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THE UNDER SECRETARY OF STATE WASHINGTON

NSC UNDER SECRETARIES COMMITTEE

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July 3, 1969

TO:

Deputy Secretary for Defense Assistant to the President for National

Security Affairs

Director, Central Intelligence Agency

Chairman, Joint Chiefs of Staff

SUBJECT:

Okinawa Negotiating Strategy

Pursuant to NSDM 13, the NSC Under Secretaries Committee has considered a proposed, paper on the Okinawa neqotiations.

The Committee approved the proposed strategy paper subject to appropriate revision of the paragraph on page 5 dealing with transit rights for US nuclear armed aircraft and the last paragraph on page 6 to cover retention of FBIS installations and the entry of third-country nationals working on these facilities. Attached is a copy of the revised paper.

The Committee also approved a telegram of instructions to Ambassador Meyer.

Elliot L. Richardson Chairman

Attachment:

Strategy Paper on Okinawa Negotiations.

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Attachment to JCS 2180/236

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STRATEGY PAPER ON OKINAWA NEGOTIATIONS

1. Basic Strategy.

Our broad strategy is to focus on the major military rights we want-both nuclear and conventional-and on certain other commitments from Japan directly related to Okinawa, such as assumption by Japan of some financial and defense obligations. Our positions on these have been defined by the President (TAB A). Our objective is to obtain Japanese agreement to these so that when the President and Prime Minister Sato meet in November, they can formalize these understandings and agree on a date when reversion of administrative rights can take place.

The Aichi talks in Washington were a good beginning. The Japanese now have a better understanding of our requirements. The Japanese draft joint communique (TAB B) is a useful start for a public position that might be taken with respect to maximum free use.

Three major cards are available to us in negotiating with Japan:

- a. The Japanese Government would be reluctant to push the reversion issue to a point where it would cause serious friction with the United States.
- b. Reversion on terms that are largely palatable to the Japanese public would be a political plum for the conservatives, particularly to the Sato faction.
- c. Our willingness to consider the possibility of withdrawing nuclear weapons at some later stage of negotiations (of which the Japanese have

* Attachment to JCS 2180/233-8

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definite hints) provides considerable bargaining leverage.

Japan has some good cards: The US has a strong interest in maintaining its current alliance relationship with the only major non-communist power in Asia; the US requires Okinawa base rights to meet current security requirements and commitments; and pressures for reversion in Japan and Okinawa are strong and require careful handling, as the US realizes.

Tactics and Negotiating Timetable.

. The following negotiating tactics are proposed to maximize our bargaining leverage. This is the timetable as we see it now, and it will of course be subject to variation.

PHASE I - Approach by Ambassador Meyer: During the period prior to the Joint Cabinet meeting at the end of July Ambassador Meyer will carry on discussions in Tokyo. He will review the talks here with Aichi and probe further the Japanese position. He will also present US counterproposals now being worked out, particularly in connection with the draft communique and the prior consultation formula, reminding the GOJ that the American public as well as the Congress must be satisfied that our security requirements are met. He will keep the US view on nuclear storage on the negotiating table.

PNASE II - Joint Cabinet Meeting Discussions: During the Joint Cabinet meeting, Security Rogers would probe for the maximum flexibility in the Japanese position, particularly with respect to conventional use and other commitments, including financial arrangements. If the Japanese Government continues to resist nuclear storage, he would propose that, during the period between his visit and Aichi's September visit to Washington, negotiations proceed in Tokyo on all other aspects of the reversion package for consideration by the two principals in September, leaving aside the question of nuclear storage.

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PHASE III - August Negotiations: During this period, an effort will be made to draft both public and private understandings on conventional free use, the framework for broad financial agreement and draft language on other commitments. Nuclear storage in event of emergency and nuclear transit rights would also be discussed but in terms that made it clear that no final decision had been reached on the question of nuclear storage.

Rogers and Foreign Minister Aichi will seek to reach ad referendum agreements on most elements of the package.

If the Japanese position on nuclear storage remained adamant, the Secretary would inform Aichi he will present this issue to the President for consideration in the light of the agreements on other matters and try to reply by the end of September so that questions of conventional free use and nuclear storage and/or reentry can be resolved to our satisfaction and the final preparations for the Sato visit can be undertaken. Since Congressional interest will be great and feelings will be strong, soundings with the Congress should be undertaken at this time.

and early November draft agreements and a draft communique would be negotiated subject to final approval by President Nixon and Prime Minister Sato.

PHASE VI - Sato Visit: The agreements would be considered and approved by the principals.

3. Timing of Reversion.

The President has decided that we can agree to the reversion of administrative rights on Okinawa in 1972 provided there is agreement in 1969 on the essential elements governing US military use and provided detailed negotiations are completed in 1969, i.e., by the time Sato visits the President. Our negotiating posture should reflect the fact that we will agree to reversion provided the price is right.

The Japanese are assuming that 1972 is acceptable to us since we have not questioned this date, which

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has now become enshrined in their thinking. We should make clear, through Ambassador Meyer, however, that (a) if we and Japan are not able to reach suitable understandings on the minimum commitments we consider essential, we would find it difficult to agree in 1969 to reversion at any time; and (b) the complex military and administrative problems involved in reversion may require some flexibility as regards any date the two governments may agree on for the time when administrative control passes to Japan, especially a date as early as 1972.

Major Questions on Conventional Free Use.

Our objective as determined by the President is the maximum free conventional use of the Okinawa bases, especially with respect to Korea, Taiwan and Viet-Nam. Ambassador Meyer should probe the Japanese further on (1) what the Japanese are prepared to say. publicly and in private understandings about the conventional use of our bases, and (2) on the relation between this and the prior consultation formula. points he should pursue are outlined in the attached draft telegram of instructions to Ambassador Meyer (TAB C).

Nuclear Rights.

The Japanese are saying very little about nuclear storage on Okinawa after reversion other than that their uniquely sensitive public opinion would strongly oppose it. We should continue to remind them of our view that nuclear weapons provide an important military capability and deterrent effect. We should use our position on the value of continued nuclear storage to gain bargaining advantage on "free conventional use." Without giving up our position on nuclear storage, we should focus on emergency storage, i.e., the right to have nuclear weapons available in Okinawa in the event of an emergency. Questions to be explored, REPRODUCTION TAB

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initially by Ambassador Meyer, will relate to how and under what circumstances a determination would be made by the two governments that an emergency exists and whether the US could, once this determination was made, introduce the necessary equipment into Japan without further consultation.

We should also consider how best to ensure that there would be no obstacle to transit rights for nuclear armed aircraft and ships or entry in exceptional cases such as weather diversions of SAC bombers.

6. Financial Questions.

We want an understanding, either to be incorporated into the communique or in a firm agreement separate from it; that Japan will not secure a dollar windfall from reversion. We will want to explore a trade-off for our assets in Okinawa, such as the power and water companies, to accomplish this purpose. A US working group is preparing data and a US position on this. We agreed with Aichi that problems in this area should be identified by each government and that the US would provide data as appropriate to Japan.

7. Other Commitments.

The NSSM 5 proposed several additional areas where we should seek to extract some additional Japanese commitments in return for Okinawa reversion. Ambassador Meyer should explore these with the GOJ. Priority should be assigned to the following commitments which are closely related to Okinawa reversion:

a. Assumption of Local Defense-The GOJ has already indicated to us that it is prepared to assume responsibility for Okinawa's local defense, and it is eager to proceed to detailed planning. Our respective military services will have to work closely together in allocating post-reversion responsibilities. Base areas will have to be made available for Japanese forces. We

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may want to probe the possibility of an integrated command in any crisis situation on the island, A US working group is now examining this problem, including what we say to the Japanese and when.

- Payment of Relocation Costs -- We may want to obtain a Japanese commitment to pay for the costs of removing nuclear weapons from Okinawa (\$50 million). This should be raised with the Japanese only if we agree to remove nuclear weapons from Okinawa. There may be other relocation costs connected with reversion which we will ask Japan to assume.
- Retention by US of VOA and FBIS Facilities on Okinawa -- The Japanese are aware of this problem, and of the problem of third-country nationals working for the US forces on Okinawa. We will want a commitment that these activities can continue after reversion.