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March 7, 1962

CONFIDENTIAL

MEMORANDUM FOR: Mr. L. D. Battle, Department of State
                  The Attorney General
                  The Director, U.S. Information Agency
                  General Maxwell D. Taylor
                  Col. Ernest F.John, USAF, Department of Defense
                  Mr. Osborne I. Hauge, Bureau of the Budget

SUBJECT: NSAM No. 133

Although the content of this National Security Action Memorandum has already been distributed in the form of memoranda from the President to the Secretary of State, the Secretary of Defense and the Director of the Bureau of the Budget, dated March 5, 1962, it has been decided to combine the three memoranda for inclusion in the NSAM series. A subject heading has also been inserted. This NSAM is being given additional distribution to the affected departments and agencies.

Charles E. Johnson
NSC Staff Member

Attachment:

NSAM No. 133, dated March 5.

CC: Mrs. Lincoln
    Mr. Bundy (3)
    C. Johnson
    NSC Files
March 5, 1962

CONFIDENTIAL

NATIONAL SECURITY ACTION MEMORANDUM NO. 133

TO: The Secretary of State
   The Secretary of Defense
   The Director, Bureau of the Budget

(SUBJECT: Ryukyus Action Program)

The Secretaries of State and Defense have concurred in the recom-
mendations of the Ryukyu Task Force on the steps it is now desirable
to take to improve the security of our tenure in the Ryukyus and our re-
lations with Japan as they are affected by that tenure.

Accordingly, I am requesting the Secretary of State to take re-
sponsibility for the following measures:

1. Initiation of negotiations with the Government of Japan to provide
   a framework for a continuing Japanese contribution to economic assistance
   to the Ryukyus that minimizes interferences with our administrative con-
   trol and that recognizes, at least tacitly, our intention to continue to
   administer the Ryukyus for the foreseeable future. In the conduct of these
   negotiations, Ambassador Reischauer should maintain close contact with
   General Caraway, the High Commissioner of the Ryukyus so that he can
   play his appropriate part.

2. Presentation to the appropriate members of the Congress of the
   need for these negotiations and the goals we are seeking to achieve. Also,
   provision of such assistance to the Secretary of Defense as he may request
   in supporting his requests to the Congress for legislative changes and
   increased appropriations in accordance with the recommendations of the
   Report.

3. A report to me of the earliest possible time at which you think
   it is suitable to make a public announcement, which would include the
recommended changes in the Executive Order, as well as a general statement of our intentions of future action.

If at all possible, I think it desirable to notify the Government of Japan of our desire to initiate this negotiation by the time Assistant Secretary Harriman reaches Tokyo on his present trip.

In addition, I am requesting the Secretary of Defense to take responsibility for the following measures:

1. Presentation to the Congress of an amendment to the Price Bill, raising the ceiling on aid to the Ryukyus to a level consistent with the purposes of our proposed program.

2. Adjustment by the Services of their wage policies in accordance with the recommendations of the Report.

3. Selection, in consultation with my office and the Department of State, of a suitable civilian to fill the post of Civil Administrator as soon as practicable, preferably at the retirement of the present Administrator.

4. Instruction to the High Commissioner of the Ryukyus to:
   a. speed up the process of giving responsibility and autonomy to the Government of the Ryukyu Islands and extending the liberties of the Ryukyuans to the greatest extent consistent with his fundamental responsibilities, and
   b. examine the organisation of his own staff with respect to both the problem of encouraging the growth of responsibility in the GRI and assisting in the economic development program recommended in the Report.

In both these actions, the High Commissioner should take the Task Force Report as a policy guide.

c. report to you in six months and each year thereafter his progress in carrying out the policies of the Report.

5. Initiation of the detailed studies required to carry out the recommendations of the Task Force in respect to social welfare and economic assistance.
6. Preparation of a supplemental budget request for the Ryukyu Islands for FY 1963 covering those items in the recommended program which can most suitably be dealt with now.

Also, I am requesting the Director of the Bureau of the Budget to prepare an amendment to Executive Order 10713 which gives effect to the following recommendations of the Report: (a) that the Civil Administrator be a civilian appointed by the Secretary of Defense with the approval of the President, after consultation with the Secretary of State; (b) that the chief executive of the Government of the Ryukyu Islands be nominated by the legislature to the High Commissioner; (c) that the term of office of the legislature be three years; (d) that the number of members of the legislature and the boundaries of election districts be made a matter for determination by the legislature, with the approval of the High Commissioner; and (e) that the purposes of the High Commissioner's use of the veto power be emphasized, and he be required to report his reasons for each veto to the Secretary of Defense.

(signed) JOHN F. KENNEDY

Information Copy to:

The Attorney General
The Director, USIA
General Maxwell D. Taylor

[Signature]

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