to evaluate the nature and degree of this concern and recommend actions which in the short and long-term will best serve to reconcile U.S. military requirements in the area with Ryukyuan and Japanese aspirations for reversion which could directly affect both our continued

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tenure in the Ryukyus and the overall U.S.-Japanese relationship. In the short-term, the need is for actions which will contain reversionist pressures within the framework of continuing U.S. administration. The long-term problem in the Ryukyus is to preserve for an indefinite period, with the consent of the Ryukyuans and Japan, a military base complex in the area with the maximum possible freedom from restrictions on operations essential for U.S. security needs -- irrespective of whether the area remains under U.S. administration.

### III. Assessment of Japanese Attitudes

#### A. Current Situation

##### 1. Public Opinion Favors Reversion

The full restoration of Japanese sovereignty over the Ryukyus is the goal of the great majority of Japanese people. Public opinion polls, the press, the positions taken by all political parties, and the highlighting of the Ryukyus issue by the leftists testify to the breadth of reversionist sentiment. Japanese irredentism is not surprising; the Japanese consider the Ryukyus a part of the homeland; there is a normal sympathy for fellow nationals under foreign rule; the Japanese are anxious to terminate the remaining interim arrangements of the post-war settlement, among which the U.S. rule over the Ryukyus stands out; Japanese reversionism is agitated by constant Ryukyuan requests for Japanese support of their demands against the U.S., by incidents dramatizing Ryukyuan dissatisfaction with U.S. administration and by the failure of the Ryukyuan economy to reach the levels of economic and social development achieved in comparable areas of Japan - although it has kept pace with Japanese growth rates.

Throughout most of the post-treaty period, however, public opinion in Japan outside the left wing opposition element has been passive and not insistent upon immediate return of the Ryukyus. While eventual reunification of the Ryukyus with the homeland has been the expressed objective, the general attitude has been one of preoccupation with tasks in the home islands coupled with the feeling that defeat and surrender had deprived Japan of any important options vis-a-vis decisions of the U.S. Overt expressions of attitude have tended to vary.

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with changes in the situation in the Ryukyus. Concern in Japan has intensified when the Ryukyuan situation grew tense and controversies arose -- such as over the "lump sum" land settlements; it has subsided when measures were taken that demonstrated Japanese interest in the area, such as extension of Japanese Government assistance, or when Okinawan demands for greater welfare measures or more autonomy were granted. But so long as U.S. policies were able to mute outcries in the Ryukyus, the Japanese have not felt obliged to make a major issue of the Ryukyus. Thus, Japanese dissatisfaction with the status of the Ryukyus has not yet reached a level sufficient to harm seriously U.S.-Japanese relations, although the problem has been a growing irritant.

But, new trends are emerging in Japan. During the past few years recovery by Japan of a position as the major nation in the Far East and an important nation on the world scene has been accompanied by resurgence of national pride. Becoming increasingly aware of the rampant nationalism of former colonial countries and of such phenomena as Gaullism in Europe, the Japanese are awakening from their post-war dream of a neutralist, denationalized, low-posture Japan and are feeling the need for national assertion. This has led inevitably to increased unhappiness that part of Japan's territory and population still remains under foreign rule long after the end of the war and conclusion of the peace treaty. The rule of Japan's best friend and main ally is seen as increasingly incongruous. Concern over the Ryukyus issue is rising. It was listed by 50.7% of the respondents in a recent Mainichi poll as an issue on which it wanted the Government to put more emphasis (only a ban on nuclear tests was listed by a greater percentage of respondents).

2. GOJ Follows Middle Course - Japanese Government policy towards the Ryukyus has to this point been essentially an effort to balance the political imperatives of public pressure for reversion against the security imperatives of continued unrestricted U.S. use of Ryukyus bases. The Japanese Government has regularly acknowledged publicly -- and even more firmly in private -- that maintenance of the U.S. base

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complex in the Ryukyus and continued U.S. administrative authority over the area serve Japanese national interests. Its reluctance to press for immediate reversion is based on two grounds: first, the Japanese Government has recognized that the base complex as presently constituted, including its nuclear component, serves to protect Japanese security interests both in Japan and elsewhere in Asia without burdening the Japanese Government with the need for politically defending U.S. actions in the area; second, the Japanese Government has been reluctant to risk a confrontation with the U.S. over the Ryukyus for fear of imperiling its valued overall relationship with the U.S.

The Japanese Government, however, is vulnerable on this problem in terms of domestic Japanese politics. It must defend itself against the opposition, which seizes on the Ryukyus issue not only on its own merit but also as a potentially effective political weapon. At the same time, the Government must satisfy the nationalistic clamor of its own conservative supporters. For these reasons, the GOJ cannot afford to seem insensitive on an issue so broadly felt throughout Japan and must show initiatives which sometimes bring it into conflict with the U.S. on matters which we believe involve the integrity of our administration.

Apart from the effects of these internal pressures, there are indications that the GOJ itself wishes - and will press for - a substantially expanded role in the management of Ryukyuan affairs to reflect the equality of its partnership with the U.S. and its fundamental interests in the Ryukyus and their inhabitants. The U.S. in the past has tended to argue that if the GOJ is really sincere in its desire to preserve the value of the bases it will support unequivocally the maintenance of the status quo of U.S. administration in the Ryukyus. This view appears unrealistic to the GOJ, because it does not take into account the GOJ's own view of its rightful place in Ryukyuan affairs or the domestic political pressures which could undercut both the ruling Liberal Democratic Party (LDP) and the overall U.S.-Japan relationship if the GOJ failed to contain the wave of nationalistic sentiment on the Ryukyus question.

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B. Prospects - Japan: 1966-71

1. Conservative Plans Focus on 1970

A projection of current trends in Japan indicates an intensifying Japanese focus on the Ryukyus issue over the next five years. Japan's preeminence among the free Asian nations is steadily growing and Japan is assuming an increasingly active and important role in world affairs. This will inevitably contribute to a further increase in national pride, intensifying the desire of the Japanese for the earliest feasible reversion of the Ryukyus and for interim measures that will increase local autonomy and bring closer relations between Japan and the Ryukyus. Under these circumstances, a major initiative for reversion of the Ryukyus by Japan will become an increasing possibility. Should a confrontation develop as a result of this initiative, it could lead to a breakdown in the cooperative relationship between the U.S. and Japan over the Ryukyus; this in turn would probably undermine the effectiveness of our bases there and do permanent damage to the overall U.S.-Japan relationship.

At the same time, it should be noted that the willingness of Japan to look at matters of defense realistically and to recognize frankly the value to Japan of our Ryukyuan bases is also on the increase. The Japanese people, Government leaders and information media are discarding the inhibitions they have previously felt about security matters and are beginning to consider their own problems of defense from the point of view of national interest. Recently Foreign Minister Shiina said that the use by the U.S. of bases in Japan in support of the war in Viet-Nam was contributing to the maintenance of peace and security in the Far East and was therefore proper under the terms of the Security Treaty. Japanese in both the Ryukyus and the homeland are thus more restive about the non-military aspects of the situation in the Ryukyus, but at the same time are more realistic about defense problems and therefore more aware of the value to Japan of the U.S. bases in the Ryukyus.

For some years, the Japanese Government was prepared to give lip service to reversionist hopes, while adopting a politically expedient gradualist approach that emphasized

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Japanese interest in the Ryukyus but avoided pressure for reversion of administrative authority to Japan. In recent months, however, a perceptible shift has been developing in Japanese policy, looking to return of administrative authority not necessarily linked to the easing of tensions in the Far East. In mid-June, the LDP Special Committee on the Okinawa question issued a report rebuffing irresponsible opposition to U.S. bases in Okinawa but urging measures having the effect of reverting administrative authority to Japan without affecting continued U.S. control over the military bases. This would be accomplished by reversion of non-military administrative rights by functional category (family registration, education, social security, etc). There are also indications that Foreign Office planning anticipates 1970 as the critical point and links a change in the status of the Ryukyus as an incentive to the Japanese public for a continuation of the Security Treaty. Both Government and Party contemplate continuation of the U.S. base complex with Japanese administrative control of the Ryukyus. They have not, however, faced up to the problem of continued presence of U.S. nuclear weapons in the event of Japanese assumption of administrative control. Interim measures to expand the Japanese role in the Ryukyus to counteract pressures for immediate reversion and to set the stage for eventual return of administrative control of the islands are contemplated at the same time.

## 2. Possibilities of Friction Before 1970

Events in Japan are thus moving toward a possible Japanese initiative for a basic change in the status of the Ryukyus. At this stage, the trend is clear. A critical point is likely to be reached within the next five years, assuming conclusion of the Viet-Nam war. Any more exact assessment is difficult due to the variable factors inherent in the situation, most importantly:

(a) The Political Situation in Japan - Japanese Government and LDP planning regarding Okinawa assumes the continuation of conservative control and a stable political environment in Japan. While this is generally a safe assumption, any serious loss in the LDP majority in the next general election (mandatory by November, 1967) could result in a less cooperative posture by the GOJ. Furthermore, the left wing parties will undoubtedly raise the Ryukyuan issue during the election campaign, putting additional pressure on the LDP.

(b) The Situation in the Ryukyus - The leading conservatives also count upon continued outlets for a Japanese role in the Ryukyus, relative tranquillity in the Ryukyus, and an absence of a major up-swing in Ryukyuan pressure for reversion during the next few years to permit a more gradualist approach to reversion. Reversionist pressures could mount rapidly, however, if the Japanese found the door closed to further measures on their part in the Ryukyus or if there were major significant dissidence and dissatisfaction in the Ryukyus. For example, under some circumstances the 1968 elections in the Ryukyus could trigger a crisis. Also, another major land issue in the Ryukyus could place such public focus on the area as to make the Japanese Government's current posture politically less tenable.

(c) Vietnam and International Developments - Changes in the overall security situation in the Far East, most notably Viet-Nam, will affect Japanese attitudes towards the Ryukyus. The Japanese Government recognizes the vital role played by the Okinawan bases in the Vietnam hostilities and will be reluctant to seek any change in their present status before the conflict is settled. A heightening of tensions in Vietnam and direct use of Okinawan bases for attacks against Vietnam, such as the launching of B-52 raids, could intensify domestic fears of involvement in hostilities. A Vietnam settlement and a lessening of tensions in Asia would strengthen those arguing for return of administrative control with continued U.S. base rights.

(d) U.S. Posture - A major deterrent to any Japanese bid for reversion of administrative control has been fear of a confrontation with the U.S. over the Ryukyus. This will continue to be an important factor in Japanese calculations but less so in the future as the Japanese recognize that the U.S. also will be increasingly inhibited from risking a serious crisis in this relationship by taking an inflexible stance on the Ryukyus. A stiff posture on the part of the U.S. may deter the Japanese momentarily but could stimulate more insistent demands for Japanese administrative authority in the islands. This would tend to increase the influence of those who call for Japan to go its own way, to balance its remaining

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contacts with the U.S. by relations with the Soviet Union and Communist China, and to develop its own nuclear capability. On the other hand, if the Ryukyus become increasingly a symbol of an equal defense partnership between the U.S. and Japan, this could contribute to a healthier public attitude on defense in Japan and a firmer security relationship with the U.S. It is clearly in this direction that the GOJ and the leadership of the LDP want to see the situation go. Recognition by the U.S. of the problems which our administration of the Ryukyus cause the GOJ and the Japanese people, and efforts by us to lessen those problems, will do much to permit the further development of a more desirable and positive Japanese role in international affairs and a stronger defense relationship between Japan and the U.S.

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DP leaders have not hesitated on occasion to espouse positions more or less embarrassing to the JLDP and the GOJ. The domestic policy of the DP is generally conservative. In international affairs it has moved slightly toward a neutral position in recent months. Nevertheless, it continues to be the best of the Ryukyuan parties from the point of view of U.S. policy and interests.

The DP acknowledges the necessity for the military base. However, since the start of active participation of U.S. forces in Vietnam early in 1965, the DP has indicated that it conceives the base as necessary for the defense of Free World interests in the Far East, but has joined the opposition in resolutions to the effect that use of the Okinawan base for conducting direct operations in the Vietnamese conflict places both Okinawa and Japan in danger. Acknowledging the necessity for the base (albeit a very restricted necessity) leads the DP to an official position of calling for "reversion through cooperation between U.S. and Japan." As a method for such "cooperative" reversion, the DP in coordination with the JLDP is presently considering the merits of:

(i) Separation of Bases From Administration. Transfer to Japanese jurisdiction of all non-military geographical areas of the Ryukyus under provisions of a special U.S.-Japan treaty.

(ii) Shared Administration. Separation of functions not related to the military (for example: education) from military-related functions, with the former being turned over to the GOJ, which would then share in the administration.

(iii) Outright Reversion. Simple reversion of the Ryukyus to Japan with the Okinawa base falling thereafter under the U.S.-Japan Security Treaty. (The DP gives this alternative least serious consideration.)

The DP is convinced that in the interim period prior to complete reversion, Japan should make its voice heard in the administration of the Ryukyus through negotiations with the U.S. in the Consultative Committee and diplomatic channels.

The three more or less left-wing political parties of the opposition differ in their more formal ties with Japanese political organizations and as a result have various tactical and ideological differences.

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The Okinawa Socialist Masses Party (OSMP) is not linked with any party in Japan, but has a tenuous relationship with the Japan Democratic Socialist Party (JDSP). The OSMP has shifted noticeably to the left in recent years, particularly in its attitude towards the United States military base.

The Okinawa Socialist Party (OSP) is a branch of the Japan Socialist Party, and follows the latter's policy line.

The Okinawa People's Party (OPP) has followed the Japanese Communist Party (JCP) in an orientation toward the Chinese Communists.

At present time the three appear to be working in a loose united front toward the common goal of immediate reversion to Japan, with removal of the military base.

b. Public Reflection of Party Positions

The results of the November 1965 legislative elections provide the best available indicator of the degree of public acceptance of the proclaimed policies of the various political parties. The election was held in the year of the 20th anniversary of the United States seizure of Okinawa. Despite the potential emotional appeal for reversion which this anniversary might have had, reversion was not the major issue during the campaign. The Democratic Party won 19 of the 32 seats. Basic conservative strength has also been confirmed by more recent DP victories in 11 of 12 municipal elections, the most important of which was in Naha City where the Democratic Party candidate received 50.9 percent of a total of 106,556 votes.

In summary, the majority of Ryukyuan public opinion, while strongly favoring eventual reversion to Japan, appears to favor the course advocated by the Democratic Party -- reversion in the context of United States-Japan cooperation.

2. Official Attitudes. The official attitudes of the GRI are essentially identical to those of the ruling Democratic Party. Public utterances of officials sometimes reflect positions which the same officials concede in private to be impractical; they defend such public utterances as politically necessary. There has been in recent months an

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increasing tendency for GRI officials to take grievances against the United States administration to the GOJ or to Japanese officials individually, and to air these grievances in the Japanese press.

B. Possible Changes

Possible specific events which might cause changes in Ryukyuan attitudes or increase the demand for reversion within the next four or five years include:

a) Public reaction to unfavorable action on the bills affecting individual Ryukyuans and the economy which are now pending in Congress. These include the bill to raise the ceiling in the Price Act (P.L. 86-629) from \$12 to \$25 million in connection with our long range plan to provide additional assistance to the GRI through 1971; the related FY 1967 appropriations request for \$17.3 million; and the request for appropriations in the amount of \$21.04 million to pay the pre-treaty claims.

b) Any incident such as a major training accident or a significant visible expansion or increase in use of the Okinawa bases associated with United States operations in Vietnam.

c) Any marked change in the United States position in Vietnam. Actions which are believed by the Ryukyuans to increase the possibilities of a spread of hostilities and Ryukyuan involvement tend to strengthen the left-wing political parties. A settlement of the conflict in Vietnam, on the other hand, could also cause some increase in reversion sentiment since it would be pointed to as an indication of reduced tension in the Far East, although the effect of such an appeal on the markedly parochial Ryukyuan public is problematical.

d) A reversal of the policy of delegating increased authority which has been followed in the last two years. Ryukyuan politicians, especially of the opposition, can be expected to raise a cry when some specific action by the Civil Administration appears to run counter to this trend. While no particular incident may in itself affect public thinking, an accumulation of such affairs could produce a degeneration in public acceptance of the United States' administration.

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e) Failure by the United States to permit direct election of the Chief Executive at the time that the term of office of the incumbent expires, which could cause a shift of support to political parties opposed to United States administration. The system of indirect election which was installed in 1965 in all probability cannot be used in 1968 to select a Chief Executive.

f) The course of the debates in Japan over the Security Treaty and its likely extension beyond 1970. In the past year the DP has increasingly spoken of 1970 as a turning point in U.S.-Japan relations which they expect will encompass both revisions of the U.S.-Japan Security Treaty and a change in the status of the Ryukyus. If the Japanese Liberal Democratic Party remains in power and executes its declared intention to continue the Security Treaty, it may be forced, as a concession to the Ryukyus and to Japanese nationalism, to seek some changes in the current administrative status of the islands. If opposition to continuing the treaty succeeds in either unseating the current Government or obstructing its declared intention, this would provide aid and encouragement to the opposition in Okinawa.

g) Expanded operations in Vietnam, which are necessitating substantial new land acquisitions in Okinawa and which have worried Ryukyans on both political and economic grounds. These operations have heightened such anti-war, anti-U.S.-administration emotions as are present below the surface. Evidence that the U.S. and Japan do not see eye to eye on policy with respect to Southeast Asia and Communist China tends to disaffect the Ryukyans, who strongly favor the Japanese position. Public expressions of sympathy for their Ryukyuan brothers by Japanese leaders, coupled with publicized efforts of the GOJ to obtain a share in the administration of the Ryukyus, may tend to arouse the emotional desire for reversion and cause the public to overlook advantages derived from the existence of the U.S. base and administration.

h) A strengthening of an anti-U.S. opposition in Japan, with a concomitant weakening of conservative political hegemony.

The effect of these possible changes on overall United States-Japanese relations will depend largely on the

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interpretation the Japanese give to potential threats to their security. A belligerent China, for example, brandishing new weapons, might cause the Japanese to draw closer to the United States and recognize more clearly the value of an unfettered base in the Ryukyus, in which event Ryukyuan interests would be considered less important by the Japanese. In turn, affirmative public support of the United States position in the Ryukyus by the GOJ would likely be reflected in DP and GRI policy to some degree. However, if the Chinese threat is not clearly visible in Japan, popular opinion may force any Japanese Government to press the United States for at least partial return to Japan of the administrative rights on Okinawa.

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## V. Possible Actions

### A. General Approach

The Ryukyu Task Force report in December 1961 recommended that "our objectives should be to build up both cooperation with Japan and autonomy in the Ryukyus to the greatest degree consistent with retaining control of the base". In conformity with the Task Force recommendations, a number of actions have already been undertaken. However, the foregoing assessment dictates that we move ahead in giving effect to the governing spirit of the Task Force's report, constantly maintaining a sense of forward motion, if we are to preserve the degree of cooperation with both Ryukyuans and Japanese necessary to the continued stability of our base position.

The following guidelines are suggested for continued U.S. administration of the Ryukyus:

- Continue to preserve the military effectiveness of the U.S. Base structure.\*

- Continue to maintain U.S. administrative authority over the area.

- Continue to withdraw from day-to-day participation in the civil administration of the Ryukyus, and to delegate to the GRI in an orderly and deliberate manner those political, legal, administrative and economic functions which are not absolutely essential to the operation and security of our military bases. In cases of apparent conflict between this guideline and military effectiveness, the political factors should be given the most careful consideration because of the need for Ryukyuan and Japanese acquiescence to our base system.

- Take all appropriate measures to assure that the GOJ recognizes and concurs in the need to maintain the effectiveness of our military bases and the necessity to prepare carefully for a smooth transition to eventual reversion.

- Welcome, and even request, close and constant consultation with the GOJ and the provision by it of assistance and advice on aspects of the civil administration not directly affecting the operation of our military base or compromising ultimate U.S. administrative authority.

- Continue to seek as a matter of priority to raise the economic and social welfare standards of the Ryukyus to the average levels of comparable areas of Japan, with the assistance of the GOJ in planning and financing.

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\*This must include our ability to maintain nuclear weapons on alert directly responsive to U.S. command without consultation.

The effectiveness of these guidelines will depend on close, full and frank consultations between the High Commissioner and the Ambassador to Japan and their staffs.

A number of specific actions consistent with these guidelines are suggested in the following sections.

B. Ryukyuan Desire for Increased Autonomy

1. Basic Approach

Under the general rubric of "autonomy" fall a number of different kinds of measures having in common the disengagement of the United States Civil Administration (USCAR) from active management of affairs. Some involve the delegation to the GRI rather than to USCAR of functions vested in the High Commissioner by the Executive Order governing the Ryukyus, with the concomitant rescission of USCAR ordinances. Others involve the withdrawal of USCAR authority from certain fields without any substitution of GRI authority. In addition, the general tone and approach of USCAR is important: the more USCAR's operations, in word and deed, tend toward a purely advisory role and the less toward an operating one the more consistent with a policy of increasing autonomy they will be.

During the past several years the United States has made continuing efforts to meet Ryukyuan aspirations for increased autonomy, within the limitations imposed by the existence of the base and the concomitant necessity that powers essential to the functions of the base be held by the United States. Steps already taken in this direction have included authorizing election of the Chief Executive by the legislature; relaxation of procedures for prior screening of legislation by USCAR; appointment of Ryukyuans to more significant positions in USCAR agencies; extension of the jurisdiction of GRI courts; abolition of the licensing of publications; expansion of the appointment power of the Chief Executive; repeal of several dozen USCAR ordinances; transfer to the GRI of supervision over foreign investments; and relaxation of travel procedures. This policy has promoted the maintenance of political stability in the Ryukyus, with the conservatives at least holding their own.

2. Specific Actions

Additional steps of this nature which should be taken without jeopardizing needed freedom of action with respect to the base include:

- (a) Exercise of the pardoning power by the GRI
- (b) Further expansion of the jurisdiction of the GRI courts
- (c) Appointment of all judges by the Chief Executive
- (d) Control by the GRI of the entry and exit of all vessels other than US public vessels and Communist flag vessels or those bound to or from Communist ports
- (e) Transfer to the GRI of registration and other control over political parties and direct election of the Chief Executive

(f) Separation from USCAR of the offices of the GRI officials, presently physically located in the USCAR building.

(g) Continued repeal of USCAR ordinances. (Where a step in the direction of autonomy involves replacement of a USCAR ordinance by GRI legislation, increased use should be made where appropriate of the device of giving notice that the ordinance will be repealed at a certain date, leaving it up to the GRI to enact legislation satisfactory to it in the interim.)

(h) Education of the Ryukyuans on the distinction between "autonomy" and "reversion". (There exists some confusion in the minds of the Ryukyuan public between "autonomy" and "reversion". "Autonomy" - the result of the transfer of functional authority in all areas of the administration to the GRI which do not affect security of the base; "reversion" - the transfer of all administrative authority to Japan. Some confusion is natural, since both represent a diminution of the direct and active United States role. The majority of all Ryukyuans - other than an insignificant splinter group of Ryukyuan nationalists - recognize the need for the advice and support of a central government, and in their minds the only substitute for United States administration is the Government of Japan. Therefore, some degree of such confusion may even make moves in the direction of greater autonomy more effective in containing pressures toward reversion. More needs to be done, however, to educate the Ryukyuan public - and politicians - to this distinction.)

### C. Japanese Role in the Ryukyus

#### 1. Basic Approach

A number of steps are available to accommodate Japanese and Ryukyuan desires for a closer relationship between the Ryukyus and the home islands. These actions will not eliminate all friction and strain in the Japanese relationship to the area. Limitations on the Japanese will continue to be imposed by the need to maintain the integrity of the U.S. administrative authority. Nevertheless, these actions are designed: (a) to give increased substance to our policy of maintaining a cooperative relationship with Japan in the Ryukyus, while encouraging Japan to make an increasingly positive commitment to the security of the Far East, and treating it on Ryukyuan matters as an ally motivated by the same broad objectives as the U.S.; (b) to provide sufficient outlets for Japanese demonstration of sympathy for the Ryukyuan people and activity on their behalf to blunt left-wing exploitation of this issue in Japan and to maintain the power of the LDP and the LDP policies of cooperation on military matters with the U.S.; (c) to utilize Japanese advice and assistance in the maintenance in power in the Ryukyus of moderate and friendly elements and the acquiescence of the Ryukyuan people to the U.S. base structure under U.S. administration; and (d) to minimize the strains of eventual reversion.

Ryukyuan aspirations for a closer association with Japan, and Japanese desires for a greater role in Ryukyuan affairs, have already been increasingly accommodated in recent years. The establishment of the

Consultative and Technical Committees in 1964, and the broadening of the Consultative Committee's functions in 1965, were followed by the decision to accept all Japanese economic assistance that could usefully be employed and by a sharp increase in the level of such assistance. The Japanese flag is flown on public buildings on holidays, and may be flown privately at any time. The Prime Minister's office has been allowed to set up a liaison office in Naha, and its functions are being expanded to include the issuance of Japanese passports to Ryukyuans. The Ryukyuan school system is modelled on the Japanese, and children are educated as Japanese nationals. The GOJ participates in the support of public education, public health, and social welfare programs, and in the GRI employment security program. Japanese influence in radio and television programming is strong; there is a micro-wave link from Japan to the television stations on Okinawa. Travel between the Ryukyus and Japan has been simplified. Further steps are set forth below.

## 2. U.S.-Japan Consultation

(a) The Consultative Committee machinery should be more fully employed as a forum for frank discussions of the full range of matters relating to the Ryukyus. The agenda should be determined after consultation with HICOMRY but with the clear understanding that neither side has a veto right over agenda items the other side wishes to raise. We should be ready to hear and discuss in the Consultative Committee Japanese opinions and recommendations on actions they feel in good faith would produce favorable results for our common interest in the Ryukyus. Both sides should keep in mind the need to avoid publicity on matters better discussed in confidence.

(b) The Consultative Committee should also be used to the fullest to highlight agreements and solutions on Ryukyuan matters.

(c) Arrangements should be worked out for the provision of Japanese technical consultants, who, while not having administrative responsibilities, would assist particularly in technical fields involving Japanese assistance programs.

## 3. Japanese Economic and Other Assistance

(a) Japanese Government economic assistance should continue to be sought in amounts that are absorbable and useful. The GOJ should be permitted to assist USCAR and the GRI in economic planning and development. Particular attention should be given to planning industrial and agricultural development in a manner which would enhance the economic structure and permit a smooth assimilation of the Ryukyuan economy into the Japanese upon reversion.



(b) Private Japanese investment and managerial involvement should be encouraged in non-government sectors to the extent acceptable to the Ryukyuans.

(c) Japan should be encouraged to consider participation in the development of such major infrastructure projects as future extensions of public utility service, and the provision of other public services commonly provided by private or semi-private enterprise.

(d) The extension of the Japanese social security program to the Ryukyus (to be administered by the CRI) should be explored, taking into account the need not to infringe upon the integrity of U.S. administrative authority.

(e) The GOJ should be encouraged to provide needed medical personnel and facilities, including a medical school and training program if wholly supported by Japan.

(f) Japanese support for the University of the Ryukyus, possibly through a special arrangement with a Japanese university and embracing post-graduate training for the faculty, should be encouraged.

(g) Japanese Government advice and assistance should continue to be sought in working out new CRI labor legislation and regulatory machinery and practices.

#### 4. Ryukyu-Japanese Relations

(a) Travel restrictions on Japanese nationals between the Ryukyus and Japan should be eliminated except in the case of known Communist and subversives.

(b) No effort should be made to inhibit informal and unofficial consultations between Ryukyuan and Japanese leaders. Such contacts are natural and normal, and it would not be feasible to inhibit them greatly in any event.

(c) Symbolic gestures connoting the nationality bonds between the Ryukyuans and the Japanese, such as the flying of the Japanese flag over Ryukyuan buildings on any occasion should be granted.

#### D. Other Actions

Explicit political actions are not the only measures which should be taken in the Ryukyus to deal with pressures for reversion. More subtle measures, both overt and covert, are available and should be employed as appropriate. For example, every opportunity should be taken to remind the Ryukyuan public of the overwhelming significance of the Okinawa base to the Ryukyuan economy. Other measures, including assistance to our supporters consistent with overall United States policy, should be taken by the High Commissioner as appropriate with the means at his disposal.



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E. Estimated Effect of Proposed Actions

The actions proposed above to expand Ryukyuan autonomy and permit a greater role for Japan in the Ryukyus would have the combined effect of increasing Japanese influence in the Ryukyus and reducing the involvement of the U.S. in Ryukyuan affairs. However, these actions would not derogate from the essential integrity of U.S. administrative authority and would protect the necessary operational flexibility for U.S. military bases and forces stationed in the Ryukyus. They need in no way interfere with our freedom to use our Ryukyu base facilities for whatever purposes we deem necessary, our rights of access to off-base areas, or our ultimate control over essential ports, airfields, transportation and communications facilities, and public utilities. While, under normal conditions, the civil administration of off-base areas would be delegated largely to the Ryukyuans, the U.S. would retain unrestricted ability to assume full authority in time of emergency.

Measures of the kind suggested represent no novel departure; they are an expansion of the policies enunciated, and followed with success, since 1962. Properly timed - and subject always to changes in circumstances beyond the control of the United States - these suggested actions should be effective in relieving pressures for immediate reversion to Japan and prolonging the acceptability of our administration of the Ryukyus. The danger of a serious worsening of U.S.-Japan relations because of the Ryukyus would also be diminished, and Ryukyuan and Japanese dissatisfaction with the current situation kept at a more passive level for the next several years.

The key is proper timing. Its importance cannot be over-emphasized. The number of such effective measures available is not unlimited. Moreover, the gratification of nationalistic impulses has a snowballing effect that cannot be overlooked (although it should not be magnified). Important measures in this direction should neither be taken wholesale and dramatically, nor be frittered away, nor be deferred so long as to seem to have been wrested from a reluctant United States by the GRI and the GOJ. Rather, they should be introduced at times and under circumstances calculated to keep up a sense of forward motion while maximizing benefits to the United States, including an optimum

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impact on the prospects for conservative political elements in Japan and the Ryukyus. They should benefit our friends and frustrate those elements seeking to disrupt U.S.-Japanese relations and to undermine the U.S. security position in Asia. Above all, they should be timed by the HICOMRY in consultation with Washington and Tokyo so as to retain the political initiative in the hands of the U.S. and its conservative friends, rather than the opposition.

We believe these actions will ease the pressures during continued U.S. administration of the Ryukyus. They will not ensure perpetual U.S. administrative control - which is not our policy in any event. They must therefore be evaluated, as well, in terms of their effect on the return of administrative control to Japan. In this context the actions have several advantages. First, they will buy the maximum time politically feasible for sole U.S. administration of the area, and for permitting the current trend in Japanese defense thinking to evolve to a point where the Japanese Government will be able voluntarily to agree to preserve the core of U.S. base rights and the maximum possible freedom of operational action essential for U.S. security needs, when the Ryukyus are under Japanese administrative control. Second, a crisis-free period during the transition to reversion will enhance Japanese and Ryukyuan acquiescence in current base rights in the Ryukyus after reversion, while failure to take such actions could result in a major effort to eliminate or grossly restrict U.S. base rights in a post-reversion period. Finally, these actions will facilitate the actual transfer of administrative authority when that eventually takes place.

The principal risk involved in continuing the basic policy of increased autonomy and accommodation of Japanese interests is that of going too far down the road to reversion without a guarantee that Japan will be ready to grant the necessary base rights, and keep them effective, when reversion takes place. This risk can to a certain extent be minimized by making clear to the GOJ our fundamental conclusion that the maintenance of our flexible military capabilities in the Ryukyus will be essential to both U.S. and Japanese security for the foreseeable future, and engaging Japan in full responsibility to assist in protecting this essential security position. Failure to take the recommended steps, on the other hand, risks the provocation of reversionist pressures that could foreclose any reasonable prospect of a solution which protects our vital tie with Japan and to the extent possible, our essential military position in the Ryukyus.

DEPARTMENT OF STATE  
ASSISTANT SECRETARY  
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FAR EAST INTERDEPARTMENTAL REGIONAL GROUP

August 18, 1966

*FE/p - The Director A*  
*RC -*  
*FYI - perhaps*  
*you should make*  
*sure this is*  
*FE/p's copy,*  
*not Sneider's*  
*DA*

TO: Mr. William P. Bundy, Chairman  
Mr. John T. McNaughton  
Mr. Rutherford M. Poats  
Mr. William Colby  
Brig. Gen. Theodore H. Andrews  
Mr. Daniel T. Oleksiw  
Mr. William J. Jordan

1. Enclosed is a copy of a paper entitled "Our Ryukyus Bases" (Tab A). Consideration of this paper will be the first agenda item at the FE-IRG meeting on August 24, 1966. Following consideration of this paper by the FE-IRG, it will be referred to the Senior Interdepartmental Group (SIG), for the consideration of the SIG meeting scheduled for August 30, 1966.
2. Enclosed (Tab B) is a copy of a directive from the Senior Policy Group assigning to the FE-IRG certain continuing responsibilities with regard to the Long Range China Study. Also enclosed is a list of proposed members of the FE-IRG sub-committee to be established in accordance with this directive. Consideration of these matters will be the second agenda item at the August 24 FE-IRG meeting. *sent to JON*
3. Enclosed (Tab C) is a list of special invitees to the August 24 meeting.
4. Mr. Ives of AID has requested that the following be added to Item 4 (E) of the Summary Highlights of the seventh FE-IRG meeting distributed to you on July 29, 1966:  
\* "Mr. Ives noted that the discussions with the team had pointed

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out that there is very substantial work to be done on specific projects requested by the Philippine Government and that it would be a mistake to assume that either the irrigation project or a program loan would definitely be done by the time of the Marcos visit. (cf. Draft paper before IRG.)"



A. A. Lakeland  
Staff Director

Attachments:

- Tab A - "Our Ryukyus Bases".
- Tab B - Directive from Special Policy Group.
- Tab C - Special invitees.

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OUR RYUKYUS BASES  
REPORT OF RYUKYU WORKING GROUP

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