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## Okinawan Reversion: Cats and Dogs

The May 15 reversion ceremony consummated the long-held aspirations of the Okinawan and Japanese people for the return of the Ryukyus to Japanese control, and resolved the last remaining major issue between the United States and Japan arising from World War II. Basically, we agreed to reversion because we felt it was the best means of assuring the maintenance of our security relationship with Japan and the use of our bases there and in Okinawa.

Reversion will not, however, put an end to the many irritants and problems currently existing between the U.S. Military Forces in Okinawa and the almost 1 million people of the Ryukyus. Some of these problems are long-standing while others are the direct result of agreements reached between the U.S. and Japan during the reversion negotiations. The four problems are private Okinawan claims against the U.S. Government, the nuclear removal statement, the removal of U.S. military aircraft from Naha Air Base at the south end of Okinawa, and the VOA relay station on Okinawa. Japanese leaders might raise one or more of them with you, probably principally because the first three in particular have been the objects of opposition attacks on the Sato Government over the past half year.

### Private Okinawan Claims Against the U.S. Government

1. Background. During the reversion negotiations, the GOJ insisted that the USG should pay for damages done to Okinawan lands which were damaged by U.S. forces prior to July 1950 and released after July 1961. The U.S. refused because it had already compensated affected land-owners whose lands had been released before 1961, and had informed Congress in 1965 that it would not ask for more funds for this purpose. However, the Japanese offered to provide funds for the outstanding claims (estimated at not more than \$4 million) if the U.S. would process and disburse them on an ex gratia basis. This sum was added to the \$316 million that Japan had agreed to pay us in connection with Reversion.

The sensitive point for the GOJ was that this \$4 million figure and the classified U.S. -GOJ understanding on this subject not be made public, since the opposition would claim -- with justification -- that in effect the GOJ rather than the USG was paying the claims. The confidentiality of this understanding was compromised in late March, however, by a leak of several Foreign Office telegrams. (As noted below we are cooperating with the Japanese Government to try to continue the confidentiality of the essentials of this arrangement.) The leak also resulted

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in a major but brief "right to know" debate in the Diet and Japanese press. The opposition backed off from their attack, however, when it was revealed that the Foreign Office secretary, a married woman, who gave the telegrams to the Mainichi Shimbun reporter who surfaced the telegrams, had been carrying on a liaison with him.

In accordance with the Japanese obligation that officials assume strict responsibility for mishaps or wrongdoings in their areas, a number of ranking Foreign Office officials resigned and have since been reassigned: Deputy Vice Minister Yasukawa, in whose office the secretary worked; Vice Minister Mori, Yasukawa's superior and second-ranking man in the Foreign Office; Deputy Vice Minister Saito; and Director of the American Affairs Bureau Yoshino. Again in line with Japanese practice, the public slap on the wrist for these career officials should not do basic damage to their professional futures.

An incidental consequence of these Foreign Office shifts of possible importance for our relations with Japan is that, for the first time since the early 1950's, there are now no American affairs specialists among the top three career men in the Foreign Office (the Foreign Minister is the only political appointee in the Ministry). Hogên, who has moved into the Vice Minister's slot, is primarily a Soviet specialist; Yoshida, the ranking Deputy Vice Minister, is an Asian affairs specialist; while Tsurumi, the second Deputy Vice Minister, is an economist.

2. Japanese Position. The GOJ approach to this problem has been to deny flatly the existence of any classified understanding with the U. S. Government on this subject, and to deny that any funds were provided to the USG for this purpose. The GOJ has requested that we follow an identical line in responding to press inquiries.

3. Recommended U. S. Position. We assured the GOJ during the reversion negotiations that we appreciated its vulnerability on this subject and that we would do everything possible to ensure that no leaks originated on our side. Although we informed the Senate on a confidential basis of the claims arrangement during the treaty hearings, if the issue now becomes a matter of probing Congressional or press

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inquiry, we may not be able to avoid confirming that we estimate the claims will not exceed \$4 million. We also may not be able to avoid confirming the fact that there is a classified understanding on this subject.

We have agreed with the GOJ that for the moment, at least, we will not publicly mention in any way the \$4 million figure. All we are now saying publicly is that we agreed under the Reversion Treaty to pay certain types of claims, including ex gratia claims for lands damaged prior to 1950 and released after 1961. We consider that the \$320 million received from the GOJ is adequate to cover these as well as other costs to be borne by the USG as a result of reversion. We do not feel it is appropriate to speculate concerning how much these ex gratia claims may amount to.

Suggested Talking Points

If the GOJ raises this subject and requests your agreement that the USG deny all knowledge of the \$4 million agreement, you might point out that:

- For the moment at least, we will avoid any public reference to the \$4 million figure, and say only that we consider the over-all \$320 million settlement is adequate to cover all costs borne by the USG in connection with reversion, including the costs of ex gratia claims.
- If the press begins to probe deeply on this subject, we may not be able to follow the GOJ line of flatly denying the existence of a classified understanding on the claims issue. We will, however, do our best to avoid direct confirmation of this understanding.

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- To this end, we will endeavor to follow the line taken by Secretary Rogers during the treaty hearings when he said that, although there are no executive or secret agreements connected with the Reversion Treaty, there are instances where the provisions of the Treaty are subject to informal understandings reached during negotiations.
- You should avoid any public statement in Japan on this question.

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[REDACTED] Statement

1. Background. As part of the decision to return Okinawa to Japan, we agreed in the Nixon-Sato Joint Communique of November 1969 that reversion would be carried out in a manner consistent with the policy of the Japanese Government concerning nuclear weapons. This GOJ policy prohibits the manufacture, introduction, or possession of nuclear weapons on Japanese soil. The opposition parties have demanded public, written U.S. confirmation [REDACTED]
2. Japanese Position. The GOJ shortly before Reversion Day dropped its previous request that it be allowed to inspect [REDACTED]
3. Recommended U.S. Position. On May 15 Secretary Rogers sent Foreign Minister Fukuda a letter stating that Okinawa was being returned in a state consistent with the GOJ policy concerning nuclear weapons.

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Dec 3, 1965

[REDACTED]

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Whether the op-  
position will be satisfied with the wording of the U.S. letter is problematical, and this may become a subject of further controversy in the months ahead.

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Suggested Talking Points

If the GOJ raises this subject, you should state:

-- Inspection of [REDACTED] will not be possible. In private, you should provide GOJ officials with assurances [REDACTED] [REDACTED] by Reversion Day.

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If others raise this question, you should state that you are confident that adequate assurances have been provided.

Removal of U.S. Military Aircraft from Naha Air Base

1. Background. The U.S. agreed during the reversion negotiations to exert every effort to remove all U.S. aircraft from the Naha Air Base flight line by reversion. The GOJ was to pay for these relocations. Our complicated relocation plan, however, involved (inter alia) movement of U.S. Navy aircraft back into a previously released facility (Misawa Air Base) in Japan, causing major political difficulties for the GOJ in arranging Diet funding of the necessary relocation construction. As a result of Diet controversy over this subject, the GOJ has deferred until after Diet adjournment in June any attempt to arrange funding for the relocation program. This means, however, that the aircraft could not be moved from the Naha Air Base by May 15.
2. Japanese Position. The GOJ has accepted our relocation plan in principle and has reluctantly agreed that, in view of GOJ funding difficulties, the aircraft will have to remain at Naha on a temporary basis until relocation construction can be completed. In view of the political sensitivities surrounding this whole subject, however, we can anticipate that the Japanese may ask us at some future date to again reconsider the relocation plan, with a view towards relocating all aircraft within other facilities on Okinawa.
3. Recommended U.S. Position. We have informed the GOJ that we will have to remain at Naha indefinitely, or until all the necessary relocation construction has been completed. We can expect that Okinawan unrest over this issue will increase after reversion when it becomes clearly recognized that the aircraft were not removed by Reversion Day as previously agreed between the U.S. and GOJ.

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Suggested Talking Points

- We appreciate the GOJ's political difficulties with this issue.
- Our operational requirements, however, dictate the relocation plan that we have submitted.
- It would be physically impossible to accommodate all of the aircraft involved on our other bases in Okinawa.
- We will cooperate as closely as we can with the GOJ to ease the problems associated with our movement under the relocation plan.
- Until the GOJ can arrange necessary funding and construction for these relocation moves, we will continue to use Naha as a base of operations for these Navy aircraft.

Future Status of VOA Relay Station

1. Background. Under the provisions of Article VII of the Okinawa Reversion Treaty, the GOJ agreed to the continued operation of the VOA relay station on Okinawa for a period of five years after reversion "in accordance with the arrangements to be concluded between the two governments." It was further agreed that the USG and GOJ would enter into consultation two years after reversion on the "future operation" of VOA on Okinawa. In an Agreed Minute to the Treaty, the GOJ agreed that in the event a substitute facility is not completed within the five year period "due to unforeseen circumstances," the GOJ "is prepared to give full recognition to the need for continued operation of the VOA on Okinawa after the said five year period until completion of the substitute facility." In a classified understanding reached during the reversion negotiations, the GOJ agreed to increase the over-all reversion financial settlement by \$16 million to compensate the U.S. for the estimated cost of constructing a station of equivalent capacity elsewhere.

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The VOA facility on Okinawa acts only as a relay station for VOA programs transmitted from the U.S. The Okinawa station broadcasts primarily to northern China, North Korea and the USSR. These areas cannot be covered by other VOA facilities in the Philippines or Ceylon.

Japanese opposition to the continued presence of VOA on Okinawa, in addition to the general feeling of distaste at having someone else's propaganda emanating from Japanese soil, is based primarily on the fear that continuation of these broadcasts after reversion will create difficulties for Japan in its attempt to establish better relations with Peking. A second reason is that Japanese law prohibits foreign entities from broadcasting on Japanese soil. These laws have been amended, on a temporary basis, to accommodate VOA for the interim period provided for in the Reversion Treaty.

2. Japanese Position. VOA continues to be a sensitive issue in Japan, and the GOJ has clearly indicated that it expects the Okinawa VOA facility to be removed within the five year period referred to in the treaty.

3. Recommended U.S. Position. We are aware that VOA almost certainly will be required to relocate its Okinawa facility within five years. We are proceeding on this assumption, and you have approved, in principle, our exploring with South Korea the possibility of relocating the relay station there. The ROK has indicated that it would welcome such a move, and has suggested that Cheju-do Island (off the southern tip of South Korea) might be an appropriate location. Our position, remains, however, that we cannot leave Okinawa until a comparable substitute facility has been constructed.

Suggested Talking Points

- You should be prepared to respond to Japanese questions as to whether the PRC raised this issue with you during any of your trips to Peking.
- We appreciate the political problems created for Japan by the presence of VOA on Okinawa and are prepared to carry out our side of the agreement as provided for in the Reversion Treaty.

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-- We cannot move the station, however, until an adequate substitute facility has been constructed and we will need to have as much prior notification as possible of any GOJ intention to initiate the relocation consultations referred to in the Treaty.

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