

JAPAN

U.S. POLICY TOWARD JAPAN

1. Telegram From the Department of State to the Embassy in Japan

Washington, January 11, 1958, 12:48 p.m.

1479. Embtels 1703, 1704,¹ 1705.² Matter discussed exhaustively with JCS and Defense this morning. JCS felt strongly for military reasons that Japan should abide by formula and we should insist on Japan's carrying out her commitment. However State and Defense recognize overriding political considerations cited reftels. For reasons outlined Embtel 1704 it was reluctantly agreed to accept reduction three billion yen recommended Embtel 1705 for this year only. In this case total defense appropriations would be broken down as follows: Defense Agency 120 Facility Expenses 8 Yen Contribution 18.3 for total of 146.3 billion yen. This would mean that for next year formula agreed to in 1956³ would again apply.

In view of great expenditure for defense which American people are called upon to make as contrasted Japanese efforts it was with greatest difficulty that we obtained Defense concurrence your recommendation.

If Japanese agree request you submit to Department draft exchange notes for approval before final commitment and signature.

Defense concurs this message.

Source: Department of State, Central Files, 794.5/12-3057. Confidential; Priority. Drafted by Howard L. Parsons, cleared with Defense and JCS, and approved by Robertson. Repeated to COMUS/Japan and CINCPAC for POLAD.

¹ See *Foreign Relations, 1955-1957*, vol. XXIII, Part 1, footnotes 3 and 4, pp. 556 and 557.

² Not printed. (Department of State, Central Files, 794.5/12-3057)

³ The formula agreed upon on April 25, 1956, stated that the United States would accept a reduction in the Japanese yen contribution for each ensuing fiscal year equivalent to one-half of the increase in Japanese expenditures for its own defense forces for that fiscal year as compared with the previous year. For text of the agreed formula, see 7 UST 771.

Japanese Embassy pressing for info on decision. Inform Department niact when discussions Tokyo advanced to point where we can inform them.⁴

Dulles

⁴ Ambassador Douglas MacArthur II replied in telegram 1813 from Tokyo, January 13, that Japanese Foreign Minister Aiichiro Fujiyama expressed deep appreciation for the additional reduction, adding that the move "would do much to strengthen Japanese-American relations." (Department of State, Central Files, 794.5/1-1358)

2. **Telegram From the Embassy in Japan to the Department of State**

Tokyo, January 22, 1958, 2 p.m.

1885. CINCPAC for POLAD. Deptel 1479,¹ Embtel 1840.² Cabinet approved JFY 1958 draft budget January 19 which included total Defense budget of 146.1 billion yen (\$405.8 million) to provide 120 billion yen for Defense agency, 7.5 billion yen for US facilities support costs and 18.6 billion yen for GOJ yen contribution to USFJ. JFY 1958 overall defense budget reflects five billion yen net increase over JFY 1957 budget of 141.1 billion yen (\$39.95 million) and 19 billion yen JDA budget increase.

Embassy and FonOff have reached informal preliminary agreement on draft FonOff note on yen contribution which substantially retains language of last year's note of August 16, 1957 (TIAS 3886). Need for Washington clearance fully understood by FonOff. Only substantive change is language providing for three billion yen reduction in addition

Source: Department of State, Central Files, 794.5/1-2258. Confidential; Priority. Repeated to CINCPAC and COMUS/Japan.

¹ Document 1.

² Telegram 1840 to Washington, January 15, reported that Japanese press on January 14 gave front page coverage to the Japanese Foreign Office announcement of U.S. agreement on additional reduction of 3 billion yen from Japanese contribution to defray USFJ costs. (Department of State, Central Files, 794.5/1-1558)

to progressive reduction calculated according to formula. This language carefully drafted to avoid any implication that similar action may be anticipated next year. Text of draft note follows in Embtel 1886³ for which Embassy requests approval and authority to sign. While actual signing will not take place until budget is approved by Diet, FonOff wishes to have notes initialed soonest.

Minister Tsushima⁴ called on me January 21 to express his personal gratitude and that of Defense Agency for additional reduction in yen contribution granted by US. He considers US action timely and important since reduction made possible substantial increase in Defense Agency budget which otherwise would not have been forthcoming. Tsushima views budget as satisfactory step forward in carrying out planned strengthening of defense forces.

FinMin Ichimada had similarly called on me January 15 to express his "warm appreciation" for US agreement on supplemental reduction. He said our timely action would "strengthen relations and friendship between Japan and US" and would "substantially help PM Kishi and Conservative Party" in forthcoming national elections. I took occasion to emphasize our action this year was taken because of special circumstance and political considerations which Fujiyama and Kishi had described to me relating to forthcoming elections, and trusted we would not have to go through such exercise again since approved formula would take care of problem. Ichimada said he recognized that political situation this year had made this problem a special situation.

MacArthur

³ Dated January 22. (*Ibid.*, 794.5/1-2258)

⁴ Juichi Tsushima, Director of the Japanese National Defense Agency.

3. Telegram From the Embassy in Japan to the Department of State

Tokyo, February 12, 1958, 8 p.m.

2083. For Secretary and Robertson. Deptel 1623¹ and Embtel 1998.² I fully agree it is matter of greatest urgency to reappraise our policies with respect to Japan and Ryukyus in order to bring about timely readjustments which are essential if our relations are to be put on durable and dependable basis.

1. As preface I must again stress my conviction that Japan's foreign policy and international orientation will over long term be governed very largely by economic facts of life and notably fact that Japan must trade or die. If US and other free world countries do not allow Japan a fair and reasonable share of their markets so she can earn her living, Japan will inevitably be forced to turn elsewhere, and at same time great and lasting bitterness toward US will be engendered here. If Japan is forced into some form of economic accommodation with Communist Bloc, Communists will of course exact political price. Thus if we and other free world countries start down trade restrictionist path with respect to Japanese products, all other basic problems of US-Japan relations will, as inevitable consequence, become quite unmanageable over period of time.

On other hand, if we handle our trade and economic relationships with Japan properly and at same time recognize that it is most urgent that we make some fundamental adjustments which go beyond our present treaty rights, I think there is a good prospect of putting our overall relations with Japan on reasonably firm and dependable basis. My suggestions and recommendations for reappraisal of policies re Japan and Ryukyus follow.

2. As set forth in my letter of Feb 1 to you, I believe that a major adjustment is required in Okinawa where time is running swiftly and

Source: Department of State, Central Files, 611.94/2-1258. Secret; Limit Distribution. Transmitted in two sections.

¹In telegram 1623 to Tokyo, January 31, MacArthur was instructed to reevaluate U.S. policies toward Japan and the Ryukyus and to submit recommendations because Dulles had expressed the view that "our present posture in Japan and Ryukyus cannot be continued safely." (*Ibid.*, 611.94/1-3158)

²In telegram 1998, February 3, MacArthur replied that he had written to Dulles on February 1 regarding the Ryukyus. (*Ibid.*, 611.94/2-358) MacArthur's letter to Dulles is in Eisenhower Library, Dulles Papers, MacArthur, Douglas II; see Supplement. On February 26 the OCB Working Group on Japan submitted to the Board a draft report entitled "Problems and Issues Affecting the U.S. Civil Administration of the Ryukyu Islands." (Department of State, OCB Files: Lot 62 D 430, Japan) See Supplement. No final version has been found.

remorselessly against US. My letter describes in detail our appreciation and makes specific recommendations for changes in our policy and in present administration there.

3. Bonins are lesser but nevertheless important problem. If considered view remains that return of some islanders not feasible for indefinite future, compensation to islanders should be pushed to satisfactory conclusion. Since basic problem is political, terms and amounts of compensation should be worked out to achieve desired political effect, i.e., reduction of agitation, therefore not limited to what strictly legal grounds might seem to warrant.

4. Another basic problem is our security arrangements with Japan proper.³ There are signs that GOJ will soon revive question of treaty revision.⁴ From our viewpoint, we must face prospect that our bargaining position may decrease as Japan regains her strength. For example, as time passes without necessary adjustment in security treaty to bring it into keeping with realities of present situation, risk may increase that Japan would come to believe its interests best served by termination of treaty without any replacement, feeling strong enough to stand alone like Sweden. With above considerations in mind, and since we may be faced with talks on treaty revision this year, we have been working for some time on possible draft treaty for Dept's consideration and will pouch it to you shortly. My general thoughts are:

a. Japan may now be ready for treaty that is really mutual, provided we limit proposals to our minimum essential interests. (Certainly we should be prepared to offer a mutual treaty to replace present one-sided arrangement.) For operative mutual defense clauses, for example, treaty area might be limited to Western Pacific (i.e., Japan and Article III islands in peace treaty).⁵

b. For optimum psychological impact and political durability, treaty should be in broad pattern of our other treaties of alliance in Pacific area, with emphasis on provisions for political and economic as well as defense collaboration. Likewise, perhaps useful to give it a name such as "treaty of mutual cooperation and security".

³ U.S.-Japan Security Treaty, signed at San Francisco September 8, 1951; entered into force April 28, 1952. For text, see 3 UST (pt.3) 3329.

⁴ See Document 4.

⁵ Article III of the Treaty of Peace with Japan reads:

"Japan will concur in any proposal of the United States to the United Nations to place under its trusteeship system, with the United States as the sole administering authority, Nansei Shoto south of 29° north latitude (including the Ryukyu Islands and the Daito Islands), Nanpo Shoto south of Sofu Gan (including the Bonin Islands, Rosario Island and the Volcano Islands) and Parece Vela and Marcus Island. Pending the making of such a proposal and affirmative action thereon, the United States will have the right to exercise all and any powers of administration, legislation and jurisdiction over the territory and inhabitants of these islands, including their territorial waters." (3 UST (pt. 3) 3172-3173)

c. Administrative Agreement⁶ would have to be revised correspondingly in important respects. Detailed base arrangements will probably have to be individually agreed on as with NATO countries, and it will be very important to estimate really minimum requirements as basis. Existing jurisdictional arrangements of course are satisfactory and can, I believe, be retained.

d. If new defense relationship with Japan achieved on basis genuine equality as above, it should create favorable psychological climate which would facilitate progress on two most delicate problems: joint or combined defense, and perhaps eventually few years hence, introduction of nuclears, although we certainly could not count on this.

Timing of negotiation for revision is of course important. Japanese have not pressed for discussions on this since Kishi's Washington visit, although Fujiyama has mentioned it to me (Embtel 1656).⁷ Assuming Kishi does well enough in elections⁸ to give promise of stability, my thought had been that following elections I would sit down with him and Fujiyama to explore question. However, if elections are delayed until fall, political pressures may well oblige Kishi to force pace. In any case, it seems urgently necessary that US position be established as soon as possible so that we will be prepared to respond constructively to initiative which might be taken by Japanese, as well as to take advantage of occasion where we might think it in our own interest to initiate at least private discussions even before elections.

Yet another major subject we should be considering most carefully at same time we are conducting reappraisal of: (a) our policy and administration in Ryukyus; (b) revision of security treaty; and (c) compensation for Bonin islanders, is Asian economic development. It is in our interest to encourage participation by Japan in SEA economic development because it will have two fold beneficial effect of furthering US policies in SEA and in Japan. Kishi govt more than any in recent past is looking toward Japanese participation in SEA economic development as major element of Japanese foreign policy. Serious effort on our part to facilitate Japanese participation in Asian economic development will

⁶ Administrative Agreement under Article III of the Security Treaty between the United States and Japan, signed at Tokyo February 28, 1952; entered into force April 28, 1952. For text, see 3 UST (pt. 3) 3341.

⁷ Telegram 1656 from Tokyo, December 20, 1957, recounted MacArthur's confidential meeting on December 19 with Fujiyama, during which Fujiyama commented on the "profound reaction" caused by High Commissioner Moore's remark to the Japanese press that U.S. administration of the Ryukyus could be limited to a definite period. Fujiyama went on to say that the duration of the U.S. retention of the Ryukyus and of the Security Treaty were extremely sensitive political issues in Japan, although he did not bring up treaty revision. MacArthur replied that U.S. policy remained the same as that which Eisenhower informed Kishi in June 1957. (Department of State, Central Files, 794C.0221/12-2057)

⁸ General elections in Japan were held on May 22, 1958.

pay immediate political dividends here and, in longer run, economic returns to both SEA countries and to Japan. Furthermore, it is in US interest that Japan rather than Communist China or Soviets exercise greater economic influence in SEA. Increasing economic activity of ChiComs in SEA makes this latter point of increasing importance.

We fully appreciate sensitivities about Japan in many Asian countries leading to concern that it may be hazardous for US to associate itself too closely with Japan in SEA economic development. Nevertheless, we are convinced that patient and discreet efforts on part of US political, economic, and USOM officers in all countries concerned to foster closer Japanese-SEA economic relations would further our objectives in both areas and in Asia as a whole. Developments such as recent conclusion of Indonesian reparations agreement, India-Japan loan agreement, Indonesian request for Japanese shipping, and success of third-country training and technical assistance (which might well be expanded along lines of European Productivity Agency), suggest political atmosphere is gradually changing for better and that it is possible for us to take advantage of this trend.

Japan has assumed heavy reparations burdens which will probably be increased soon by agreement with Vietnam. These out-payments represent real economic sacrifice by Japan and it is greatly in our interest that indirect return from them be maximized. Although Embassy of course cannot judge usefulness of reparations program to SEA thus far, it is our strong belief that every appropriate effort should be made to assure that our own aid programs and Japanese reparations projects be geared to complement each other in economic development countries concerned. It should be evident to SEA countries to whom Japan is paying reparations that Japan's ability to continue to discharge heavy reparations burden it has assumed is dependent on high level of trade, since many items sent as reparations payments involve raw materials, much of which Japan has had to pay for with dollars and hard currencies obtained through her trade. Therefore it is in these countries' interests to cooperate with Japan in trade field so Japan can continue to have capability of paying reparations.

MacArthur

4. Letter From the Ambassador to Japan (MacArthur) to Secretary of State Dulles

Tokyo, February 18, 1958.

DEAR MR. SECRETARY: I am sending to you and Walter Robertson with this letter our first cut at a draft mutual security treaty with Japan¹ (mentioned in my telegram no. 2083 to you)² which would replace the present Security Treaty. I believe it is virtually certain that the question of revision of the existing Security Treaty will be raised with us by the Japanese during the present year. Therefore, it is essential that we think through this matter so that we will be in a position to discuss it in a considered fashion when it comes up.

In formulating the enclosed draft, we had in mind the view which you expressed to me in January 1957 before I came to Tokyo, which you reiterated to me last June,³ that in modifying the existing one-sided Security Treaty, our objective should be a truly mutual security treaty rather than simply trying to tinker with the existing instrument. We also had in mind the fact that the new treaty should follow the same basic pattern as the other treaties which the United States has negotiated in the Western Pacific and Southeast Asia, of which you were the principal architect.

The crux of the matter will probably be the definition of the treaty area. In the past, some of our people have suggested that, for such a treaty to be really mutual, Japan would have to agree to come to the aid of the United States if the continental United States or its territories elsewhere in the Pacific were attacked. Given the present Japanese interpretation of Japan's Constitution and the political facts of life in this country, any such condition would prevent the conclusion of a mutual security treaty. If we are to have Japan as a partner and thus be able to continue to use certain of her military and logistical facilities which are very important to us, it is *not* essential for Japan to be committed to come to our aid except within a fairly limited area. This is the area where it is very important for us to have Japan committed to act in the event that either we or the Japanese are attacked. This is the premise of the

Source: Department of State, Central Files, 794.5/2-1258. Secret.

¹ Not printed; see Supplement.

² Document 3.

³ Possibly a reference to a conversation among President Eisenhower, Admiral Radford, and others, June 18, 1957, see *Foreign Relations, 1955–1957*, vol. XXIII, Part 1, pp. 357–360.

proposed language in Article VI of the attached draft,⁴ and I believe it is consistent with the Japanese interpretation of their Constitution and with our basic interests.

In the enclosed draft, in a parallel column to each Article of the draft treaty, we have made notes which explain briefly and in general terms the origin of the language suggested. While there is perhaps more which could be said in describing each article, the text of the draft treaty speaks pretty well for itself and sets out our considered view as to what kind of a treaty would correspond to the practical political realities of the situation in Japan and at the same time secure for us the minimum essential commitments and facilities which are important to us. The new arrangements would not be as advantageous to us as the present ones. However, if we are not prepared to move forward when the time comes with constructive proposals which are based on the principles of equality and mutuality, and which will thus meet the political realities of the situation here, we will progressively run the risk that Japan will come to believe that its best interests are served by terminating the existing Treaty with no replacement. And, if Japan should reach that most unfortunate conclusion, we would have no way to prevent her from simply announcing the termination of the present one-sided treaty by unilateral declaration.

As I also pointed out in my telegram, the Administrative Agreement would also have to be re-negotiated. The present one (which as a result of the vastly different circumstances obtaining in 1951 is a very one-sided one in our favor) came under a good deal of attack in Japan because it was not ratified by the Diet, and we would have to bear in mind that a new agreement of this kind would probably have to go before that body. We know that the Japanese have been scrutinizing very carefully our agreements with NATO countries for military facilities, and I believe they will have them very much in mind and will not expect us to be more demanding with respect to Japan than we are with our European NATO allies. I might mention that we have reason to believe the Japanese will, in particular, concentrate particular attention on revision of Articles II, III, IV, V, XIV, XXIV, and XXV of the Administrative Agreement.

I hope very much you will have an opportunity to consider this whole question before your trip to Manila and Taipei and that I will be able to get at least your preliminary reaction when I see you in Taipei at

⁴The draft, not printed, defined the treaty area as "all territory under the administrative control of Japan and the island territories in the Western Pacific which are referred to in Article III of the Treaty of Peace with Japan and which are under the administrative control of the United States of America."

the Chiefs of Mission meeting, as it is very important that I know your thinking.

With every good wish, as always,
Sincerely,

Doug

5. Memorandum From the Assistant Secretary of State for Far Eastern Affairs (Robertson) to Secretary of State Dulles

Washington, March 22, 1958.

SUBJECT

Revision of the Japanese Security Treaty¹

REFERENCE

Ambassador MacArthur's letter to you dated February 18, 1958,² attaching a draft revised security treaty

The basic determination to be made with respect to a revision of the Japanese Security Treaty is whether such a revision is timely. Ambassador MacArthur does not discuss this point, save to note that the question of revision would be raised by the Japanese some time this year. The same question was raised by the Japanese during the visit of Foreign Minister Shigemitsu in 1955 and also during the visit of Prime Minister Kishi in 1957.

In 1955 you took the position that replacement of the existing Security Treaty by another was premature. While the United States had always hoped that the Security Treaty could be translated into a different form of treaty when Japan had developed the capacity to defend itself, the time for that had not yet come. Japan's political situation was very

Source: Department of State, PPS Files: Lot 67 D 548, Japan. Secret. Drafted by Pfeiffer and Parsons and cleared in draft in L.

¹ In a letter dated March 8, MacArthur set forth potential objections which he believed the U.S. military would raise against revision of the U.S.-Japan Security Treaty and posed counterarguments. (*Ibid.*, Central Files, 794.5/3-858) See Supplement.

² Document 4.

confused, and unfriendly elements in the Diet could block the Government's efforts to build up its defense system. You emphasized your view that a new type of treaty should develop from the conditions contemplated by the existing treaty, namely, when Japan makes an adequate contribution to its own defense, when a healthy spirit of partnership with the United States has been created and when anti-Communist elements are strong enough to ensure passage of their programs and an attitude of cooperation with the United States (Memorandum of conversation of meeting with Foreign Minister Shigemitsu on defense matters on August 30, 1955).³

In 1957 in discussing this matter with Prime Minister Kishi, you agreed to minor clarifications dealing principally with the relationship of the Security Treaty and the United Nations Charter. In addition, the Japanese-American Committee on Security was established to provide a greater degree of mutuality in connection with the Security Treaty.

At the same time you took the position that replacement of the Security Treaty by another type of treaty or any detailed revision would have to be submitted to the Senate. You felt that the ensuing debate would not be helpful to Japanese-American relations and that outcome would be doubtful. You made plain your view that the basic issue was whether the Japanese Government desired to continue its close and intimate relationship with the United States. If the Japanese desired to ease the United States out of Japan, the United States could consider alternative arrangements in the Far East. Prime Minister Kishi assured you that he had no desire to change the existing close relationship with the United States.

There is a serious question as to whether it can be said that the Japanese have satisfied the conditions precedent to a revised Security Treaty as laid down by you on these earlier occasions. While, as indicated in Ambassador MacArthur's letter, the Japanese desire a more "mutual" security treaty, their willingness to undertake the obligations of a mutual security partnership with the United States continues to be subject to doubt at this time.

On the other hand, there is a restiveness in Japan with respect to the alleged "one-sided relationship" resulting from the Security Treaty. Although the form of the Treaty continues unaltered, its substance is already badly eroded and it is questionable whether the United States could at this time exercise the "rights" provided for therein.

Whether or not it is now time to undertake a full-scale revision of the Security Treaty in an attempt to obtain a true mutual security treaty, or a treaty having the potentialities of becoming a mutual security

³ For text, see *Foreign Relations, 1955-1957*, vol. XXIII, Part 1, pp. 96-104.

treaty, could be determined by consultation between Ambassador MacArthur and Prime Minister Kishi to ascertain whether in fact there exists already sufficient mutuality of objectives on both sides to support such a treaty. To enable Ambassador MacArthur to discuss the matter we should provide him with a list of our long-term objectives in a mutual security relationship with Japan. The present political situation in Japan is such that the commitments which the Japanese would be willing to undertake in a mutual security treaty negotiated at this time are very limited. We must therefore be very careful to avoid restrictive wording in a new treaty which would greatly limit its usefulness in the future when we hope the Japanese will be willing to enter into a more meaningful mutual security relationship. If we bear in mind our long-term objectives in Japan we can perhaps reach agreement with the Japanese on an "expendable" treaty which would accommodate these objectives.

It is possible that Mr. Kishi will provide information as to Japanese objectives and attitudes which will materially affect our posture. It is conceivable that from the result of these discussions we might conclude that the time for a full-dress revision has not come and that a lesser revision is in order. On the other hand, genuine treaty revision may be indicated. Only after realistic goals are determined in this manner should we proceed to the formulation of treaty provisions giving effect to these determinations.

When we reach the point of treaty drafting we could prepare a number of alternative treaty provisions, attacking these problems from various points of view. It is only after this work has been done that we shall be prepared to discuss treaty provisions with the Japanese. We should not, therefore, initiate negotiations with a draft of the type suggested by Ambassador MacArthur, which provides no alternatives.

With respect to the draft mutual security treaty submitted by Ambassador MacArthur in his letter to you of February 18, 1958, I have the following comments.

Article VI⁴ of his draft would limit the treaty area to present-day Japan plus the Ryukyus and Bonins and the islands the Japanese hope to get back from the Soviet Union. I think, instead, consideration should be given to having a new or revised security treaty open-ended, in the sense that by mutual agreement the parties could designate additional areas protected from aggression under the treaty and also in the sense that other nations in the general area could accede to the treaty.

Another factor to be considered is whether the revised security treaty can be so drafted as to permit the Japanese to assume additional

⁴See footnote 4, Document 4.

military obligations as amendments to the Japanese constitution are developed. This could be done, for example, by language patterned after the SEATO agreement⁵ whereunder Japan would undertake to "act to meet the common danger in accordance with its constitutional processes".

Recommendation

That I answer Ambassador MacArthur's letter in terms of the above. I would include in the letter a list of some of the long-term objectives which we hope to achieve with the Japanese (Tab B). In addition, the letter would authorize him to consult with Prime Minister Kishi about long-term security objectives of a mutual character, to provide the basis for consideration of whether and/or what kind of revisions in our security relations with Japan are desirable at this time.

Attachment B

SOME LONG-TERM SECURITY OBJECTIVES IN JAPAN

1. A militarily strong Japan able to defend its own territory and willing and able to use its forces abroad for the defense of free world nations.
2. Japanese membership in an over-all regional security pact, or in related bilateral or limited security pacts, capable of providing collective security for the entire free world position in the Far East.
3. Continued United States military presence in Japan to the extent required by the existing situation, with the right to utilize military bases in Japan in order to fulfill our commitments for the defense of the free world.
4. Japanese agreement to the introduction of nuclear weapons into Japan.
5. A Japan with a strong economy capable of maintaining a high level of employment with a rising living standard, and good morale, and providing the substructure for necessary armament.
6. A Japan where economy is geared to the maximum beneficial extent with the economies of the free Asian and other free world coun-

⁵ Southeast Asia Collective Defense Treaty and Protocol, signed at Manila September 8, 1954, and entered into force for the United States, February 19, 1955. For text, see 6 UST 81.

tries, including a Japanese contribution of skills, technology, capital and capital goods to the economic growth and development of the underdeveloped countries.⁶

⁶Dulles commented on these objectives in a March 23 memorandum to Robertson concluding that "The essential, it seems to me, is that the Japanese should accept the basic premise that their future lies in close cooperation with the United States to create a balance of power as against the Soviet Union and Communist China." (Department of State, PPS Files: Lot 67 D 548, Japan)

6. Memorandum From the Assistant Secretary of State for Far Eastern Affairs (Robertson) to Secretary of State Dulles

Washington, March 28, 1958.

SUBJECT

Reappraisal of United States Policies Toward Japan

Attached is a study¹ which reappraises United States policies toward Japan and makes certain recommendations designed to improve United States-Japanese relations. The study points to the need to modify our policies further to take account of Japan's resumption of major power status.

Entering upon the post-treaty period, Japan recognized its dependence upon the United States in many spheres and in general was prepared to follow the lead of the United States in world affairs and to cooperate with the United States in defense and other matters. Alignment with the United States ensured the defense of Japan, greatly assisted its economic revival and was primarily responsible for the initiative leading to Japan's return to a leading position in world affairs. At this earlier stage, United States-Japanese relations entailed little conflict of interest or sacrifice of self-interest on either side.

In recent years, we have entered a new era in our relations with Japan where the major issues existing between the two countries involve

Source: Department of State, Central Files, 611.94/3-2858. Secret. Drafted by Pfeiffer and Green and concurred in by S/P, C, and L.

¹Not printed; see Supplement.

some conflict of interest with regard to territories, trade and the military posture of Japan. It appears essential to the continued alignment that there be a mutuality of interest and confidence which will enable each country to make difficult choices where some sacrifice of self-interest is required.

The study points to the necessity to accommodate Japan's essential trading patterns as the cornerstone of a full and continuing close cooperation. Cooperative long-term United States-Japanese relations will depend primarily upon the availability to Japan of raw materials and export markets in the United States and other free world nations which will enable Japan to maintain a viable economy.

In considering the various issues which tend to alienate Japan from the United States, the study arrives at the following recommendations regarding measures which the United States can take to remove or ease those issues (United States policies in the Ryukyus and Japan's dissatisfaction with present treaty arrangements have been treated at length in separate papers² which you have already received):

- (1) Consult fully with the Japanese on the disposition of United States forces in Japan and give consideration to waiving the Japanese yen contribution to the support of our forces in Japan;
- (2) Evince a clear and positive attitude toward trade with Japan and move to eliminate State statutes discriminating against the sale of Japanese textiles;
- (3) Consult closely with the Japanese Government on our policies toward China but avoid the appearance of pressure to make Japan conform to these policies;
- (4) Re-examine our Bonins policy to determine what steps might be taken with regard to limited repatriation and compensation for use of land;
- (5) Ensure that further withdrawals of United States forces from Japan are handled in a manner that will result in maximum political advantage to the United States;
- (6) Take certain steps to assist Japan to expand its trade with South-east Asia;
- (7) Re-examine our policies in the Trust Territory to permit limited Japanese access to the Territory;
- (8) To the extent feasible, give Japanese requests priority in allocating PL 480 commodities;
- (9) Examine the feasibility of increasing United States procurement of military commodities and services in Japan;
- (10) Complete on an urgent basis current negotiations for an atomic power bilateral with Japan; and
- (11) Consult as appropriate with high officials of the Japanese Government on current and long-range foreign policy problems, particularly in Asia.

² One of them was the "Draft NSC Policy Paper on the Ryukyus," February 1, 1958. (Department of State, FE Files: Lot 60 D 90, Japan-Ryukyus)

7. Memorandum for the Record

Washington, April 9, 1958.

SUBJECT

Okinawa

For some time the Secretary of State and I have been much concerned about our failure to make with the Japanese an acceptable and mutually agreeable arrangement for the Okinawa Base.¹

The problem is rather simply stated. We will obviously have the need for the Base for some years. At the same time the natives on Okinawa are growing in number and are very anxious to repossess the land that they once owned.

Regardless of legal or treaty arrangements, this conflict creates problems not only with our relationships with the people of Okinawa and Japan but could, if they become acute, be used for ammunition in the Communist propaganda attacks upon us. The situation could become unpleasant. While I do not expect the matter to assume the importance of the Cyprus difficulty with Britain, nor of the Algerian with France, still there could easily develop a situation that would create much embarrassment for us.

We feel certain that in the cases of Cyprus and Algiers the local populations would have readily accepted some five to six years ago privileges and rights that the respective mother countries would now gladly accord them. But the undercover struggles in these regions have for their purpose the expulsion of foreign troops from the area and so aroused emotions, misunderstandings and hatreds that nothing less than complete independence will seemingly satisfy the bulk of these populations.

The lesson is that we should be forehanded with offers that the Okinawans will clearly recognize as generous and understanding and which will have the effect at least for some years of forestalling trouble.

Source: Eisenhower Library, Whitman File, ACW Diary. Secret.

¹ The Secretary brought up the Ryukyus in his conversation with the President on April 1:

"I referred to relations with Japan and the desirability of some adjustment of our position there which would be sufficiently timely so that we and our Japanese friends could get credit for it. I spoke of the situation in Okinawa and the difficulty we had there, particularly with the Military High Commissioner who operated on a 'be tough' basis. I said I thought we should explore the possibilities of an enclave, of which we would have permanent or semi-permanent possession, with the administration of the rest of the island turned back to the Japanese. The President thought this idea well worth exploring." (Memorandum of conversation with the President by Dulles, April 1; *ibid.*, Dulles Papers, Meetings with the President)

The Secretary of State informs me that he and the Defense Department are working actively on the problem. I personally hope that there will be an offer made of some division of territory so that there may be established an American enclave of minimum size to meet our needs.

I would think that such a political agreement could be established together with reasonable financial remuneration. We might make of all these peoples firm allies rather than latent enemies.

DDE²

²Printed from a copy that bears this typed signature.

8. **Memorandum From the Director of the Office of Northeast Asian Affairs (Parsons) to the Assistant Secretary of State for Far Eastern Affairs (Robertson)**

Washington, April 12, 1958.

SUBJECT

Reversion of Administrative Rights in Ryukyus to Japan

In a conversation with Minister Shimoda of the Japanese Embassy at luncheon on Wednesday, April 9, I asked him what he considered to be the most important problem in United States-Japanese relations. His immediate response was the continued administration by the United States over the Ryukyus and the Bonin Islands.

In response to my query as to why this is such an important problem, Minister Shimoda stated that the Japanese consider that the Ryukyus and Bonins were a part of Japan proper before World War II. He added that Japan gave up Formosa, Korea and Manchuria. The Japanese people understand this, since these territories had been taken by conquest. The situation is different, however, for the Ryukyus and Bonins. I quickly responded that the same applies to the Kuriles, to which Minister Shimoda readily agreed.

I then asked Minister Shimoda what the Japanese thought should be done in relation to the Ryukyu-Bonin problem. He explained that there are two schools of thought: The first would call for the immediate reversion of the administrative rights in the Ryukyus and Bonins to Japan. The second advocates a gradual movement, including such things now as the adoption of Japanese textbooks in the Ryukyus, Japanese registry of births and deaths, to be followed by additional measures so that eventually administrative rights would have been turned over to Japan on a de facto basis.

I immediately explained that the proposal of the first school of thought would have the distinct disadvantage of inviting the Japanese to whittle away at the freedom of use by the United States of the military bases in the Ryukyus. Such whittling away would be detrimental not only to the United States but also to the defense posture which is so important to Japan. He explained that the Japanese people would understand that to obtain the return of the territory they would have to pay a price for it, and the price they would have to pay would be completely unfettered utilization by the Americans of the bases in the Islands.

[1 paragraph (4 lines of source text) not declassified]

I then pointed out that under such circumstances the Socialists and the Communists would exert continued pressure against unlimited use of the bases by United States forces, [less than 1 line of source text not declassified]. He responded that the answer to this one would be obvious and would put the Government of Japan in a much more tenable position than now. They could respond, and in his judgment it would stick with the Japanese people, that the United States had returned the territory belonging to Japan, whereas the Communists had not acted in this good faith in relation to the Kuriles, the Habomais and Shikotan. He felt that being in this position would be very beneficial to the Government of Japan on the territorial question.

The discussion of this topic concluded with Minister Shimoda's prognosis that in his judgment the Government of Japan would request the immediate return of the administrative rights to the Ryukyus and Bonins shortly after the general election which is now expected to be held around May 18, 1958.

9. Telegram From the Embassy in Japan to the Department of State

Tokyo, April 15, 1958, 11 p.m.

2707. For Robertson from Ambassador. Appreciate very much Deptel 2186.¹ I fully agree with soundness of underlying reasoning of proposal, namely that we seek stable long-term political basis for safe use of our bases in Ryukyus. I also believe that GOJ would agree to proposal along lines suggested in reftel (except for blank check that we have right to pre-empt any land we may feel we need in future). However, I feel that proposal in reftel is premature for immediate present for following reasons:

1. [2 lines of source text not declassified]. I believe that notwithstanding fact that technically we would, under proposal in reftel, have unrestricted use of base areas in Okinawa, GOJ, under present political conditions in Japan, might come under great pressure to attempt to impose on us limitations on use of bases similar to those which now exist de facto in Japan.

2. [8 lines of source text not declassified]. What GOJ needs most at this time is that we should exercise our administrative rights in Ryukyus so that inhabitants are reasonably contented. This would result in substantial reduction of difficulties in Japan until such time (which GOJ hopes will be in next several years) as we are able to work out satisfactory way to turn over administration of Ryukyus to Japan without impairing our basic security interests there.

3. While it is risky to make long-range predictions re Japanese attitudes, I believe there is good chance that within several years time if we handle our trade problems with Japan properly and if we make necessary adjustments in security treaty to make our security relationship a mutual one, situation may evolve favorably so that we will be able to have unrestricted use of bases in Ryukyus with Japanese concurrence. [7 lines of source text not declassified]

In light of above, I am convinced it is essential that we first take urgently necessary measures to arrest unfavorable trend in Okinawa. This would give us time we need to work out longer term solution, possibly along lines suggested in reftel.

Source: Department of State, Central Files, 794C.0221/4-1558. Secret; Priority; Limit Distribution. Transmitted in two sections.

¹ Telegram 2186, April 11, requested an evaluation of the feasibility and desirability of returning administrative rights in the Ryukyus to Japan. (*Ibid.*, 794C.0221/4-1158) See Supplement.

Minimum measures which I believe must be included in any program which is to succeed in stabilizing situation in Okinawa are the six recommended in Embtel 2548² which are:

a. Prompt action to change land policy from lump-sum settlements to some such system as five-year renewable leases. I cannot emphasize too strongly importance of moving forward promptly with this since we will fritter away benefits of recent announcement and intense disillusionment will set in here if review not followed soon by tangible results. (I fully agree with Naha's 169³ that changes which HICOM had in mind would not solve problem. In fact, they would compound it by trying to get GRI to put into effect on our behalf plan which will seem to be substantially equivalent to discredited lump-sum payment system.)

b. Assurance to Ryukyans of substantially greater economic and financial assistance looking to long term development of Ryukyuan economy. (This would not only be responsive to deep desires of Ryukyans but also could be played in Japan as helping to put islands on sound basis where they would not become excessive burden when they were returned.)

c. Decision to send competent civilian economic mission, which is essential to implement b above.

d. Giving Ryukyuan people substantially greater voice in their own administration and involving withdrawal of USCAR to maximum extent feasible from exercise of responsibility in local govt matters.

e. Recognition in practice of legitimate and inescapable Japanese interests in Ryukyus and desire of Ryukyans for ties with Japan. This could be effected through establishment of some kind of consultative mechanism allowing GOJ views to be presented and discussed in cooperative spirit while making quite clear that administrative authority for time being continues in our hands.

e [f]. Finally, I believe it is essential that in Washington some arrangement be put into effect (preferably through new executive order amending present one so as to give new arrangement the President's approval) which would give State Dept full and equal voice with Defense, including veto powers over all policies toward Ryukyus and all actions by High Commissioner, and since both policies and actions of HICOM

² Dated April 1. (Department of State, Central Files, 794C.00/4-158) See Supplement.

³ In telegram 169 Naha reported that High Commissioner Moore had cabled the Department of the Army for permission to announce to the Legislature that he was considering a change in the lump sum policy such that the GRI would handle acquisition of and payment for land. (Department of State, Central Files, 794C.0221/4-958) Dulles discussed land policy with Irwin on April 9. (Memorandum of conversation by Martin; *ibid.*, 794C.0221/4-958) That same day Dulles discussed Moore's suggestion in a phone conversation with the President but suggested delay; Eisenhower agreed: "tell him to keep his damn mouth shut." (Eisenhower Library, Whitman File, Telephone Calls) All documents cited are in the Supplement.

have, as we have learned hard way, deepest and most profound effect on our foreign relations and attainment of our foreign policy objectives in Far East and Asia. I continue to believe that it basically unsound to continue military govt in Okinawa for reasons set forth in my letters of Feb 1 and March 10⁴ to Secretary and you. However, if it is not possible to install civilian administration at present, I think it is essential to have some agreement fully approved by President along lines suggested in this paragraph.

MacArthur

⁴In a March 10 letter MacArthur reiterated his view that it was unsound to perpetuate military administration in the Ryukyus and that the Ryukuan problem was a political, not a military one. In addition, MacArthur thought that Japan had legitimate interest in the islands. (Eisenhower Library, Dulles Papers) See Supplement.

10. Memorandum of Telephone Conversation Between President Eisenhower and Secretary of State Dulles

Washington, April 17, 1958, 8:40 a.m.

TELEPHONE CALL TO THE PRESIDENT

I told the President that further examination into the Okinawa situation had led us to conclude that the moment was not opportune actually to propose a return to the Japanese Government of administrative control in Okinawa. Our military dispositions were at present scattered all around the island in a way which was incompatible with our limiting our jurisdiction to one or two enclaves. MacArthur concurred in the view that it would not be wise to move in this matter at the present time.

I said to the President that I felt that the military people should start on a program which might take three to five years to rearrange their affairs on Okinawa so as to facilitate subsequently a return to the Japanese of most of the administrative responsibilities over the Okinawan peo-

Source: Eisenhower Library, Dulles Papers, White House Telephone Conversations. Secret; Personal and Private. Drafted by Dulles.

ple. I recalled in this connection that the Nash report¹ had recommended a wider dispersal in the Pacific of some facilities now on Okinawa. The President said he thought this was a sound approach. He said he did not want to take it up in the NSC meeting but that I should explain this situation to McElroy and say that the President approved some such program and felt that unless we got in a position to do this we would have on our hands in a few years a Cyprus situation that would make our position there untenable or at least far from secure.

JFD

¹ Not further identified.

11. Letter From the Ambassador to Japan (MacArthur) to Secretary of State Dulles

Tokyo, April 18, 1958.

DEAR MR. SECRETARY: Walter Robertson has sent me a copy of your memorandum of March 23¹ in which you asked my judgment on certain aspects of the revision of the Security Treaty. I am enclosing a reply which I have sent to Walter dealing with those aspects which you and he raised.

Although the enclosed letter is quite long, I really hope you will be able to read it and discuss it with him prior to your departure for the NATO meeting.² I firmly believe, for reasons set forth in the enclosure, that following the formation of a new Japanese government (probably in June) we must be in a position to take the initiative in letting Kishi know that we are prepared to discuss treaty revision. I am convinced that such action holds the greatest hope for us to establish an identity of fundamental national interests with Japan in the vital field of security and thus to secure Japan's long term alignment with us. I am equally convinced that if we simply try indefinitely to temporize or stall on the issue of

Source: Department of State, Central Files, 794.5/4-1858. Secret; Official-Informal.

¹ See footnote 6, Document 5.

² Dulles attended the NATO Ministerial Council Meeting at Copenhagen May 7-9.

treaty revision, such action can only lead to a serious deterioration in our relations with Japan and will also encourage those elements in Japan which seek to shift Japan's orientation away from the United States. As things now stand, the conservative party in Japan still has support for its policy of alignment with the United States despite the basic and growing desire of all Japanese for a revision of the Security Treaty. Our willingness to effect treaty revision will strengthen the position of those who believe in Japan's long-term security alignment with the United States and will deny to neutralist and leftist elements a powerful argument for a disengagement policy on the part of Japan.

I think it is tremendously important for us to have the initiative in this matter. I feel that if we have the initiative, our prospect of obtaining what we can reasonably expect in a mutual security arrangement is good; whereas if we lose the initiative and the pressure builds up, we may, over a period of the next several years, lose what we have now.

After you have read the enclosure, I would be very grateful for your reaction. It was wonderful seeing and talking with you on the plane from Manila to Taipei, and I only wish there were some prospect of your coming out to Japan some time before next year.

As always, all the very best,

Sincerely,

Doug

Enclosure³

**Letter From the Ambassador to Japan (MacArthur) to the
Assistant Secretary of State for Far Eastern Affairs
(Robertson)**

Tokyo, April 18, 1958.

DEAR WALTER: Thank you very much for your letter of March 26⁴ bringing me up-to-date on your and the Secretary's tentative thinking with respect to revision of the Security Treaty with Japan.

In your letter you ask for my views on the Secretary's comments before possible discussion with the President and Defense. At the out-

³ Secret.

⁴ Not found.

set, let me say that I agree completely with the Secretary that the essential objective of treaty revision is to develop and expand our close relations with Japan so as to create a balance of power as against the Soviet Union and Communist China. A balance of power involves, of course, not only military aspects but also very important economic and industrial, political, and psychological aspects. The military and other material resources available to balance the Sino-Soviet bloc will obviously not necessarily be increased by a new treaty. Only the steady and continued growth of Japan's economic and military capabilities, coupled with a desire in her own interest to do more in the field of defense, will accomplish such an increase in the military resources available to balance the threat from the mainland. On the other hand, our basic policy objective with respect to Japan, as I understand it, is the same as our objective with respect to Germany, namely, the firm alignment of Japan (with its vigor and industrial capacity) with the United States and the free world. A truly mutual security treaty which aligns Japan with the United States will, in my judgment, have a real impact on the balance of power, since I believe it will over a period of time result in greater Japanese defense efforts. But also in Asia it will have an important political and psychological sense by wiping out latent doubts over where Japan's basic loyalties lie, which in turn will affect the attitude and alignment of other free Asian countries.

What are the specific objectives of treaty revision? Certain specific "long-term security objectives" are mentioned in the paper attached to the memo you sent the Secretary.⁵ While such objectives would be useful for us to have, they will have to be sought, as the Secretary commented, in evolution rather than in terms of what is written into the text of a revised security treaty. The draft treaty which I suggested had in mind the long-term security objectives of American policy, and particularly the long-term alignment of Japan within the framework of a reasonably durable, dependable, and realistic arrangement. But at the same time it took into account the political and psychological realities which we now face in Japan. While Japan is now in practice aligned with the United States, it is not yet a dependable alignment *because of the feeling of many Japanese that the alignment was forced on them by us in a one-sided manner for our own purposes rather than for mutual benefit*. Therefore, a fundamental objective of treaty revision would be to define this alignment in a form which will not have attached to it the stigmas and disadvantages now associated in Japan with the present Security Treaty in order to give the alignment durability and dependability.

⁵ Document 5.

It can be argued that at present Japan is essentially uncommitted to the West because it has reservations regarding certain aspects of some of our policies. It is true that Japanese policy does not on all issues, including some of great importance, coincide with our own; but, neither does British policy on Communist China; nor does Norwegian and Danish policy on the stationing of non-national NATO forces on their territory; etc. Such differences do not destroy our basic ties with these countries, and similar differences with Japan need not vitiate its basic alignment with the United States. If treaty revision requires unreserved acceptance and approval of all aspects of all major U.S. policies, then I am confident that Japan will not pay this price, any more than would Britain, France, or other of our allies. *However, if we are seeking a basic alignment with Japan which establishes an identity of fundamental national interests in the vital field of security, and a framework for adjusting differences in security matters, early treaty revision is not only feasible and meaningful but absolutely essential.*

The need to consolidate our present alignment with Japan in a treaty agreement is an urgent one.

There are unquestionably elements in Japan which suggest a disengagement from close ties with the United States and toward neutrality or non-involvement as to security commitments. The motivations of such elements are to some extent based on the neutralism and pacifism which is the stated objective of the Socialist Party (and of course the Communist Party) and which strike a responsive chord in the emotional reflexes of much of Japanese opinion, which still feels that "militarism" brought a great disaster to Japan. As the memories of the war, defeat, and occupation recede, however, the acceptability of the Japanese defense effort is gaining momentum and the underlying trends in this general field are favorable to our own interests.

However, quite aside from the stated policies of the Socialists, neutralists, and Communists toward disengagement from close relations with the United States, there is a universal desire among the Japanese to liberate themselves from those terms of the security relationship with the United States which they consider as being "genuinely unequal". This is not an "alleged" inequality, to quote the phrase in FE's memorandum to the Secretary.⁶ There is, as we all recognize, actual inequality. This has nothing to do with the size of the respective military forces of the two countries. A U.S. military view is that the Japanese can have "equal" treaty status when they have "equal" military forces. This can never happen because of the disparity in the strength and resources of Japan and the United States.

⁶ See Document 5.

There is another aspect of the problem which I would like to touch upon. It is logical that we should want to use military facilities in Japan to "contribute to the maintenance of international peace and security in the Far East". Our bases in Japan must in practice be linked with our base structure elsewhere in Asia. This Japan recognizes, but it is unwilling to grant us *in advance* the unilateral right to use them as we please in hostilities in which we may be engaged but in which Japan is not. The Japanese are no different in this respect from our other allies. They cannot and will not accept, any more than the United States or any other country would accept, a treaty arrangement which manifestly deprives them in advance of any say as to how their territory is to be used by another power (i.e., the United States) in hostilities which in the first instance do not involve Japan directly but which Japan might be dragged into against her will by the action of foreign forces operating from her soil. We have no such rights in NATO, as demonstrated again by the circumstances of the recent agreement with the UK⁷ on missile bases. The Japanese have noticed that the Secretary said in his press conference of April 1 that "the pattern for any such agreements has been set by our arrangement with the United Kingdom, where it is expressly stipulated that there cannot be any use of those bases except with the consent and participation of the government of the United Kingdom, and the same would presumably apply to Italy."⁸

Japan, as does every sovereign power, seeks to exercise control over the use of our bases here, particularly during an emergency, not necessarily because it desires to restrict such use rigidly, but because it wishes to assure that any U.S. actions from these bases involving major consequences for Japan will be taken in consultation and agreement with the Japanese Government and for objectives which the Japanese see as being in *their* national interest as well as in ours.

Actually, what is much more important than the so-called "right" (which will not be granted us) unilaterally to use bases in Japan for any purposes we see fit, is Japan's continued alignment with the United States and the continued use of Japan as a logistical base to support our forces in the Far East. I think we all agree that the danger of war breaking out in the Far East is not the danger of planned, overt Communist aggression. The danger is that if there is not adequate deterrent military strength deployed in this area, the Communists might be tempted to use force (just as they did in Korea). Therefore, the continued presence in the

⁷ Agreement relating to the supply by the United States to the United Kingdom of intermediate-range ballistic missiles, with memorandum, effected through an exchange of notes at Washington, February 22, 1958; entered into force the same day. For text, see 9 UST 195.

⁸ See Department of State *Bulletin*, April 21, 1958, p. 640.

Far East of the minimum necessary deterrent military strength is vital to the preservation of peace, and Japan is of major importance to the proper deployment and logistical support of our deterrent forces. For example, Admiral Stump told me that if we did not have the two large fleet facilities at Yokosuka and Sasebo and the other naval facility in the Philippines, it would take two-and-a-half times as many ships and men to maintain the 7th Fleet at its present strength in Far Eastern waters. This would involve a terrific additional defense appropriation.

Our considered judgment in the Embassy is that our best chance of aligning Japan with the United States for the longer term, and of being able to continue to use Japan for logistical support and deployment purposes, is to revise the Treaty now. On the other side of the coin, we are convinced that the longer we put off making the necessary adjustments, the more the pressures will build up and the latent forces of neutralism and non-involvement will gain ground. In this connection, I would like to remind you that just a year ago great pressures were building up for the withdrawal of U.S. forces. When we agreed to withdraw all of our forces if necessary, the steam went completely out of the withdrawal movement. We are convinced that a new mutual security treaty will substantially reduce pressures in Japan for a policy of non-involvement and will certainly have far greater acceptance and support in Japan than the present Security Treaty.

Negotiation of a new treaty thus involves a "calculated risk", but as the Secretary has so often pointed out, all decisions where gains are sought generally involve an element of calculated risk. It is our considered judgment that what I have said above comes as close as we can to the Secretary's condition that before making a treaty there should be confidence that the very fact of making the change will bring about the basic attitude which we wish to see. A prime example of what we believe may gradually be accomplished following treaty revision is on nuclears. We believe there is a definite possibility that one day Japan will allow us to have nuclear components in Japan (perhaps on somewhat similar terms to what we have with the UK) and will themselves have at least defensive missiles with a nuclear capability. [3-1/2 lines of source text not declassified].

On a broader plane, a willingness on our part to revise the Treaty should wipe out resentment of the "one-sided" Security Treaty and greatly improve the climate of public opinion on security and defense matters which now inhibits Japan's leaders from moving ahead as rapidly as some would like in strengthening Japan's defense forces and broadening Japan's security commitments. The Japanese-American Committee on Security has helped for the time being to reduce some suspicions of the "one-sided" nature of US-Japanese security relations. But, the Committee was at best only a temporizing expedient to keep

pressures for treaty revisions under control until such time as we were in a position to discuss privately with the Japanese Government a new arrangement. And, recently the Security Committee has come under progressively heavier criticism not only from the Socialists but also from the press, and even conservative elements, for not studying treaty revision.

Finally, the draft treaty would represent the first commitment by Japan to a mutual security arrangement. The proposed treaty area comprises, in our view, what the Japanese can realistically be expected to commit themselves to at present in view of (1) their limited military capabilities, (2) the need to concentrate for the present on building up forces to be deployed in the defense of the Japan area (this, incidentally, is to our immediate benefit since we have forces tied down here which we could perhaps better use elsewhere), and, most important (3) the Japanese interpretation of Article 9 of the Constitution and the barriers in Japan and elsewhere in Asia to use of Japanese troops abroad. I think the treaty area which we envisage must be defined to Kishi at the outset if we are to go on to constructive discussion of other issues. When Japan is able and willing to play a larger military role in Asia, there will be ample opportunity to broaden the treaty commitments. In fact, given Japan's past history, I would suspect that the initiative for this may well come eventually from Japan. A mutual security pact with the proposed treaty area is still a substantial advance for Japan. Our treaties with the Republic of China and Korea⁹ are, incidentally, no more extensive.

Let me say again, I frankly think that we have little choice but to move ahead *after* the elections and start quiet talks with Kishi on a draft treaty along the lines I have proposed. To delay these discussions and treaty revision can only lead to a serious exacerbation of our relations with Japan and encourage the forces in Japan who seek a shift in Japan's orientation away from the United States. Friendly elements are now in power here and their policy of alignment with the United States still has support. Our willingness to effect treaty revision will strengthen the position of those who believe in Japan's alignment with the United States. Early treaty revision is, therefore, very much in our own enlightened self-interest.

Summary

To summarize, in answer to the question raised by the Secretary, it is my judgment that a change in the Security Treaty at this time will in itself help to intensify Japan's cooperation with the United States over

⁹ U.S.-ROC Mutual Defense Treaty, signed at Washington December 2, 1954, and entered into force March 3, 1955. For text, see 6 UST 433. U.S.-ROK Mutual Defense Treaty, signed at Washington October 1, 1953, and entered into force November 17, 1954. For text, see 5 UST (pt. 3) 2368.

the subsequent years. I would earnestly hope, therefore, that the necessary steps could be taken in Washington *now* so that after the elections and the formation of the new Japanese Government, probably early in June, I would be authorized to initiate talks with Kishi on treaty revision.

On the above basis, I believe we have a good prospect for negotiating a new treaty that will be mutually satisfactory and will contribute to the strengthening of Japan's alignment with us.

Sincerely,

Douglas MacArthur II¹⁰

¹⁰Printed from a copy that bears this typed signature.

12. Memorandum From the Joint Chiefs of Staff to Secretary of Defense McElroy

Washington, May 1, 1958.

SUBJECT

Strategic Importance of Okinawa (U)

1. A major requirement for the ultimate security of the United States is the ability of the United States to maintain strategic control of the Pacific Ocean. Effective control of that ocean demands secure operating bases for facilitating full exploitation, both defensively and offensively, by United States Military Forces. The United States has major bases in the Ryukyu Islands which can be rapidly expanded in an emergency and which are not dependent upon the political disposition of a foreign sovereign power. In the event of global war or expanded hostilities in which it is necessary to launch attacks, including atomic, against the USSR, China, or Communist forces elsewhere in the Far East, it is essential that the United States be able to stage operations from these strategically placed bases without curtailment. The entire United States strategic position in the Pacific would be seriously jeopardized if the Ryukyus were to come under the control of Japan, whose political insta-

bility might lead to a denial of the use of these bases by U.S. operating forces at a critical time.

2. Under the provisions of Article 3 of the Japanese Peace Treaty, the United States exercises all and any powers of administration, legislation and jurisdiction over the territory and inhabitants of the Ryukyu Islands. The retention of this authority conflicts with the desire of Japan for the return to it of administrative control over the islands; however, overriding security reasons forbid any reduction in the full control in the Ryukyus now exercised by the United States. In the Eisenhower–Kishi communiqué of 21 June 1957,¹ the President reaffirmed the United States position that Japan possesses residual sovereignty over these islands, but he pointed out that so long as the conditions of threat and tension exist in the Far East, the United States will find it necessary to continue the present status.

3. On 29 November 1957, by a memorandum subject “Future Deployments of the Intermediate Range Ballistic Missiles (C)”,² the Joint Chiefs of Staff provided you with recommendations concerning IRBM deployments. Among the locations recommended was the island of Okinawa. A major consideration in the selection of Okinawa was the fact that the IRBMs could be deployed and operated from that location without requiring negotiations with any other government.

4. With reference to Okinawa, informal information indicates that the Department of State recently requested that the Department of Defense notify it prior to any deployment of IRBMs, or to the undertaking of any action, such as the construction of sites, which might lead to public knowledge of U.S. intentions to deploy IRBMs on the island. This request was made in order that the Department of State would be afforded the opportunity to seek the advice of the American Ambassador in Japan as to whether he considers it desirable to provide the Japanese Government with advance information regarding U.S. intentions in this matter. The Joint Chiefs of Staff consider that it is inadvisable to consult with the Japanese Government concerning any military activities in the Ryukyu Islands.

5. While it is understood that the knowledge of the introduction of IRBMs on Okinawa might have an effect on the political situation in Japan, the Joint Chiefs of Staff do not feel that this should be the deciding factor. Since it does not appear possible that the United States will be able to introduce nuclear weapons into Japan in the foreseeable future, the importance of Okinawa as a base for the IRBMs is increased.

¹ See Department of State *Bulletin*, July 8, 1957, pp. 51–53.

² Not found.

6. The Joint Chiefs of Staff reaffirm their views with regard to the continuing importance of Okinawa as a military base, which should be kept under United States control without encroachment by Japan.

For the Joint Chiefs of Staff:

N.F. Twining³
Chairman
Joint Chiefs of Staff

³ Printed from a copy that bears this typed signature with an indication it was signed by Twining.

13. Memorandum From President Eisenhower to Secretary of State Dulles

Washington, June 4, 1958.

I return herewith without my approval the draft of the letter¹ you recommended that I sign to the Prime Minister of Japan regarding the currency conversion proposed for the Ryukyu Islands.

This proposal seems to be one of doubtful wisdom, particularly because of its possible effect within Japan. I am sure that the use of American currency in the Islands would be interpreted in Japan as an unexpressed but nevertheless latent ambition of this country to annex those Islands. The mutual friendship and trust that have been built up between our country and Japan are extremely valuable and I do not see why we should chance damaging them in the effort to achieve a greater administrative efficiency.

If the Prime Minister of Japan himself recommends the use of American currency because of a favorable effect upon the Ryukyu econ-

Source: Department of State, Central Files, 894C.13/6-458. Secret. A copy was sent to the Secretary of Defense.

¹ Attached to Dulles' June 3 memorandum to Eisenhower. (Eisenhower Library, Whitman File, Dulles-Herter Series) A note on the source text by Goodpaster indicates the draft was retained by the White House. Also pertinent is Dulles' memorandum of a conversation held with Eisenhower June 4. (*Ibid.*, Dulles Papers, Meetings with the President) See Supplement for both.

omy, and would agree that the consideration would in his mind outweigh any fear of possible future attempts on our part to annex the Islands, then I would be ready to give my approval to the project.

In the meantime I suggest that Ambassador MacArthur be instructed to lay before Premier Kishi all the anticipated advantages and potential disadvantages of the proposal and to make a complete report to you.

After the matter has been so studied and reported on, I will be ready to consider the paper again.

D.E.

14. Telegram From the Embassy in Japan to the Department of State

Tokyo, June 4, 1958, 7 p.m.

3189. Passed COMUS/Japan via other means. Re Deptel 1545.¹ After much discussion with Finance Ministry, FonOff have now told us that in order to avoid possible future criticism for having made "secret agreement", they preferred have understanding that 3 billion yen reduction was special reduction for this year only written into unclassified notes instead of being contained confidential letters. However, because of intense political pressures which issue has generated in past, and probably will generate in future, they do not wish to call undue attention to matter and accordingly, strongly prefer following language to that in Deptel 1645. It seems to us to contain ample assurances along lines requested reftel. It would take place of last sentence in penultimate paragraph Embtel 1886.²

"It is understood that for the Japanese Fiscal Year 1958 only the reduction from the previous year includes \$8,333,333.33 in addition to the

Source: Department of State, Central Files, 794.5/6-458. Confidential.

¹ The telegram number was corrected by hand on the source text to telegram 1645. Dated February 5, it suggested some changes in wording and proposed that the agreement be effected through confidential exchange of letters. (*Ibid.*, 794.5/1-2258)

² The last phrase in telegram 1886 from Tokyo, January 22, reads: "concerning amount to be made available to us under Article XXV 2 (B) of Administrative Agreement for JFY 1958." (*Ibid.*)

progressive reduction calculated in accordance with the provisions of the exchange of notes of April 25, 1956.³ It is understood further that this additional sum does not create a lower base for calculating the yen contribution in Japanese fiscal year 1959 than would have obtained without the additional reduction."

FonOff also wishes insert words "which can be carried over under relevant provisions of Japanese laws and regulations" after words "prior fiscal years" in numbered para 2 in draft note. This is their view, which seems reasonable, of what language was intended to mean. This clarification prompted by informal discussion of fact that, while greater part of unexpended funds have in fact been carried over at end of each fiscal year, in accordance with agreements and with normal Japanese budgeting practice, there are each year certain lapsed funds from prior years which cannot legally be carried over again. There have been such lapses (in other ministries besides Defense agency) at the end of each Japanese Fiscal Year, for many years long antedating yen contribution formula agreement. They have ranged in magnitude from 3 to 6 billion yen. These lapses are of minor nature in relation to over-all Japanese defense performances and of even less importance in relation to our over-all objectives in Japan. Embassy view is that we must consider that there has been "mutually satisfactory execution" of agreements for previous years within meaning of April 25, 1956, exchange of notes and that proposed language change should be accepted.

Urgently request approval both foregoing changes in order that final clearance within GOJ may be obtained and exchange of notes concluded.⁴ They would be accompanied only by exchange of letters similar to those last year.

MacArthur

³ See footnote 3, Document 1.

⁴ Department approval was given in telegram 2749 to Tokyo, June 20. (Department of State, Central Files, 794.5/6-458) An exchange of unclassified notes took place in Tokyo, August 12, 1958, and entered into force the same day. For text, see 9 UST 1238.

15. Telegram From the Embassy in Japan to the Department of State

Tokyo, June 5, 1958, 5 p.m.

3202. For Secretary from MacArthur. Fujiyama has alerted me that following the formation of the new Japanese Cabinet, he and Kishi wish to have serious, confidential discussions with me regarding basic security problems, including revision of the US-Japan Security Treaty. The FonOff is now working on preparation for these talks, with a view to adjusting basic security difficulties with us, including seeking assurances of full consultation and agreement with the GOJ regarding deployment of US forces and their equipment (i.e., nuclears) in Japan and use of US forces based in Japan in hostilities elsewhere in Asia.

The strong pressures within Japan for an equal voice in the basic decisions mentioned above, which directly affect Japan's national interests and security, are the inevitable consequence of Japan's recovery from postwar weakness to a position as one of the leading nations in the world.

While Kishi faced heavy political pressure in the Diet and later in the election campaign to secure assurances from the US regarding introduction of nuclears into Japan, he refused to be stampeded into hasty action. In part, I think, this was due to the fact that I have consistently taken the position with him that until the Japanese elections were over and a new government formed, it was most unwise to try to deal with basic security problems since these issues, which require serious and dispassionate study, would inevitably become enmeshed in the emotional atmosphere of a political campaign.

However, the time has now come when we must deal with these basic security problems. I cannot emphasize too strongly that if we are interested in Japan's basic security alignment with US and the free world (which I understand to be one of our basic foreign policy objectives), we must now treat Japan as a full and equal partner, and not try to prolong the present one-sided and unequal arrangements which give US on paper certain "rights" which, however, are totally unenforceable. In other words, in revising the security arrangements, we must be prepared to treat Japan on the same basis of equality that we treat our NATO and SEATO and other Allies. We will lose our shirts if we try to hang onto arrangements which, although necessary and appropriate when the agreements were signed, are now overtaken by the evolution of events.

Given the present situation, it seems to me we have only two courses of action. The first would be to resist revising the security treaty and make piecemeal adjustments in our security arrangements, (i.e. on nuclears, deployment and use of US forces in Japan, etc.) giving in reluctantly inch by inch as the pressure and public opinion mount against us. This, I think, would be a disastrous course to follow and could lead to steady erosion of our position in Japan as forces favoring neutralism gain ground by appealing to public sentiment against the inequalities in the present security treaty. The alternative course of action would be for US to take constructive initiative, when Kishi raises this matter with me, looking toward a new treaty.

Whether we like it or not we are going to have to deal constructively with the problems of nuclears and deployment of forces, etc. I am convinced that it is to our advantage to do so in the context of offering to negotiate a new security treaty which is truly mutual and which would strengthen Japan's alignment with us rather than by making a series of piecemeal agreements while still holding on to the present security treaty. I say this because the present treaty is extremely vulnerable from the political and psychological viewpoints in Japan because of its one-sided nature.

With respect to the treaty area in a new treaty, my own feeling is that we should propose from the outset that the area include the Japanese islands and the Article 3 islands of the peace treaty (Ryukyus and Bonins). This will be a substantial step forward in terms of engaging Japan's responsibility for mutual defense outside the area of the Japanese home islands and would be, I think, strongly in our interest. It is quite clear that the Japanese Government will resist any commitment to a broader treaty area which requires them to send their forces abroad into Asia or elsewhere not only because of the present interpretation of the constitution but because the public is unprepared as yet to support such a commitment. To ask for such a commitment at this time will be interpreted by the Japanese as a clear indication that we do not in fact desire treaty revision at this time.

Until this matter is discussed with Kishi, I cannot of course say with certainty what his reaction will be to a new treaty even with the limited treaty and concept. However, I think that there is a good prospect of success and, in any event, the very fact that we have offered such a mutual defense treaty will have beneficial effect on those Japanese who were convinced we intend to hold onto our treaty rights to the bitter end, just as our offer last year to withdraw all our forces took all the steam out of the corresponding pressures for total withdrawal of US forces.

In conclusion I would like to emphasize very strongly that the present atmosphere for constructive discussions with the Japanese is most favorable. Kishi has won a substantial victory at the polls and his posi-

tion is strengthened. He believes, as a result of his talks with the President and you last June, that we are in deadly earnest regarding the new era of true partnership and he wishes now to make the adjustments in our security arrangements based on the concept of full equality and partnership which will remove a serious source of potential danger in Japanese-American relations. While the situation is now favorable, it will not remain so indefinitely if we are unable or unwilling to take constructive action. If we do not take constructive action, the very security alignment we want with Japan will be undermined; our relations with Japan envenomed; and at the same time we will be undermining the very leadership in Japan which holds the best promise for bringing Japan in the coming period into a long-term, durable alignment with the US and the free world.

I would very much appreciate your views on this vitally important matter in view of my forthcoming talks with Kishi and Fujiyama.

MacArthur

16. Telegram From the Department of State to the Embassy in Japan

Washington, June 23, 1958, 7:49 p.m.

2756. For Ambassador. Embtel 3202¹ and letter April 18.² As you know from communications from Department, at time you were recommending consideration revision Security Treaty with Japan we were exploring within Department possibility discussing with Prime Minister reversion of administrative rights in Ryukyus with bases being reserved as military enclaves over which US would retain complete jurisdiction.

Both these considerations were directed at a determination of what action US might be advised take to encourage Japanese move toward more satisfactory mutual security relationship with US.

Source: Department of State, Central Files, 611.94/6-558. Secret; Limit Distribution; No Distribution Outside Department. Drafted by Parsons; cleared with S/S, L, G, and E; and approved by Dulles.

¹ Document 15.

² Document 11.

Following receipt Embtel 2707³ we decided that the wide scatter of American bases in Ryukyus and the uncertainty with respect to need for missile-launching sites presented problems which could not be immediately overcome in connection with possible administrative reversion. In this connection I plan talk to Secretary McElroy soon about entire range short and long-run problems in Ryukyus. During conversation I plan raise question base consolidation and more accurate forecast missile-launching sites with view to furthering consideration between two Departments of possibility administrative reversion.⁴

Meantime Department has also been working on draft security treaty which you forwarded to Department with letter February 18.⁵ Your draft seemed too closely geared to present political atmosphere in Japan. Accordingly draft language is being modified so that while not inconsistent with present political posture in Japan it would, at same time, permit Japan later on to assume increasing responsibility without necessitating prior revision of the treaty itself. This could be largely accomplished by leaving one or more of the articles "open ended". Specific changes being telegraphed separately.

In our consideration various problems in US-Japanese relations, Department feels somewhat handicapped by lack complete knowledge Japanese thinking relation to their long-term objectives in security field. We recognize Japan's defense effort is increasing annually but we are not clear as to how fast and in exactly what direction these moves will take Japan in future. Accordingly before making any firm decisions in Washington as to which of various means might be chosen to stimulate Japan in development firmer alignment with free world and greater participation in defense responsibilities Pacific area you should probe possibilities with Foreign Minister and Prime Minister as they follow-up approach Foreign Minister reported Embtel 3202, and approach Prime Minister reported Embtel 3354.⁶

In our view moving ahead in security area in Japan is heavily dependent upon Prime Minister's ability develop support Japanese people for direction which it appears he wishes to pursue. Accordingly his judgment regarding direction and speed Japan's development in

³ Document 9.

⁴ Reported in a memorandum of conversation between Dulles and McElroy dated June 30. (Department of State, Central Files, 794C.0221/6-3058) See Supplement.

⁵ Document 4.

⁶ In telegram 3354 from Tokyo, June 19, MacArthur informed the Department that during his meeting with Kishi on June 18 the latter reminded the Ambassador of Japanese interest in having confidential talks on U.S.-Japanese security arrangements. (Department of State, Central Files, 611.94/6-1958)

defense area becomes important element in manner in which we as Government handle problems which discussions with him will raise.

Anticipated Mr. Kishi would wish to discuss not only security relations and Ryukyuan problems with you but also Japanese-American trade and economic development Southeast Asia. While there is little that can be added regarding these economic matters present time believe exchange views would be beneficial and you are free enter into exploratory talks on these matters without of course committing the US in any way.

Dulles

17. Letter From CINCPAC's Political Adviser (Steeves) to the Assistant Secretary of State for Far Eastern Affairs (Robertson)

Honolulu, July 18, 1958.

DEAR WALTER: I desire to pass on to you and to certain others in the FE Area some advance information on current thinking in this headquarters with respect to revision or renegotiation of the United States-Japan Security Treaty. Ever since it has been known that the possibility exists that treaty revision may be a subject of discussion, either on the initiation of the Japanese or us, there has naturally been a great deal of interest exhibited here. While there is by no means unanimity of opinion, interest naturally centers around the purely security or military aspects as opposed to the political. The appreciation of the political implications (even possible advantages) of a new treaty is not absent. This is especially true in Admiral Stump's own thinking and in minds of others on the staff whose minds range more widely over the entire spectrum of United States-Japanese relations.

Source: Department of State, FE/NA Files: Lot 61 D 68, U.S.-Japan Security Treaty, 1958. Secret; Official-*Informal*; No Distribution Outside Department. Copies were sent to MacArthur, Howard Parsons, and Marshall Green.

A staff study originating in Plans has been prepared and submitted to CNO¹ which I think will never see the light of day. It was, as its authors described it, the military community talking in the family. It sets forth the maximum position which the United States should hold for in any possible renegotiation of the Security Treaty. In its present form it is unrealistic beyond description. In terms of United States privileges it goes far beyond what we now enjoy under the Security Treaty and the Administrative Agreement. In view of its unrealistic tenor I raised the question as to whether or not it should even be submitted. While agreeing, it was felt that it deserved a place in the basic studies of this problem but should be followed rather rapidly with a more reasonable paper describing the position which, in the viewpoint of this headquarters, should be the minimum position for which we should negotiate if indeed these negotiations ever come to pass. I should like to pass on to you the position which I have taken with respect to this somewhat delicate and obviously controversial subject. In so doing I have naturally tried to keep my advice within the bounds of the studied opinion reflected from the Embassy and the Department. This letter therefore at once becomes not only an interim report on opinion here but a request for continuing guidance in order that I may be as effective as possible in guiding opinion here to an eventual unified position.

Procedurally I have pointed out that all that is being contemplated at the moment is that exploratory informal talks at the highest level in Japan may take place. We may discover, when and if these are initiated, that the Japanese do not really desire to negotiate a new treaty at all. We may discover that what Kishi and his cohorts of like mind want is a liberal interpretation of the existing treaty to govern our relationships in the security field for some years to come rather than to forge a new one.

I may interpose here to say that in my mind there is considerable unjustified suspicion of Kishi's basic motives. I do not think that this is any disappreciation of Kishi as a person but rather an expression of some rather long-standing, ill-defined prejudices. There exists some suspicion that the Japanese are wanting to drive a shrewd bargain, renege on present obligations and free themselves from close identification with the United States and its Asian policy. I have tried to counter this by all of the solid reasoning that has come out of the Embassy at Tokyo which of course recognizes Kishi as a Japanese nationalist and undoubtedly a shrewd one (we would not respect him if he were not) but that on balance it is our considered opinion that we have never had the favorable atmosphere since the war in Japan-United States relations

¹ Dated July 1 and enclosed with JSC 2180/117, August 6. (National Archives and Records Administration, RG 218, JCS Records, CCS .092 Japan (12-12-50)) See Supplement.

which Kishi has been instrumental in creating. Further, Japanese leaders may be very "Japanese" without being anti-American wanting to deal with us on a basis of complete equality. I have pointed out that it is the considered opinion of the Ambassador that if it should transpire that it is to our advantage to express willingness to discuss treaty revision or renegotiation we may be taking advantage of a favorable atmosphere in the Kishi period which might not be duplicated for some time to come. I have argued that in years to come, looking at this period in retrospect, we might have been much better off to have been willing to discuss treaty revision in an atmosphere where a desire to cooperate exists rather than to have the issue forced upon us by a subsequent more "right" or "left" government in Japan. I hope in saying these things that I have reasonably well reflected the consensus and the philosophy which exists in the Department and in the Embassy at Tokyo.

Moving into the substantive aspects, I have tried to prepare this Command to recognize that we are just not going to get all that we might desire. The continuation of some of the privileges described in the Administrative Agreement would not be obtainable in a renegotiated treaty; that it may not express the full mutuality with respect to area defense which we would like, and that we should therefore give very careful study to the minimum requirements that the military feel essential in order not to damage our vital security interests in that area of the world. Here are a few comments on some substantive aspects of the question:

1. *Operational Area.* Perhaps most important for the military, apart from having a treaty at all, is the question of the area within which we would be permitted to operate from Japanese bases. Obviously, any restriction against use of Japanese bases for "hot" defense of Korea, Formosa and other areas beyond Japanese territory would change our entire strategic defensive position in Asia and would place severe limitations on the value of Japanese bases. We might well lose a war in Asia before it would reach Japanese territory. An arrangement permitting defense of Japan only will be of strictly limited value until methods of warfare change more drastically.

2. *Treaty Area.* This is related to, but distinct from, the question of the Operational Area. Ideally, there would be no restriction on either the Treaty Area or the areas within which we could operate from Japanese bases. It should be clear to us all, however, that we are not likely to get such freedom of action or recognition of such wide identity of interest in a revised treaty.

Knowing the sensitivity of the Japanese public on both these issues, perhaps we could aim for language which deals with attacks on United States and Japanese "interests" (or "posing a threat to their security") in the Western Pacific without being too specific. This would permit each side to interpret the language broadly for public purposes (a favorite

Japanese device) without binding the Japanese Government to restrictions which it would not want when the chips are down. Although this would not give the military guaranteed use of Japanese bases for all defensive purposes, it would be better than a firm restriction against their use for such purposes and probably could be sold to them on that basis.

3. *Nuclears*. The military will, of course, want no restriction on their freedom to place nuclears as and where their strategic and tactical needs require. [8-1/2 lines of source text not declassified]

[3 lines of source text not declassified] This points up, I think, the real basis for military reluctance to disturb present arrangements. They ask how it will be possible to insist upon retention of rights which stem from the very document which would be opened for renegotiation. They fear that one of the possibilities inherent in opening the question for negotiation is the danger that the Japanese will prefer no treaty to one which gives them less than they want. In short, they tend to feel, Japan has everything to gain and nothing to lose by any change in the present arrangements. We, on the other hand, they feel, have little to gain and much to lose. I need hardly add that we in POLAD continually stress that the present treaty is uniquely one-sided and will be worth little to us if it alienates Japan and the Japanese. We need to remind ourselves rather frequently that a treaty is not worth much more than the actual mutuality to which the agreement only gives expression.

4. *Access to Bases*. There is much concern here that the Japanese will seek to restrict our freedom to re-enter any bases or areas in Japan which we might now give up. While the staff here are not sanguine about their chances of getting uninhibited entry rights in the future, they will undoubtedly press for just that.

5. *Jurisdiction*. Although not a part of the Security Treaty, arrangements governing jurisdiction are very much related. Our general impression is that the military here have no serious quarrel with the present arrangements. Any attempt by the Japanese to increase their jurisdiction over our forces would very likely be resisted.

6. *Customs, Immigration and Taxation*. Immigration and customs treatment relate directly to the question of personnel and goods. On the official level, for personnel and equipment, the military will insist that any future arrangements be entirely consistent with their operational and strategic requirements. With regard to taxation and customs treatment for personal effects we can expect opposition to any arrangements likely to render military duty in Japan more costly, or more unpleasant from this point of view, than other foreign assignments.

7. *Japanese Forces*. The size and composition of Japanese forces, their disposition in event of threatened or actual hostilities and command relationships will all be matters of intense interest.

Just how far our military advisers will go in pressing for the view that a renegotiation of the treaty must be made contingent upon the Japanese willingness to take unilateral steps, I am not sure. They feel initially that we should ask for Japanese constitutional amendment, assurance that they will meet certain force goals in their own defense buildup, strengthen security legislation within Japan, etc. As desirable as these may be, in private conversation I have pointed out that we are not likely to get any such far-reaching commitments from the Japanese in what to them appear to be purely domestic matters with which we have no concern.

In discussing this whole matter of possible United States-Japan discussions of treaty renegotiation, I recognize that we are talking about two possible documents; first, the broadly-worded Mutual Security Treaty and secondly, something to take the place of the Administrative Agreement which would undoubtedly grow out of the second treaty much as the current Administrative Agreement grew out of the first. Undoubtedly detailed military interest will be much greater in the provisions of the new Administrative Agreement than in the treaty itself.

I hope that this discussion of this question will be helpful to Washington and Tokyo in assessing some of the views here.

Yours sincerely,

John

18. Telegram From the Embassy in Japan to the Department of State

Tokyo, July 31, 1958, 7 p.m.

223. Passed COMUS/Japan by other means. CINCPAC for POLAD. Embtel 129.¹ I met with Fujiyama July 30 for initial discussion preparatory to his visit to Washington. Discussion yesterday was exclusively on security question and in view great importance this subject I am cabling this full report.

Fujiyama opened discussion by pointing out that in recent election, although domestic political issues existed such as education and labor policy, LDP and Socialists were widest apart in fields of foreign affairs and defense. Election results gave clear evidence of majority support for government policies in these fields. Elections reaffirmed that public supports maintenance of joint Japanese-US security ties as integral part of US-Japan partnership. Questions relating to operation of US-Japan security ties which require very serious review at this time.

Fujiyama recalled that PriMin Kishi prior to his visit to Washington in 1957 raised two main points: 1) adjustment of security treaty in view of changing circumstances, specifically—a) arrangement that use and disposition of US forces based on Japan be determined in principle by agreement of both governments; b) clarification of relationship between treaty and UN Charter; c) establishment of time limit for treaty. 2) Second point made by Kishi was hope US would reduce its forces in Japan as far as possible in light of self defense force buildup. Both points were discussed fully in Washington. As result, Japanese-American security committee was established to handle problems relating to treaty and, as regards second point, US reduced its forces considerably and withdrew all its ground combat forces.

Fujiyama said that looking back at year's developments since Kishi's visit, there have been encouraging signs and much progress. Reduction of US forces has stimulated sense of Japanese responsibility for defense of own country and Japanese-American Security Committee has had very favorable effect on US-Japan efforts in security field. However, during same time USSR has announced success in development of missiles and satellites and has launched major psychological offensive

Source: Department of State, Central Files, 611.94/7-3158. Secret; Limit Distribution. Transmitted in two sections and repeated to CINCPAC.

¹ In telegram 129 from Tokyo, July 19, MacArthur reported on his July 18 meeting with Fujiyama and the latter's wishes regarding the date and agenda for discussion of his visit to Washington. (*Ibid.*, 033.9411/7-1958) See Supplement. Fujiyama visited Washington September 11-12 on his way to the U.N. General Assembly.

aimed at creating doubts regarding advisability of depending on US deterrent power. Soviets have also fostered idea that local war is impossible and therefore non-nuclear arms are meaningless. These and other factors and problems remaining in US-Japan security relations require current review of our security ties.

[3 paragraphs (1 page of source text) not declassified]

In further discussion designed to clarify for US Japanese views on security adjustments, Fujiyama made following points:

1) Basic position of Japanese Govt is that some form of long term security ties with US are, under present circumstances, essential given huge power of Sino-Soviet Bloc. This was Kishi's view last year and there has been no change since then.

2) Existing security treaty is worded so as to give impression that it is entirely one-sided in favor of US. There are various expressions in treaty indicating US can act entirely at its own discretion with respect to use of its forces in Japan. These aspects of treaty were developed at time when Japan had no defense power and were quite logical at that time. However, circumstances have changed.

3) Japan desires that its security relationship with US now be placed on durable, dependable and mutually acceptable basis.

4) There are various alternative methods to accomplish this objective:

a) If at all possible, it would be most desirable to replace existing treaty with new mutual security treaty. However, under its constitution Japan cannot dispatch its self defense forces abroad to US or other non-Japanese territory. If, as in past, US continues to insist that to enter a mutual security treaty Japan must obligate herself to send her troops abroad, then such a mutual security treaty is not feasible at this time.

b) For this reason, FonOff had looked into other possibilities. One alternative is adjustments of existing security arrangements (not change in text of treaty) discussed in above paper, which in effect would accomplish de facto revision of treaty to provide for full equality and consultation, meaning mutual agreement, on all major decisions affecting Japan's defense and security interests.

Fujiyama felt that objections to existing treaty could be to considerable extent removed by such adjustments placing US-Japanese security relations on de facto equal basis.

c) Other possible step at present juncture which has received some consideration in FonOff is mutual security treaty not requiring Japan send its forces outside "Japan area". Such treaty would not seem to pose constitutional difficulties for Japan and would be in many respects desirable alternative. Fujiyama stated that, due previously expressed US views on mutual security treaty, (i.e., Japan must commit itself to send its troops abroad) FonOff hesitated put forth this alternative in any formal sense.

I thanked Fujiyama for very frank and full expression of Japanese views on security matters and said that I thought this would be very helpful to Washington.

I said I was glad to hear GOJ believed long-term and durable security arrangements with US were in Japan's interests and I said in my opinion security of free world would be greatly strengthened by such arrangements. I said I would report at once to my govt views which he had expressed but one of things I felt sure it would wish to know was which of two alternatives for adjusting existing US-Japan security arrangements PriMin Kishi and FonMin Fujiyama really preferred (i.e., adjustments without changing present security treaty or new mutual security treaty for "Japan area"). I said while I did not have instructions which would enable me to discuss these alternatives with him and did not know what Washington's reactions would be to specific suggestions he had made, I was sure Kishi's preference re suggested alternatives would be important. Fujiyama said he would be absent from Tokyo next week but would be discussing this matter with Kishi and would pass on to me later any comments or observations latter might have.

We agreed that in view of extreme sensitivity of entire problem of security arrangements, info on our discussion now and in future would be limited on both sides on a need-to-know basis, since any premature airing of these problems in press could only create major and adverse repercussions.

Comment: I will send my preliminary reactions to Japanese presentation shortly.

MacArthur

19. Telegram 224 From the Embassy in Japan to the Department of State

Tokyo, July 31, 1958, 8 p.m.

[Source: Department of State, Central Files, 611.94/7-3158. Secret; Limit Distribution. 5 pages of source text not declassified.]

20. Telegram From the Embassy in Japan to the Department of State

Tokyo, August 1, 1958, 6 p.m.

238. Sent COMUS/J by other means. Embtels 223 and 224.¹ Whole Japanese proposals for adjustments in US-Japan security arrangements require very careful study and analysis, following are my preliminary reactions:

I. First, it is essential that we recognize need during forthcoming months to make some vital adjustments in our existing security arrangements with Japan, if we do not wish over period of next several years to have existing arrangements undermined and crumble away with nothing satisfactory from our viewpoint to replace them. Kishi desires to make adjustments which, having our own long-term security and other interests in this vital area in mind, will, in my judgement, serve to strengthen and make more durable our security ties with Japan. If we reject this overture, Kishi, I am afraid, may gradually be forced to move in contrary direction. He does not wish to do this and believes he can work out acceptable adjustments in spirit of new era of full equality and partnership which the President enunciated to him.

It should be understood clearly that in seeking adjustments in our security arrangements, Kishi govt is not acting only under pressure of opposition and press criticism which crops up every time Socialists agitate this question in Diet, but also on pressure from elements within Conservative Party. Fact is that Kishi is trying to act before such public pressures develop to intensity which would make negotiations with US much more difficult. Kishi govt is also acting on basis that Japan has now in fact reacquired its sovereignty and that its national interests dictate that it be in a position to exercise its sovereign power over decisions vitally affecting Japan's interest. This is same attitude that has been consistently taken by our NATO Allies and which we have fully accepted, particularly insofar as introduction of nuclear weapons or use of our forces stationed in their countries. Failure of Kishi govt to seek equal voice with US on security decisions vitally affecting Japan's interest would be considered derogation of its responsibilities to country and people and serve to undermine Kishi. And let me emphasize again that there is nobody in sight here with whom we can work as well or as frankly as with Kishi.

Source: Department of State, Central Files, 611.94/8-158. Transmitted in two sections and repeated to CINCPAC.

¹ Documents 18 and 19.

Furthermore, adjustments desired by Kishi govt are basically recognition of realities of current US-Japanese security relations and not new departures. If we attempted to exercise the so-called "right" to use our military forces in Japan to conduct military operations from bases in Japan in hostilities outside Japan without first seeking Japanese consent or to introduce nuclear weapons into Japan without Japanese consent, not only would our whole security relationship with Japan collapse but Japanese govt would undoubtedly take effective steps to inhibit any further use of our bases in Japan. Whether we like it or not, this is reality of Japanese-US relations today and we are going to have to live with it.

II. Re proposed adjustments, my preliminary assessment of principal advantages and disadvantages of two courses of action suggested by Fujiyama is as follows:

1. Course I. *Maintaining the existing security treaty but giving the Japanese satisfaction on the two points which they are insisting on (i.e., disposition and use of US forces in Japan and introduction of nuclears).*

Advantages:

A. We would not have to go through complicated process of treaty renegotiation with eventual Senate hearings, consent, and ratification at this time.

B. This procedure would probably take the heat off demands for new treaty for next two or three years.

C. This procedure would probably mean we would not have to renegotiate the existing administrative agreement for two or three years, although we might have to adjust it in certain ways.

D. Also, this expedient would enable us to gain time in hope Japanese Constitution would be amended thus giving us chance to negotiate mutual security treaty permitting overseas despatch of Japanese troops. (However, while Kishi hopes to amend constitution, this will not be possible unless he obtains two-thirds majority in both upper and lower houses of Diet, which in turn does not seem possible in reasonable future without modification of electoral law.

It now seems clear electoral law will not be modified till 1960 at earliest and next elections for lower house do not have to be held till 1962. Even then, we cannot be sure that govt will obtain two-thirds majority or if it does that circumstances will permit amendment of constitution. Therefore, constitutional amendment of Article 9 does not seem feasible within next few years, and as practical matter we cannot be sure constitution will ever be modified. Even with modification we cannot be sure Japanese would commit themselves to sending troops overseas, although if public opinion were favorable it might eventually be possible to despatch Japanese forces overseas by interpretation rather than amendment of constitution.)

Disadvantages:

A. While satisfying Japanese on two major points they have raised we will still be saddled with treaty whose language is one-sided and which is universally considered in Japan to have been imposed on Japanese by US as condition for entry into effect of peace treaty by which their sovereignty was restored. As a result, criticism by leftist, socialist, neutralist and even some conservative elements will continue. It will thus remain open invitation to unfriendly elements and minority elements within conservative party which desire greater degree of independence from US, to press for disengagement from US.

B. While this solution might last for several years, it is basically temporary expedient and obviously does not provide basis for durable and long-term security relationship between two countries we will only be postponing inevitable and perhaps to time when circumstances are less favorable, and pressures build up for disengagement.

2. Course II. *Replacing existing security treaty with mutual security treaty covering "Japan area"*.

Advantages:

A. We would be able to get rid of existing treaty, which is extremely vulnerable because of its one-sided character.

B. We may never again have as favorable a government or time as the present to negotiate new treaty.

C. A new treaty based on concept of mutuality and acceptable to Kishi govt would help stabilize and strengthen our security ties with Japan. Thus Japan's participation of her own volition in such a mutual security pact would make efforts of those urging disengagement much more difficult.

D. We would engage for first time Japan's responsibility on voluntary (and not imposed) basis in mutual collective security arrangement with US, and indirectly with free world. This is important since there is no prospect of Japan joining in any multilateral collective security treaty for foreseeable future.

E. Negotiation of new treaty acceptable to Japanese people should react to strengthen Kishi's position very substantially since he would get credit for having been able to negotiate elimination of unequal aspects of existing treaty arrangements.

F. At present when there has been tendency among some of Afro-Asian countries to seek disengagement from US and West, Japan's voluntary action to join in mutual security treaty with US might have important psychological effect.

Disadvantages:

A. Japan would not be committed in principle to sending her forces abroad in event of hostilities in which she was engaged by virtue of her

treaty commitment. (For present this, however, in a sense may be more hypothetical problem than real one, for it is quite clear to all of us here in Japan that for some time Japan will have her hands full trying to raise and maintain forces she needs to protect and safeguard her own territory and sea approaches, let alone having military forces to send abroad for defense of other areas. A new treaty need not be drawn in such a way as to specifically exclude Japan later joining multilateral security arrangements or sending troops abroad if time ever comes when she would be disposed to do so).

B. US would be undertaking a treaty commitment to come to Japan's assistance if it were attacked. (While Japanese recognize that we do not have such commitment legally now, they are convinced we would come to their assistance if attacked. Indeed this is one of reasons govt has felt able to take position on side of free world and for closer cooperation with US. If, however, time ever came when Japanese felt we would not join with them to defend Japan, this country would rapidly feel forced to take neutralist stance.)

C. Treaty revision would also require a revision of the existing administrative agreement. While we are in any event going to have to adjust some arrangements in existing administrative agreement, replacement of present security treaty with mutual security treaty would probably require US to move swiftly to a renegotiation on the administrative agreement.

MacArthur

21. Memorandum From Secretary of State Dulles to President Eisenhower

Washington, August 11, 1958.

SUBJECT

Introduction of Dollar Currency in the Ryukyu Islands

In accordance with your June 4 memorandum to me,¹ Ambassador MacArthur discussed the Ryukyuan currency question with Prime Minister Kishi and laid before him the anticipated advantages and the potential disadvantages of the proposal. Ambassador MacArthur's telegraphic report of his discussion is enclosed.²

Although Prime Minister Kishi did not recommend the introduction of dollar currency, he said that he understood the reasons which led us to desire the currency conversion. He believed that, although the conversion would create an adverse reaction in Japan and some difficulties, nevertheless, in view of the importance we attached to it, he could live with it if the announcement could be delayed until a reasonable interval after the adjournment of the Diet. He pointed out that a conversion announcement made while the Diet was in session would be picked up by the Socialists and would risk inflaming again the entire Okinawan issue. He assumed that prior to the announcement of conversion there would be a favorable decision by the United States on the Okinawan land compensation policy and perhaps on other constructive measures. He also expressed a desire to see the draft currency announcement reasonably in advance of its issuance.

With regard to the points raised by Prime Minister Kishi concerning the timing of the announcement: (1) The Diet is presently not in session but will reconvene on September 20. If an announcement on currency conversion is to be made, it should be made before the first of September. Otherwise we will run a chance of trouble with the Diet. (2) The Departments of State, Defense and Army have agreed on the outline of a new land compensation program which should prove ac-

Source: Eisenhower Library, Whitman File, International File. Secret. Another copy indicates that the memorandum was drafted by Charles J. Little and Charles H. Pletcher, both in FE/NA, on July 29. (Department of State, FE Files: Lot 60 D 90, Japan-Ryukyu)

¹ Document 13.

² Telegram 3349 from Tokyo, June 19. (Department of State, Central Files, 894C.13/6-1958) Also pertinent are telegrams 2699 to Tokyo, June 16, and 3452 from Tokyo, June 26. (*Ibid.*, 894C.13/5-2658 and 894C.13/6-2658, respectively) All included in the Supplement.

ceptable to the Ryukyuan.³ The details of the program will be worked out in discussions in Naha between United States officials and Ryukyuan leaders.

While we recognize certain difficulties and disadvantages inherent in the currency conversion, now that we have Prime Minister Kishi's understanding of the problem, I concur with the Department of Defense in recommending that we proceed with the announcement on conversion as soon as our new land program becomes public knowledge in the Ryukyus.

I recommend that you sign the enclosed suggested letter to Prime Minister Kishi,⁴ which we could forward by cable to Ambassador MacArthur for delivery. Ambassador MacArthur would be requested to discuss with the Prime Minister the exact timing and the form of the announcement of the currency conversion.

JFD

³ Documents concerning the new Ryukyuan land program include a July 2 memorandum of conversation between McElroy and Dulles on June 30; Department of State, Central Files, 794C.0221/6-3058. A July 2 memorandum from Robertson to Herter; *ibid.*, 794C.0221/7-258. A July 11 memorandum from Parsons to Dulles; *ibid.*, 894C.16/7-1158. A July 16 letter from MacArthur to Robertson; *ibid.*, 794C.0221/7-1658. An August 21 letter from Robertson to MacArthur; *ibid.*, FE Files: Lot 60 D 90, MacArthur, Douglas II. All included in the Supplement. High Commissioner Moore announced the new policy in Okinawa on July 30. (Telegram 26 from Naha, July 30; Department of State, Central Files, 894C.16/7-3058)

⁴ Not found attached. The President's August 12 letter was transmitted in telegram 215 to Tokyo, August 13. (*Ibid.*, 894C.131/8-1358) See Supplement. In telegram 337 from Tokyo, August 15, MacArthur reported that when he delivered the President's letter to Kishi, the latter expressed "deep appreciation" to Eisenhower for the consideration he had given to Kishi's desire to postpone the announcement. (Department of State, Central Files, 894C.131/8-1558) See Supplement.

22. Telegram From the Commander in Chief, Pacific (Felt) to the Joint Chiefs of Staff

Honolulu, August 19, 1958, 12:43 p.m.

4335. Ref:

(A) CINCPAC ltr with enclosed staff study, ser 00346 of 1 July 1958¹

(B) CNO 021349Z²

(C) AmEmb Tokyo to State 223, 31 July 58 pasep³

(D) AmEmb Tokyo to State 238, 1 Aug 58 pasep⁴

(E) AmEmb Tokyo to State 224, 31 Jul 58 pasep⁵

(F) AmEmb Tokyo to State 784, 17 Sep 57 pasep⁶

(G) CNO 141947Z⁷

I. Ref (A) not intended deal specifically with base rights question. CINCPAC preparing and will forward consolidated list long range base reqs in Japan. Purpose of list to indicate specific base and reentry rights desired by U.S. for possible use in future treaty renegotiation. Recommend use staff study ref (A), and additional material part II this message, for formulation strong DOD-State position in preparation talks with Fujiyama and development U.S. negotiating position when required. Recommended "minimum negotiating position" contained part III.

II. Additional CINCPAC views re revision of Japanese Treaty follow:

1. Question has arisen whether revision, amendment, or totally new treaty is desirable. Although there are possible political advantages of negotiating new treaty, as pointed out by Amb MacArthur, ref (D), CINCPAC concludes that U.S. interests better served by revision current treaty. Following significant considerations support conclusion:

A. GOJ has thus far expressed but minor interest in a mutual defense treaty but has emphasized need for "adjustments" in "existing

Source: National Archives and Records Administration, RG 218, JCS Records, CCS .092 Japan (12-12-50). Top Secret.

¹ See footnote 1, Document 17.

² Not found.

³ Document 18.

⁴ Document 20.

⁵ Document 19.

⁶ Telegram 784 contains a verbatim text of an exchange of notes concerning the interpretation of the Security Treaty and the Administrative Agreement as they relate to the U.N. Charter. (Department of State, Central Files, 794.5/9-1357) For text, see 8 UST (pt. 2) 1571.

⁷ Not found.

joint security system." This probably due to recognition that Japan is not ready undertake responsibilities which "mutual defense" treaty would impose, and to its recognition that negotiating and ratifying a new treaty would be much more hazardous political undertaking than would be revision of current treaty. To encourage Japan to ask for more than she is inclined to seek does not appear wise in light of those disadvantages to US listed in ref (D) as likely to result from new treaty. Renegotiation of admin agreement for example, would pose major problems. The present agreement was difficult to hammer out and none of concessions granted therein should be given up lightly. Furthermore any liberalization of treaty relations with Japan may lead to acrimonious and harmful debate in U.S. Congress. Therefore a revision not requiring congressional ratification would be preferable to a new treaty.

B. Methods of approaching adjustment of security relations are not confined to the 2 alternative procedures listed ref (D). A fully satisfactory solution will not be found by "maintaining existing security treaty but giving Japanese satisfaction on the 2 points," not by replacing existing security treaty with mutual security treaty covering "Japan area." It would not be to U.S. interest to make only piecemeal adjustments, nor to substitute, "one way" mutual defense treaty covering a new area. Inasmuch as Japs are making the request for adjustment, it would appear to be a sound tactic to inquire if the paper presented to the Amb by Fujiyama represents all aspects of security relationship for which adjustment desired. When complete list of desired adjustments is received, U.S. could propose discussion agenda covering Japanese requirements insofar as practicable without jeopardizing vital aspects of U.S. position. By following this procedure, many articles of present treaty could be revised to obtain new look of mutuality and equality desired by Japs without hazards that formulation and ratification of new treaty entail. Most advantages listed para 2; ref (D) as achievable through new treaty could be also gained through proper focussing of publicity concerning "revised" treaty.

C. Since true mutuality between U.S. and Japan in security matters is out of the question, avoidance of term "mutual defense treaty" is desirable. Among other reasons, so to dignify Jap treaty would be viewed as unfair by governments of other allies which have made far more significant efforts toward own defense. GOJ and LDP have been ineffective in providing leadership which could bring home to the Japanese people the formidable Communist threat facing Japan. Instead, political and budgetary considerations have been given first priority with result that Japan's needs for self defense have been neglected in reassuring certainty that they would be met by U.S. and that GOJ would thereby avoid onus of an unpopular defense burden. Had not substantial U.S. forces been present in Japan the past decade, Japan probably would be, at best,

a full fledged neutral, giving little heed to U.S. diplomatic overtures. Today finds Japan asking that U.S. guarantee to assist in her defense and to contribute substantially to support of her military forces. Only return offered for this not inconsiderable request is the use of a limited number of bases with restrictions on their use involving armaments and employment of U.S. forces. Inasmuch as the most effective defense of Japan would result from military action far from her shores, her desire to limit weapons and areas of employment for U.S. forces represent unacceptable restrictions. The U.S. could not adequately discharge its obligation to Japan if these restrictions were accepted. In view of the Japanese attitude it is clear that to grant Japan a "mutual defense" treaty is unrealistic. However it may be possible to use the words "mutual security" within the treaty in such a way as to satisfy the Japanese.

D. Any use of term "Japan area" in a manner which would encourage certain Japanese elements to seek additional Japanese responsibilities in the Ryukyu and Mariana-Bonin Islands would be detrimental to U.S. security interests. Although phrase "Japan area" is used in art 24 of the admin agreement, it should be remembered that at time agreement was drawn, "Japan area" was clearly recognized as being limited to 4 main islands as defined by Treaty of Peace. Only in such a context is the phrase acceptable. CINCPAC feels strongly that the U.S. should encourage the Japanese to accept the principle of progressively expanding collective security with other free Asian nations, rather than to restrict Japanese security interests to island groups toward the defense of which they can contribute little or nothing at the present time.

2. Certain specific adjustments which Japanese probably will seek are listed in para 3D of CINCPAC staff study, ref (A). Additional changes which Japs may seek include:

- A. Rewriting of preamble to imply greater mutuality and equality.
- B. Rewriting art II clause requiring prior U.S. consent before making certain agreements with third nation.
- C. Establishment of an expiration date.
- D. Specific recognition that treaty is consistent with principles of UN Charter.

3. Above listed amendments considered acceptable to U.S. provided:

A. Art II revision provides for prior consultation with U.S. or parallels art 8 of NATO treaty.

B. Expiration date provisions approach as closely as possible the terms of art 13 NATO treaty.

C. Linking of treaty and U.N. Charter is consistent with exchange of notes on this subject, dated 14 Sept 1957 (ref (F)).

4. Para 3.C. (4) of CINCPAC staff study, ref (A), lists actions which the Japanese should be encouraged to take in order to attain a military posture more in accord with the "mutual" responsibilities they seek. Inasmuch as accomplishment of all of these actions in the near future is unlikely, the U.S. negotiators should take into consideration the debilitating effect of their non-accomplishment upon Japan's defense capabilities. Following comments are supplementary:

A. U.S. concessions normally regarded by Japs as vindication of their demands and usually generate additional demands. This attitude of Japs has been demonstrated following U.S. return of Anami Islands in 1953, withdrawal of bulk of U.S. Forces in 1957, and recent acceptance of reduced yen contributions. To continue practice of not obtaining an adequate quid pro quo is a doubtful tactic, especially in Orient.

B. Specific recognition of need for U.S. re-entry rights to Jap bases in event Communist aggression in Far East would constitute an improvement in current arrangements. It is recognized that willing Japanese cooperating at time of need is key to the situation. Nevertheless problem is an acute one as result of withdrawal of Forces and liberal return to Japan of many facilities and installations which would be required to assure CINCPAC capability of carrying out limited and general war tasks assigned by JCS. Explicit right of re-entry to such facilities or guarantee of equivalent base grants would be most desirable in a revised security treaty. Kishi, in conversation last year with MacArthur indicated understanding of these U.S. needs. CINCPAC considers U.S. should seek facilities, on an exclusive U.S. or combined occupancy basis, adequate to provide for U.S. missile, manned aircraft and supporting units essential to defense of Japan; and combined occupancy or future entry rights on installations necessary to provide for rotational deployment of U.S. Ready Forces and logistic activities in event limited or general war.

5. Use and disposition of U.S. Forces, and introduction of nuclear weapons remain 2 most critical issues. Additional comments on these items follow:

A. Use and disposition of U.S. Forces: U.S. can accept "consultation" with Japs before operational employment of U.S. Forces stationed Japan, and can accept provision that any operational use of such Forces will be consistent with principles of U.N. Charter. "Consultation" however, should be construed only as U.S. acceptance of a responsibility to consider policies, welfare and security of Japan before undertaking operations supported by U.S. Forces or bases in Japan. U.S. cannot accept any Japanese veto over U.S. operations which U.S. considers essential to its security commitments or requirements. Jap leaders must recognize that U.S. bases in Japan for sole purpose of a static defense of Japan would be of limited value to U.S. It is recognized that careful negotiation

will be required to achieve phraseology which will restrict U.S. freedom of action as little as possible, curb Jap tendencies to seek to influence matters beyond their capability to control, and still recognize legitimate Jap fears of involvement in someone else's war.

B. Introduction of nuclear weapons: CINCPAC has no solution which will meet fully Jap and U.S. desires. With the advent of sealed pit weapons, the need for complete weapons at aircraft sites will become immeasurably greater. The U.S. policy of neither affirming nor denying the location of atomic weapons in any particular area must be maintained. The U.S. cannot, therefore, make any treaty commitments in this regard. Alternative courses of action then open to the U.S. will be:

(1) To maintain the status quo with respect to weapons in Japan even though other stocks are converted to sealed pit weapons.

(2) To remove non-nuclear components from Japan when they become obsolete, without replacement.

(3) Secretly to replace non-nuclear components with sealed pit weapons when the former become obsolete. Although alternative (3) would be the most desirable militarily, alternative (1) appears the most practicable at this time.

6. Jap press reports have indicated that Japs may seek to have treaty revision become effective in 1961 when current phase of Japan's military program is scheduled to be completed. Effective date of the treaty should be based not only on passage of time but insofar as practicable on Jap expression of willingness to improve their military capabilities along the general lines indicated in para 3.C. (4). (D) of ref (A).

III.

1. The following 2 paras represent a "minimum negotiating position" and summarize the commitments which the U.S. can accept and those which it cannot accept without critical injury to our defense posture in the Far East.

2. The U.S. can accept commitments to:

A. Come to Japan's aid if she is attacked.

B. Maintain minimal air defense forces on Japan for possibly 3 or 4 years, providing there is a clause which with due consideration of Japanese defense needs, permits U.S. units to be withdrawn in the event of emergency elsewhere or in the event adequate support and cooperation are not provided by the Japanese.

C. Consult with the Japanese regarding the disposition of U.S. Forces in Japan, provided the limitations in the preceding paras are not exceeded.

D. Consult with GOJ concerning the use elsewhere in the Far East area of U.S. Forces based in Japan, provided that lack of Japanese agreement shall not be construed as preventing the use of U.S. Forces as necessary to meet U.S. security commitments.

E. Note without commitment, the views of the Japanese government with respect to atomic weapons.

F. Use U.S. Forces in Japan only in accordance with the principles of the U.N. Charter and the security interests of Japan (as determined by the U.S.).

G. Terminate the treaty in 10 years upon 1 year's notice by either party, remove the "unequal" language in the preamble and art I, delete the "internal riot" clause in art I and relax the restrictions on 3rd nation agreements in art 119.

3. The U.S. cannot accept commitments which:

A. Require the U.S. to maintain more than minimum air defense forces in Japan over a substantial period of time.

B. Preclude the U.S. from removing any U.S. unit from Japan in event of emergency.

C. Reduce the urgency of the requirement for Japan to make more substantial efforts toward self defense.

D. Require Japanese consent to the use of U.S. Forces or bases in Japan to support operations elsewhere in the Far East which are consistent with the principles of the U.N. Charter and are consonant with the security interests of Japan (as determined by the U.S.)

E. Indicate acceptance of a degree of security interest in the Ryukyus and Bonin Islands by Japan beyond that which Japan has in the collective security and other free Asian area.

F. Prohibit U.S. Forces in Japan from being armed with the weapons essential to the maintenance of their offensive and defensive striking power.

G. Markedly reduce the privileges accorded U.S. Forces in the current admin agreement.

23. Memorandum of Conversation

Washington, September 8, 1958, 2 p.m.

SUBJECT

Security Arrangements with Japan

PARTICIPANTS

The Secretary
 Ambassador MacArthur¹
 FE—Mr. Robertson
 FE—Mr. J. Graham Parsons
 S/S—Mr. Cassilly

S/P—Mr. George Morgan
 H—Mr. White
 NA—Mr. Howard L. Parsons
 FE—Mr. J. Owen Zurhellen
 NA—Mr. James V. Martin

Ambassador MacArthur opened the discussion. He told the Secretary that on August 25 when he had met with Foreign Minister Fujiyama and Prime Minister Kishi, the Prime Minister had made a formal proposal for a mutual security treaty and had requested that this proposal be brought to the President's attention. Tokyo's telegram 444² containing the proposal was handed to the Secretary and he read it.

Ambassador MacArthur said that two courses of action were open to the Japanese: (1) to retain the present security treaty with all its unilateral aspects and to have a side arrangement covering consultation prior to the introduction of nuclears and to the operation of United States forces from bases in Japan; or (2) to negotiate a new mutual security treaty with provision in exchange of notes or a communiqué to take care of the same two points.³ Opinion was divided among the Japanese as to which course was desirable. The Conservatives were split. Some thought Japan should serve as a bridge between the East and West; to these people, a mutual security treaty was undesirable because it would commit Japan to the United States and would alienate Asians. Some conservatives thought that a mutual security treaty would anger the Chinese Communists. Still other Conservatives, including the Foreign Minister himself, were afraid that the signing of a mutual security treaty would result in a knock-down, drag-out fight and that this ought to be avoided.⁴

Source: Department of State, Central Files, 794.5/9-858. Secret. Drafted by Martin on October 7.

¹ Ambassador MacArthur arrived in Washington for consultations September 2.

² Dated August 26. (Department of State, Central Files, 611.94/8-2658) See Supplement.

³ According to telegram 444 Kishi preferred the second alternative, principally on the ground that the one-sided nature of the existing treaty made it a vulnerable target for Socialist attacks.

⁴ An expanded analysis of divergent views with the LDP is in telegram 357 from Tokyo, August 18. (Department of State, Central Files, 611.94/8-1858) See Supplement.

It would have been a mistake, said Ambassador MacArthur, for us to have pressed the Japanese for a mutual security treaty. Fortunately, we do not have to because Prime Minister Kishi himself proposed such a treaty a month or two after Ambassador MacArthur, on the basis of the Secretary's instructions, had opened the matter with him last spring. In this connection, said Ambassador MacArthur, failure on our part to grant a new treaty and in doing so to be able to propose our own language on the two points concerned, would make inevitable an approach from the Japanese on these two points, obliging us to agree not only to the principle but to their specific language. The Socialist party at the present time was preparing two draft resolutions for the forthcoming regular session of the Diet, one concerning the non-introduction of nuclears without the agreement of the Japanese Government and the other concerning the operational use of United States bases in Japan without Japanese consent.⁵

The Secretary asked whether Mr. Kishi would be able to prevent the passage of these resolutions if we agreed to negotiate a treaty. Ambassador MacArthur said that Prime Minister Kishi had told him that he could forestall the passage of the resolutions if a treaty were under negotiation. [2-1/2 lines of source text not declassified] He remarked that the Australian Ambassador to Japan had expressed to him the greatest surprise and pleasure that the Japanese Government was voluntarily seeking a mutual security treaty with the United States.

Ambassador MacArthur said that the Japanese were ready to move now. If we ourselves did not act quickly the situation would deteriorate. We would be faced with a formal request to refrain from introducing nuclears and to refrain from operating out of our bases prior to Japanese approval; and we would be saddled with an unpopular unilateral treaty as well. Admiral Felt, Commander in Chief, Pacific, had expressed his thorough approval of entering into negotiations for a mutual security treaty, Ambassador MacArthur stated, and he read from a telegram prepared by Admiral Felt⁶ to this effect. He concluded by saying that the

⁵ MacArthur reported these moves by the Socialists in telegram 407 from Tokyo, August 22. They were part of a strategy to create problems for Kishi during the extraordinary Diet session tentatively scheduled to open late September or early October. This coming session was unusually important, commented MacArthur, because the GOJ was planning to submit a large number of bills and all parties were preparing for the local and upper house elections next spring. (Department of State, Central Files, 794.00/8-2258) See Supplement.

⁶ Apparently a telegram from Felt to Admiral Arleigh Burke, Chief of Naval Operations, which has not been found. A quote from it, however, is in telegram 522 from Tokyo, September 3: "Adm. Felt stated: 'Negotiation is desirable to remove one-sided or unequal aspects of treaty. General language and particularly of preamble can be recast. US national policy recognizes Japan as equal in family of nations. New or revised treaty should reflect this policy. Consultation with GOJ re employment outside Japan of US military forces

Admiral agreed that we would "lose our shirt" if we did not move now. By avoiding a new treaty we would risk ending up with nothing three or four years hence, and at that time the atmosphere for negotiating a new treaty would be very bad. However, armed with the present United States draft (draft originally prepared by the Embassy in Tokyo and amended in the Department)⁷ Ambassador MacArthur would be prepared to press Prime Minister Kishi for joint consultation, in accordance with a similar formula governing the use of our bases in the United Kingdom. This formula would be interpreted by the Japanese Government to the Diet as meaning that the Government would deny the United States the right to use its bases in Japan operationally or to bring in nuclear weapons. However, this formula was much better for us than such terms as the Japanese Government would have to demand of us if the two Socialist resolutions passed. There was a 50-50 chance of getting our own language if we proposed it as part of a package including a new treaty. If the Japanese Government formally asked for our agreement to refrain from bringing in nuclears or using our bases operationally without their prior consent as opposed to consultation, we would have to do it, as we did in the case of the British and French and as Australia had to do with respect to Malaya; if we did not we would face a break with Japan.

The significance of Japan going into a long-term defense treaty with us was incalculable psychologically and politically. Moreover, it had definite practical benefits. For example, without Yokosuka and Sasebo we would have to employ 2-1/2 times the number of ships to maintain and supply the 7th Fleet.

Under these circumstances, Ambassador MacArthur believed the United States position should be as follows:

(1) To listen to the Japanese proposal which would be set forth by Mr. Kishi and which Foreign Minister Fujiyama would repeat.

(2) To respond by saying that we favored the proposal in principle, but that it raised difficult problems; we would be glad to give the matter urgent study but we must consult the leadership of the Senate and this we would do expeditiously.

If the United States adopted this position, we could tell the Japanese that we would hope that Ambassador MacArthur would be ready by October at the latest to enter into discussions. (He himself would rather bring the matter directly to Prime Minister Kishi before Foreign Minis-

which are stationed in Japan, is one of main issues. I believe this can be settled on terms acceptable to both parties." MacArthur went on to say that "Adm. Felt raised certain other problems but none of them present any major obstacles as far as I can see." (Department of State, Central Files, 611.94/9-358) See Supplement.

⁷ See Tab A to Document 27.

ter Fujiyama could return to Tokyo. Ambassador MacArthur would be returning to Tokyo September 17.)

Mr. Robertson brought out that Tokyo telegram 444 had not been brought to the President's attention because the President had been pre-occupied at that time by the Quemoy situation, and that he himself (Mr. Robertson) and the Secretary had been out of the Department. It had seemed best to get a more unified opinion before submitting the matter to the President. The Secretary said that no harm had been done, though it would not be right for the Department of State to hold up indefinitely a message which the head of a foreign government had transmitted to our President.

With respect to our present Security Treaty, we had taken great precautions, said the Secretary, to avoid giving the impression that it was being forced on the Japanese. We had signed it only after the Peace Treaty had been signed and we had taken the chance that the Diet would ratify only the Peace Treaty and not ratify the Security Treaty. (Ambassador MacArthur pointed out that the leaders of the conservatives were committed to the security arrangements at that time.)

The Secretary then asked Ambassador MacArthur whether he had any reason to think that a future Japanese Government and Diet might not think of the mutual security treaty now under contemplation as but a step in the process of breaking Japanese shackles to the United States. Would it not be reasonable to assume that they might regard it in the same light psychologically as the old Security Treaty? Ambassador MacArthur regarded this as unnecessarily apprehensive. The Secretary pointed out that he had mentioned this possibility in order to demonstrate that we had to deal with the present situation so as to forestall the development of such a point of view later on. For example, Ambassador MacArthur had said that he had discouraged the Japanese from presenting their own draft so as to be able to present our draft first, but if our draft were presented first, how would this support the thesis that the Japanese were pressing us for this treaty?

Ambassador MacArthur read aloud a Japanese newspaper editorial which demonstrated Japanese desire for a new treaty to strengthen their defensive arrangements with the United States and their desire to include the two points concerned. The general reaction of the press of Japan was very gratifying. However, if it were necessary for the record to provide evidence of Japanese initiative, it would be best to ask the Japanese for a piece of paper. Secretary Dulles said that a piece of paper would not mean much psychologically. A treaty to be acceptable would have to demonstrate the solidarity of Japan and United States in the Far East. Ambassador MacArthur asserted that the Japanese would not commit themselves to a common policy if that meant only a United

States policy; however, they would want a long-range defense tie-up with the United States.

The Secretary said: the question was, what was the national sentiment behind treaty revision? Was the primary drive to tie up Japan with the United States or to disengage Japan from the United States? Ambassador MacArthur said that the Prime Minister would tell the Japanese Diet and Japan that Japanese defense was dependent upon a long-term durable security relationship with the United States. Prime Minister Kishi, he said, does not want Japan to be neutral nor Communist. However, it would not be possible in the Ambassador's estimation to guarantee how the Japanese press would react. The Secretary asked whether Mr. Kishi could get the treaty ratified and adopted not so much as an escape but as a step toward closer cooperation. Mr. Morgan referred to a Tokyo telegram which used Mr. Kishi's own language and stated that a treaty of this sort could be used to lead Japan to a closer alignment with the United States. The Secretary said that when he went to Congress to sell this treaty he would have to do it on the ground that Japan was casting its lot with us; he could not say that it was because the Japanese were becoming rebellious against the present treaty. Mr. Robertson said that the Japanese complaint that the treaty was one-sided was a relatively new complaint just within the last few years, and principally under Prime Minister Kishi; former Prime Ministers had been happy to accept the arrangement which it provided.

Mr. J. Graham Parsons remarked that Mr. Kishi would have to defend the new treaty for Diet ratification as getting rid of the "old, unequal treaty". This was a public fact of life. Japan was moving back into an important role in international life and Prime Minister Kishi wanted Japan to play that role in association with the United States. The new treaty would provide a catalytic effect. As an island country, Japan had always found it difficult to commit itself closely for an indefinite period with any foreign country. However, the Anglo-Japanese alliance had established a useful long-term relationship. A new mutual security treaty in that respect could be expected to do the same thing in our case.

Ambassador MacArthur pointed out that a little over a year ago Mr. Kishi had been here. He had wanted the Bonin Islanders repatriated and he had wanted Japanese participation in Ryukyuan administration. Finding us immovable, however, he had given up these requests; he did not wish to cause us trouble.

At this point, there was a discussion to clarify the difference between "operational use of bases" and "deployment of United States forces". Ambassador MacArthur pointed out that the Defense Department was not interested at all in the new treaty language, but only in the

two points concerning the operational use of bases or the introduction of nuclears and in the terms of the administrative agreement.

(Reporter absent a few minutes to obtain a document.)

Ambassador MacArthur said that Japan would represent no predatory danger unless it were absorbed into and became part of Sino-Soviet bloc, in which case, as one of the four primary industrial areas of the world, it would present a danger to us.

The Secretary said he was less interested in what we might get technically in a mutual security treaty than what we could win in Japanese psychological alignment with the free world. Japan had been slower than Germany in regaining its pride and national spirit. He had felt for a long time that when the spirit did re-emerge the Japanese would recognize the indispensability of a security relationship with the United States against the neighboring Communist area.

Ambassador MacArthur pointed out differences between Japan and Germany. It had been possible to bring Germany into alliance through a collective approach both economically and militarily. Japan was historically isolated not only from the West but also from the remainder of Asia. With the recent experience of alienation from other Asians by its military adventure preceding and during World War II Japan was not susceptible to (and would not be drawn into the free world orbit militarily speaking through) a collective approach. The only possible approach was through alignment with the United States.

The Secretary expressed his concurrence and remarked that he would have to proceed with the practical arrangements for getting a unified United States position. Ambassador MacArthur said that it seemed to him that we must consult with Defense. The Secretary asked if we had a draft mutual security treaty. It was presented to him and he read it. Ambassador MacArthur said that it followed the pattern of our other mutual security treaties in the Pacific area. The operational article was Article V. As the meeting broke up, it was agreed that Defense representatives would be invited to confer with State Department representatives in Mr. Robertson's office the following day.

24. Memorandum of Conversation

Washington, September 9, 1958, 11:30 a.m.

SUBJECT

State-Defense Discussion Concerning Revision of Japanese Security Arrangements in Preparation for Meeting Between the Secretary and Foreign Minister Fujiyama

PARTICIPANTS

Department of Defense:

Mr. Mansfield Sprague
Mr. John Irwin
Admiral Arleigh Burke
General Lyman Lemnitzer
Mr. William Lang
Captain Thomas Howe
Captain Elwood Baldrige

State:

FE—Mr. Robertson
FE—Mr. J. Graham Parsons
Ambassador MacArthur
L—Mr. Loftus Becker
S/P—Mr. George Morgan
H—Mr. John White
FE—Mr. Marshall Green
NA—Mr. Howard L. Parsons
NA—Mr. James V. Martin
FE—Mr. J. Owen Zurhellen
S/S—Mr. Thomas Cassilly

[Here follows the beginning of the memorandum; see Supplement.]

Copies of the draft mutual security treaty (which had been prepared by our Embassy in Tokyo in the first instance, and amended in the Department) were passed around the table. Ambassador MacArthur said that the draft represented a relationship broader than a mere military alliance. The draft mentioned economic cooperation and so on, and contained the standard language up to Article V—the operative article.

Mr. Irwin raised the question with respect to the phrase "constitutional processes". Mr. Becker said we hoped Japan would change its constitution to allow its forces to be used abroad. Ambassador MacArthur said that the Japanese constitution did not forbid self-defense. The reference to "constitutional processes" meant that Japan would not want to send its forces to non-Japanese territory for the present. But neither had any other ally of ours agreed in advance to send forces to our aid.

General Lemnitzer asked where the mutual aspect was. Ambassador MacArthur asked where the mutual aspect was in NATO, SEATO, the Philippine Treaty¹ or ANZUS. This draft was the same. It provided

Source: Department of State, Central Files, 794.5/9-958. Secret. Drafted by Martin on October 13.

¹ The U.S.-Philippine Mutual Defense Treaty, signed at Washington August 30, 1951, and entered into force August 27, 1952. For text, see 3 UST (pt. 3) 3947.

for collective security arrangements in our interest. General Lemnitzer asked whether we could use Japan in conducting United Nations operations in Korea. Ambassador MacArthur replied in the affirmative and pointed out that this matter was treated not under the Security Treaty but by an exchange of notes relating to the Peace Treaty and that it would still be valid although the Security Treaty were replaced. He then read aloud the operative portion of the exchange of notes between Secretary of State Acheson and Japanese Prime Minister Yoshida dated September 8, 1951.² He said this language would not be tampered with.

Mr. Irwin remarked that this would not help in United States action in the Taiwan Straits. Ambassador MacArthur agreed it would not help unless it were a United Nations action.

Ambassador MacArthur underlined the fact that in his estimation by entering the proposed mutual security treaty we would be putting our security relations with Japan on the same basis as that of all our other allies. Mr. Irwin acknowledged this but noted that possibly an exception would be the limitation the Japanese would put on our use of Japan in defense operations. Ambassador MacArthur in turn agreed by pointing out that we could not use British territory either, without their consent. To this General Lemnitzer responded by saying that if we were to ask Japan we would be refused, while we would not be refused if we were to ask England. [9 lines of source text not declassified]

Ambassador MacArthur commented that the Japanese Foreign Office had a draft treaty calling for consultation and agreement on the introduction of nuclears. The British formula of 1952, omitting joint decision and putting in joint consultation, might be sold to the Japanese—at least in a package with the new treaty. Mr. Kishi could table the Socialist resolution in the Diet on the grounds that discussions covering these problems were in process with the United States.

Admiral Burke did not like the idea of consultation and pointed out that it would stymie us in the Taiwan Straits. Admiral Burke remarked that the British would agree to let us use their bases in emergency. Ambassador MacArthur did not think that this was certain. He pointed out that we could not use bases in Europe in countries not involved. If we were to use bases in Japan against Japan's will, we would close off the Japanese labor force and the utilities used by our bases. Take Greece, he said. Admiral Burke interrupted to agree that the Greek and Japanese situations were similar. Ambassador MacArthur said we could not treat Japan differently from our other allies. If we did so, we would go out of business. Should there be an attack on Taiwan, we would, no doubt, get

²For text, see 3 UST (pt. 3) 3326.

the consent of the Japanese to use our bases there, but not if the attack were only against the off-shore islands.

Mr. Irwin said that the Ambassador had pointed out the logistic use of our bases in Japan. If you were to remove both the Japanese and Philippine bases, we would have no real bases west of Guam. If you could not use bases in Japan and the Philippines and if our national policy was to defend Quemoy and Matsu, you were saying that the Defense Department must be prepared to operate from Hawaii, Guam, and the West Coast. Ambassador MacArthur disagreed, pointing out that this was true only of operations and not of logistics. Mr. Irwin said he thought we had a problem. Ambassador MacArthur did not think we could afford to base our plans on invalid assumptions.

Admiral Burke thought we had better pull out of Japan if we could not count on her. Ambassador MacArthur said we could count on Japan for Korea, Taiwan and the Pescadores, but not for the off-shore islands. However, this was academic. If we did not move now, Japan would confront us with a demand and we would have no recourse but to comply. Japan was one of the four major industrial complexes in the world. Japan's position in Asia and the world was steadily becoming more important. If Japan went neutral, our military men could scratch South Asia. These other Asians would run foot races to Peiping. Admiral Burke agreed.

How did we then align Japan with us, Ambassador MacArthur asked, and answered himself by stating two means: (1) economic arrangements, and (2) acceptable security arrangements. Moreover, we would have to meet this problem before the Diet convened.

Admiral Burke asserted that Japan needed us more than we needed Japan. We would not want to force Japan into neutralism, but we would gain nothing by trying to buy Japanese favor. We could not give Japan more control over our operations than we gave to the Philippines or to the Taiwanese. Ambassador MacArthur said that Kishi had already told the Diet that the "new era" required the United States to get Japan's agreement prior to bringing in nuclears. There was no point in our driving Kishi out of business.

Mr. Irwin suggested that we be more clean cut in the agreement and say "joint decision" rather than just "joint consultation". Mr. Sprague expressed his preference to keeping "consultation" but if the Japanese did not buy it we would have had it anyway. He felt that our taking this up with them now was the best insurance of keeping their cooperation in the future. Admiral Burke thought that this would make the use of our bases uncertain. Mr. Sprague said we would have that problem anyway. He asked Ambassador MacArthur whether his formula language covered nuclears. The Ambassador said that it did in the phrase "forces

and their equipment". He did not want to make a special category of nuclears.

[1 paragraph (6 lines of source text) not declassified]

General Lemnitzer said he took it that Ambassador MacArthur was for a new treaty. He himself had been in on the NATO Treaty presentation to the Senate Committee with General Bradley³ and they had taken a terrible beating on the "mutuality" aspect. Ambassador MacArthur said that he had appeared on the SEATO Treaty. A lot of water had gone over the dam before SEATO and no problem had arisen at that time. He foresaw no difficulty with respect to the mutuality aspect of the proposed treaty with Japan. He had talked, he said, with Senators Sparkman and Mansfield⁴ and some others over the past year and they were all for a mutual security treaty.

Mr. Sprague remarked that if we were starting from scratch, their making available of bases itself would be a great concession toward mutuality. Of course, we would have to face the necessity of revising our arrangements with the Philippines.

Mr. Becker, speaking to the Defense people, said that they wanted the United States to get from Japan a commitment it would let us use bases in Japan whenever we were carrying out our treaty obligations with other countries. Our President could not give such a commitment and Mr. Becker doubted if any Government could.

General Lemnitzer asked what if we should wish to send fighter bombers from Japan to Taiwan. Ambassador MacArthur thought this merely a matter of deployment and that it would raise no problem. The problem was in mounting strikes from Japanese bases.

[1 paragraph (2 lines of source text) not declassified]

Ambassador MacArthur reiterated that the present treaty was no longer viable. This was our chance to align Japan firmly with the United States. If we failed to move we would be faced with a demand which would stymie us.

Admiral Burke said that if the draft treaty were accepted we would have to have a new Administrative Agreement. Ambassador MacArthur agreed and pointed out that conservatives in Japan were now studying what type of administrative agreement would best suit the needs of our forces in Japan. Ambassador MacArthur gave his opinion that if we meet Kishi's two requests we would have no other problems with respect to matters covered by the Administrative Agreement. General Lemnitzer asked whether the Japanese had indicated what part of

³General Omar N. Bradley.

⁴Mike Mansfield of Montana and John J. Sparkman of Alabama, both members of the Senate Foreign Relations Committee.

the Administrative Agreement they wanted abolished. Ambassador MacArthur replied that they had not done so; they merely wanted the two points mentioned to appear either in the Administrative Agreement or in an exchange of notes. We certainly did not want it in the treaty. General Lemnitzer said that we did not want it in the Administrative Agreement. Mr. Becker thought that Article VI was broad enough to include the points in the Administrative Agreement. Ambassador MacArthur suggested that the formula might appear in a minute of the negotiations; the Japanese would not care.

Mr. Lang noted that the Administrative Agreement already provides for consultation in the event of hostility. Ambassador MacArthur thought this referred to activities in the area of Japan itself.

General Lemnitzer noted that according to the draft this treaty could be abrogated with one year's notice. We had no other treaty like that, so far as he knew. Ambassador MacArthur replied that we have such treaties with all the SEATO countries. Moreover, the President last year had told Mr. Kishi that we did not wish to keep forces where they were not wanted. This assertion had taken all the steam out of Japan's move to get our forces out. The Secretary had frequently said that any treaty was durable so long as it reflected the interest of the parties and that it failed when it no longer reflected them. General Lemnitzer brought out that the Philippine base agreement had 89 years to go⁵ and that the NATO arrangements were based on 20 years duration. Ambassador MacArthur responded that even under the present Security Treaty we would have to pull our troops out if Japan denounced it.

Mr. Becker noted that Article V of the draft treaty made the treaty operable in case of attack not just in the area of Japan but anywhere in the Pacific. Admiral Burke said he preferred "naval" to "sea" in Article VI, referring to the types of United States forces in Japan, since "naval" included the Marines. Mr. Sprague said it would be better if there were a long-range commitment on Japan's part to provide bases for our forces. Ambassador MacArthur noted that it was in Japan's economic interests to keep our forces. General Lemnitzer said that those economic interests were not superior to the political push to get our ground forces out of Japan last year.

Mr. Sprague stated his opinion that it would not be possible to get a final decision on these points at the present meeting. He asked what the State Department wanted to tell Prime Minister Kishi. Ambassador MacArthur said that the Secretary of State would table no papers, that he would tell the Japanese we would study their proposal with interest.

⁵ According to the terms of the memoranda of understanding signed on October 12, 1959, it was reduced to 25 years. See the memorandum on base negotiations by Mein, January 27, 1960, vol. XV, pp. 946-957.

He would agree that the time had come to make certain adjustments, that while in principle we were disposed to enter a mutual security treaty and get a mutually acceptable agreement on the two points, the question of a treaty would raise the need to consult the Senate. Congress was out of session but we would talk to individual Senators and we would plan to be ready to sit down early in October to negotiate.

Ambassador MacArthur remarked that he himself was anxious for tactical reasons to start with our papers rather than theirs in such negotiations. The Secretary had told him last night that he might have minor changes to recommend in the draft. There was no problem in changing "sea" to "naval" and so on. We would discuss these changes with the Defense Department when it was determined how the Secretary viewed them.

Admiral Burke said that what they needed to do in the Defense Department was to work out how they would want the formula and treaty interpreted. Ambassador MacArthur said that Kishi had already given his interpretation, namely, that the President would consult on the two points concerned and would not move without Japanese agreement. Mr. Sprague said Defense was willing to go along with the position which Ambassador MacArthur had described, without mention of specific wording of the agreement. General Lemnitzer said that it was necessary to spell out the United Nations matter. Ambassador MacArthur said that he would do that when he sat down with Kishi. It posed no problem. General Lemnitzer said that this removed a big problem so far as he was concerned. Mr. Sprague said that the Secretary could be informed that Defense agreed to his assuring Mr. Fujiyama that the United States was ready to consider a mutual security treaty and related arrangements.

25. Report Prepared by the Joint Chiefs of Staff

JCS 2180/120

Washington, September 10, 1958.

SECURITY TREATY—JAPAN

[Here follow paragraphs 1-4; see Supplement.]

Source: National Archives and Records Administration, RG 218, JCS Records, CCS .092 Japan (12-12-50). Secret. The report is an attachment to a note of September 10 by H.L. Hillyard, Secretary to the JCS.

Conclusions

5. The changes to the present treaty which are acceptable are listed in Appendix "A" to Enclosure "A" hereto.
6. The considerations listed in Appendix "B" to Enclosure "A" hereto are considered essential for inclusion within a renegotiated treaty and administrative agreement.
7. The position of Defense as regards the alternatives of (1) maintenance of the present treaty, (2) changes within the present treaty, and (3) negotiation of a new treaty, should be to advocate the second of these three alternatives.
8. There are other considerations and details which should be studied further prior to determining a final United States negotiating position.

Recommendations¹

9. It is recommended that the Joint Chiefs of Staff:
 - a. Approve the above conclusions.
 - b. Forward the memorandum in Enclosure "A", together with its Appendices, hereto, which reflects the above conclusions, to the Secretary of Defense.
10. It is recommended that a copy of this paper be forwarded to CINCPAC.

Enclosure "A"²

DRAFT MEMORANDUM FOR THE SECRETARY OF DEFENSE

SUBJECT

Security Treaty—Japan

1. In response to a memorandum³ by the Deputy Secretary of Defense on the above subject, dated 8 August 1958, the Joint Chiefs of Staff have considered the three problems which you noted therein. They agree that possible changes to the present treaty, which are listed in

¹ A covering note indicates that after making amendments, the JCS approved these recommendations on September 10. The JCS directed that copies of the amended pages be inserted in the text and that the old pages be destroyed. The text printed here is as revised September 10.

² Secret.

³ Enclosure to J.C.S. 2180/118. [Footnote in the source text.]

Appendix "A" hereto, are acceptable. Further, they agree that the considerations which are listed in Appendix "B" hereto are essential for inclusion within a renegotiated treaty and administrative agreement, should that course of action be adopted. It is their opinion, however, that it should be the position of Defense to advocate making changes within the present treaty, if possible through the medium of an exchange of notes between the governments of the United States and Japan, not requiring Congressional ratification. Although the above represents the preferred position of the Joint Chiefs of Staff in this matter, there are no overriding military objections to negotiation of a new treaty if political considerations so dictate and an adequate quid pro quo can be obtained for the concession.

2. Two issues of most critical importance to the Japanese and which are likely to be brought up by Mr. Fujiyama are: (a) use and disposition of U.S. forces, and (b) introduction of nuclear weapons into Japan.

a. With regard to the former, the United States can accept an agreement to consult with Japan before operational employment of U.S. forces based in or operating from Japan, as well as the provision that any operational employment of these forces will be consistent with the principles of the United Nations Charter;⁴ however, there must be no obligation, implied or explicit, to grant Japan a veto power over the employment of U.S. forces.

b. With regard to introduction of nuclear weapons in Japan, including visits of U.S. ships with nuclear armaments there is virtually no prospect of a solution which will satisfy both sides. The "atom bomb" in any context still remains in Japan a matter of the utmost emotional intensity. Until such time as this feeling moderates to manageable proportions it would be altogether unrealistic to expect to obtain Japanese agreement for the introduction of nuclear components into Japan, although this remains a highly desirable military objective toward which to work. It therefore appears advisable now to seek to maintain the status quo with respect to weapons in Japan.

3. While the points listed in Appendices "A" and "B" are basic to any discussions to be held with the Japanese on this subject, the Joint Chiefs of Staff believe that this is a matter of such far-reaching implications involving so many other, though possibly less vital, considerations that opportunity should be provided for more definite study. They recommend, therefore, that in the forthcoming informal meetings with Mr. Fujiyama he be advised only of the U.S. position as regards the manner of changing the treaty provisions, and that no further details of the changes acceptable to the United States or minimum U.S. requirements be provided him at this time.

⁴On file in Joint Secretariat. [Footnote in the source text.]

Appendix "A" to Enclosure "A"⁵

ACCEPTABLE CHANGES TO PRESENT U.S.-JAPAN SECURITY TREATY⁶

1. Revision of the preamble to imply greater mutuality and equality.
2. Revision of Article II to eliminate the requirement for U.S. consent before making certain agreements with third nations and to substitute prior consultation with the United States in such cases. An alternate acceptable revision to this article would be an undertaking on Japan's part not to contract agreements with third nations which are in conflict with the treaty. This determination would itself require agreement of the parties to the treaty.
3. Provisions for a treaty expiration date at the end of a specified number of years, and then only if one of the parties submits notice of intent to terminate a stated time in advance.
4. Recognition that the treaty is consistent with principles of the U.N. Charter,⁶ provided that the form of this recognition is consistent with the exchange of notes on this subject, dated 14 September 1957.⁷
5. Guarantee of Japanese-U.S. consultation in the event of any threat to peace in the Northeast Asia area.
6. Guarantee that the United States and Japan recognize that an armed attack directed against the territories or areas under the administrative control of the other party would be dangerous to its own peace and safety and that both parties would act to meet the common danger in accordance with its constitutional processes.
7. Elimination of the current provision for the possible use of U.S. forces to quell internal disorder.

Appendix "B" to Enclosure "A"

ESSENTIAL ELEMENTS WHICH MUST BE INCLUDED WITHIN A RENEGOTIATED TREATY AND ADMINISTRATIVE AGREEMENT

1. Authority for the continued presence of all U.S. military personnel and operation of all U.S. military establishments currently in Japan,

⁵ Secret.

⁶ On file in Joint Secretariat. [Footnote in the source text.]

⁷ Interpretation of the Security Treaty and the Administrative Agreement as They Relate to the United Nations Charter, an Understanding effected by an exchange of notes, signed at Tokyo September 14, 1957, and entered into force the same day. For text, see 8 UST (pt. 2) 1571.

with the understanding that the United States may withdraw forces at its discretion and will do so generally in response to the attainment of substantially increased defensive capabilities by the Japanese.

2. Agreement that rights and privileges contained in the current Administrative Agreement⁸ shall remain unimpaired. (If it is agreed that the present Security Treaty should be modified, rather than that a new treaty should be negotiated, there should be no need to alter the Administrative Agreement.)

3. Agreement that U.S. forces and U.S. facilities in Japan may be used in the event of Communist aggression directed against another free Asian nation wherein Japan's safety is threatened, or in the event of U.N.-sponsored military action. This would require a declared understanding on the part of Japan that she considers any Communist aggression against free Asia as a threat to Japan, and such a declaration should be enjoined.

[Here follow Enclosure B, "Facts Bearing on the Problem," and Enclosure C, "Discussion." Both are in the Supplement.]

⁸On file in Joint Secretariat. [Footnote in the source text.]

26. Memorandum of Conversation

FUJ MC-1

Washington, September 11, 1958, 2-4:20 p.m.

SUBJECTS

1. Proposed Mutual Security Treaty
2. Ryukyus
3. Bonins
4. War Criminals

Source: Department of State, Conference Files: Lot 63 D 123, CF 1130. Secret. No drafter is indicated on the source text. The meeting was held at the Department of State. The following day Fujiyama met with Dillon at 10 a.m. to discuss economic affairs and with Dulles at 3 p.m. for a discussion of GARIOA, U.S. relations with China, and Japanese relations with Korea. (Memoranda of conversation, September 12; *ibid.*) See Supplement for both.

PARTICIPANTS

Foreign Minister Fujiyama
 Ambassador Asakai
 Mr. Mori, Chief, American Bureau, Foreign Office
 Mr. Togo, Chief, Security Affairs, Foreign Office
 Mr. Shimanouchi, Counselor, Embassy of Japan
 Mr. Yasukawa, Counselor, Embassy of Japan

 Secretary Dulles
 Assistant Secretary Robertson
 Ambassador MacArthur
 C—Mr. Reinhardt
 FE—Deputy Assistant Secretary Parsons
 S/P—Mr. Morgan
 NA—Mr. Parsons
 NA—Mr. Martin
 S/S—Mr. Cassilly
 FE—Mr. Zurhellen

 Assistant Secretary of Defense Sprague
 General Lemnitzer, Vice Chief of Staff, Army
 Captain Howe, Department of Defense

The Secretary opened the meeting by saying that he welcomed these talks pursuant to our mutual desire to draw closer and find ways to be helpful to each other. He recalled vividly, he said, the prior visit of Mr. Fujiyama and also that of Prime Minister Kishi. He believed that the past talks between the Prime Minister and President Eisenhower had historic significance as the beginning of a new stage in our relations. It was natural and normal that these should develop into a new epoch.

Foreign Minister Fujiyama replied that he, too, was very glad of this opportunity to meet with the Secretary and engage in talks. As you know, he said, the Government of Prime Minister Kishi won a majority in the Japanese elections last May, and as a result had been established on a long-term stable basis for four years. United States-Japanese relations, Mr. Fujiyama said, were the cornerstone of Japanese foreign policy. It is appropriate from that aspect to take account of Mr. Kishi's desire to proceed from the talks which he had had with the President and the Secretary last year and further develop ties of strength.

The Secretary asked how Mr. Fujiyama desired to proceed with the meeting. The second item on the agenda, security relations, was perhaps the most important, but he would be glad to follow any order Mr. Fujiyama suggested. The Foreign Minister agreed that the second item should be taken up, in view of time limitations, and remarked that the substance of the first item, the world situation, would no doubt come up in passing. The Secretary invited Mr. Fujiyama to begin his presentation.

As Mr. Dulles knew, the Foreign Minister began, a considerable time has gone by since the Security Treaty was concluded. Changes have taken place in the political, economic and defense situations in

Japan, and a considerable maturity has also developed in the thinking of the Japanese people. It is against that background that he would like to begin his presentation.

While the Japanese Self Defense Forces, he went on, are not perfectly ideal because of financial limitations, still qualitatively and quantitatively they have developed to the point where they have a considerable effectiveness as armed forces. Moreover, Japan's status in the international community has improved, thanks to United States cooperation and help, and Japan is a member of the United Nations. The people of Japan have a strong desire to project themselves as an independent and self-reliant country. The recent elections testify to the fact that 80 percent of the Japanese people want Japan, as an independent country, to collaborate fully with the United States.

In the light of these circumstances, Mr. Fujiyama went on, certain elements in the Security Treaty tend to provoke the thinking of the people. They feel that the time has come to consider revising the Security Treaty or conforming our security arrangements to the present situation. This is the strong desire of the Prime Minister. The public in Japan thinks that, in comparison with the United States treaties with the Philippines and with Taiwan, they lack independence and initiative under our treaty with Japan. So long as this thinking exists, it will be harmful to United States-Japanese relations.

The Foreign Minister continued that there were three approaches to changes in our security relations: a new treaty, a revision of the present treaty, and some side arrangement such as an exchange of notes. Technically there are various considerations in handling these approaches. As far as the spirit of the matter is concerned, Prime Minister Kishi believes, as he had said to Ambassador MacArthur, that it would be best to have a new treaty, which would go through a full democratic debate in the Diet and provide a permanent relationship between Japan and the United States. This reflected the basic Japanese attitude toward the Security Treaty, he concluded, and he then asked for the Secretary's opinion and comment.

Mr. Dulles noted that the present Security Treaty had been negotiated with himself as negotiator. He takes some satisfaction in the fact that it has served well the purposes for which it was designed under the conditions then obtaining. As the father of the Treaty, however, he was not so devoted to it that he would be unwilling to consider changing it, assuming something better would take its place. Of course, he said, it had never been designed to be a permanent and perpetual formula for the regulation of our security arrangements. The Treaty itself stated that it was a "provisional" arrangement.

He thought, the Secretary said, that the United States was quite prepared to accept the view of the Foreign Minister that in the period, now

nine years, since the Treaty was negotiated the situation had changed. It had changed along the lines forecast by the Treaty, the preamble of which indicated that Japan would increasingly assume the responsibility for its own defense against direct and indirect aggression. He did not want to say that the United States considers that what Japan has done has been adequate, but he recognized the limitations of budget which Japan, like others, faces. As the Prime Minister had said, financial considerations place a ceiling on Japan's military strength.

But he wanted to add, the Secretary continued, that even if Japan had done the maximum which might have been expected, he did not believe that in world conditions today any single nation, including the United States, could feel secure without interdependence and unity with the other free nations. We had hoped at the time the Treaty was made, we have hoped since and we hope today that there may be some disarmament or limitation of arms, measures which would diminish the threat now so great. In order to be secure we must stand together, since this has not yet happened and is not in prospect.

The Foreign Minister had said that matter concerning the world situation would also come out during the conversation, the Secretary went on. He said that the most disturbing basic fact in the international situation is the stubborn unwillingness of the Soviet Union to do anything which might lead to a reduction in armaments or effectively eliminate nuclear weapons. The Soviet Union concentrates its propaganda on the single item of discontinuing nuclear tests, but this is not a measure which would affect the production or limitation of armaments. The United States, on the other hand, with its Western Allies, has sought the cessation of the use of fissionable materials for weapons and the siphoning off of weapons stocks to peaceful stocks to diminish the threat, but the Soviet Union rejects this.

Furthermore, he continued, the Soviet Union increasingly threatens the use of nuclear weapons and missiles. They boast, falsely, that those threats force other countries to bow to their will. That occurred during the Suez crisis, later on in Syria, and at the time of the threat in Lebanon. The latest letter from Khrushchev to President Eisenhower¹ contains a veiled threat to use nuclear weapons to destroy navies. He believed, the Secretary said, although it was a surmise, that in the present trouble in the Formosa area the Soviet Union told the Chinese Communists that the United States was frightened of Soviet nuclear and missile power and that we gave in in Syria and Lebanon (which is utterly false). The Chinese Communists now use the threat of force to see if we are

¹ An unofficial translation of Premier Khrushchev's letter to the President, September 7, and the President's reply, September 12, are printed in Department of State *Bulletin*, September 29, 1958, pp. 498-503.

frightened by the nuclear power which the Soviet Union says it will use to aid the Chinese Communists. In the face of that Soviet power and their apparent willingness to threaten its use to impose their will, there is no alternative for the free non-communist nations but to unite their strength. No one, without catastrophic consequences on the budget and on our free way of life, could maintain the deterrent power needed to be effective against this intimidating threat.

So I believe, the Secretary went on, that any nation which wants to remain master of its own destiny and not subject to intimidation needs security relations with others, so that a single pool of power to which each contributes can in total be pledged to protect all, and sufficient deterrent power can be maintained at a cost which is not prohibitive. And so, he said, the United States believes that we still need a dependable Security Treaty to govern relations between Japan and the United States, assuming that Japan wants to retain genuine independence and remain master of its own destiny.

In the light of these considerations, Mr. Dulles continued, he was happy that the Japanese Government wanted to continue mutual security relations with the United States, and that the question presented by the Foreign Minister was not whether, but how, these relations would evolve. He had mentioned three alternatives, a new treaty, a modification, or side arrangements, presumably under the present treaty. Mr. Fujiyama had indicated that the preference of his Government was for the first choice, a fresh, new treaty. The United States is quite prepared to accept [that] in principle, the Secretary said, with the possibility of reserving the other alternatives to fall back upon if serious difficulty is encountered in reaching a new treaty.

Mr. Fujiyama then said that he would like to go further into the subject of the relations between the Soviet Union and the Chinese Communists, but since China was on the agenda for tomorrow, he would wait until then.

He was happy, he continued, to note the willingness of the United States Government to take up the problem of modifying or otherwise changing our security relations to put them on a stronger basis. Except for the communists and other members of the left wing, there are no Japanese who favor abolition of the Security Treaty in its present or any other form. The people favor continuance of the relations between the two countries. To place our security relations on a very desirable firmer basis, however, the present security arrangements must be made to conform better to the sentiment of the Japanese public, for it is from there that support must come. So the problem or proposition is how to build a structure of security arrangements which would appropriately reflect

the national sentiment of Japan. There would be various ways to arrive at arrangements or a treaty satisfactory to both sides.

One point, the Foreign Minister continued, was that the obligation of the United States to defend Japan was not spelled out in the present treaty. In the light of the development of the Self Defense Forces, on the other hand, internal problems (regarding which the present treaty says the United States will assist) should naturally be the province of the Self Defense Forces. Another point is the public feeling that Japan should on its part cooperate with the United States in certain defense responsibilities within the limitations of the Constitution. Unfortunately, because of constitutional limitations, Japan's contribution might not come up to the expectations of the United States, and the manner of the contribution might not be fully satisfactory, but the limitations should be recognized. So far as military operations are concerned, it would not be possible for Japan to send its forces outside of Japan for cooperation in United States defense operations. That function could be carried out only in the limits of the Japan area, of Japan.

The Secretary interrupted to note that two terms had been used, "Japan area" and "Japan". He asked for clarification of that point. Mr. Shimanouchi replied that the constitutional limitations applied to the territorial limits of Japan. The Secretary wondered whether "Japan area" meant the "area in and about Japan", or the technical geographic limits of Japan. Mr. Fujiyama answered that he had meant "within the territorial limits of Japan". He would add, in clarification, however, that Japan claimed 3-mile territorial waters as the territorial limits. Submarines, ships and airplanes, however, could be used beyond those limits for convoy duty.

Therefore, said the Foreign Minister, naturally in the event of armed aggression Japan would provide the necessary base and operations facilities in Japan. In the event of armed or aggressive action against the United States or United States forces outside Japan, the present arrangement would of course continue for logistic and other facilities for United States forces. Naturally Japan was fully ready to cooperate, but desired consultation on such matters. To clarify, he said, when Japan was used as an operational base, it was desired that the Japanese Government be consulted, but when it was used for logistics or supplies the present basis was satisfactory. But in the latter case also, he added, he would like to have spelled out in the treaty that the Japanese Government would be consulted on questions of the deployment, armament, weapons and equipment used by the United States forces. What gives the impression that the present treaty is unilateral, he said, is that these specific things are not spelled out in the treaty.

As you well know, Mr. Fujiyama went on, there is a great sensitivity in Japan regarding the introduction of nuclear weapons into Japan, not

limited to the communists but shared by other segments of the population. The bringing in of nuclear weapons is a point of considerable debate and concern in Japan. If the matters of deployment and equipment (including all types of weapons) were included in the treaty as matters for consultation, this would quell any misapprehension of the Japanese people.

Another point, continued the Foreign Minister, undesirable at present from the point of view of Japan, is that no date of termination is specified in the Security Treaty. Some segments of the population feel that this puts Japan in a position subservient to the United States.

Thus, Mr. Secretary, said Mr. Fujiyama, I have summarized the points uppermost in the minds of the Japanese people. Agreement is needed which will be squarely supported by the people. The question is "How?" By a new treaty, or by another form? These are technical points for study. The Prime Minister's thinking, as I have indicated, is that, if it is technically feasible, the best approach would be a new treaty which would be submitted to the Diet for full debate. Diet approval of such a treaty would strengthen ties with the United States. Once the Diet had approved the treaty, this would end all, or substantially all, of the debate in Japan and remove various causes for dissatisfaction, since the situation would have been clarified.

The Secretary thanked the Foreign Minister for his presentation and for the indication of the way in which the mind of his government worked on this subject. I doubt, he said, that it would be wise to attempt now to comment in detail on Mr. Fujiyama's observations. He would have to give the matter more thought and study, and would consult with his military advisers. The Foreign Minister should also bear in mind that we were accountable to our Congress in the same way that he was to the Diet. A new treaty or a revision of the present treaty would require the consent of the Senate for ratification.

The only comment he would permit himself, the Secretary continued, was that some of those concerned understood that questions regarding consultation could be expressed more usefully under the treaty rather than as part of the treaty, as was the case with our other allies such as the United Kingdom. Of course, the basic problem we would have to weigh is what the Foreign Minister refers to as the constitutional limitations in Japan. As the result of a treaty of the kind which Mr. Fujiyama envisaged, it might perhaps be considered one-sided, in the sense that the United States would be committed to the defense of Japan, but Japan would not be committed to the defense of the United States. He referred, the Secretary said, regarding commitment for the defense of the United States, to the fact that the armed forces of Japan would not be available for use outside the Japan area. We do recognize, on the other hand, the substantial value of the suggestion made by the Foreign Minister that

Japanese logistic support and facilities would be made available to the United States even though Japanese armed forces could not be used with the same geographic freedom as the United States forces.

He would like to suggest to Mr. Fujiyama, the Secretary went on, a practical way to progress. We would take steps which the Secretary would outline:

1. The executive branch of the Government would study with care the preliminary observations which the Foreign Minister had made. The Department of State would consult with the Department of Defense.
2. We would consult, on a highly confidential basis, a small number—4 or 5—of the members of the United States Senate concerned with this problem, to see if they think the Senate would in principle go along with a new treaty or revision, which for practical reasons amount to the same thing, since both would have to go to the Senate.
3. If these preliminary explorations in the executive branch and the Senate indicate a good hope that we can proceed along this new line, we would ask our representatives, presumably under Ambassador MacArthur's leadership, to commence actual discussions with reference to a new treaty, in the hope that something could be arrived at by the first of the year when the Senate reassembles. We would do our best to conclude the preliminary work by October 1, so that if the explorations indicated it was desirable to proceed we could proceed on or after October 1.

I would like to say, the Secretary continued, that it would be desirable to have no publicity at this stage. It might be premature and give expectations prematurely before it was ascertained whether it was possible to realize them. Our Senators are particularly sensitive about reading in the papers of these matters before they hear from us that they are being studied.

I would like to say, Mr. Minister, continued the Secretary, in this connection, that the position I have indicated does bear testimony to the great confidence we place in the Japanese Government and leaders and in Prime Minister Kishi, and to the confidence and faith in the desire of the Japanese nation as a whole to maintain its independent existence and its free and equal relationship with the other free nations of the world, particularly the United States. We have a treaty now which gives us broad continuing rights, but it is not in the nature of the kind of nation that we are to rest only upon legal treaty rights. We believe that more important than that is to rest upon good will and the sense of common destiny which links our two nations together. From a purely legalistic, juridical standpoint, what the Foreign Minister proposes would involve considerable sacrifice on the part of the United States. We have a treaty duly ratified by the Japanese Government, and approved by the Diet, containing broad rights as long as we think it necessary to have them. We are asked to give these up in favor of a treaty which would impose upon us much heavier obligations without any corresponding advan-

tages, so far as they lie in the treaty language. We are prepared to consider that, assuming that the Senate is also willing, because we consider this the enlightened way in which nations which respect each other act toward each other. Frankly, our expectation and willingness in this respect are based on our understanding and appreciation that this will lead to increased spiritual ties with the Japanese nation, which are more important than strictly material ties. That is all, the Secretary concluded, that he cared to say on this subject at this time.

Mr. Fujiyama answered that he fully concurred in the Secretary's sentiments. Certainly, the Japanese realize that strengthening ties to share a common destiny is an important element in our relationship. As the Secretary said, the United States' sacrifice involved might mean that what was now unilateral from the Japanese point of view might become unilateral from the American point of view. But the strengthening of spiritual ties and relations and the knowing of the Secretary's thoughts would impose a greater responsibility on Prime Minister Kishi and the Japanese Government.

Since time was short, Mr. Fujiyama said, he would now go on to other items. First, Okinawa. He wanted to express the appreciation of himself and his Government to the Secretary for the efforts of the United States to settle the land problem which has now been satisfactorily concluded. This has already been reflected in actions in Okinawa and was a very wise decision. Of course, the Foreign Minister hoped Mr. Dulles would understand that the problems and welfare of the 800,000 people in Okinawa were close to the minds and hearts of the 90 million people of Japan. He did not intend to bring up the subject of restoration of administrative rights in Okinawa. Because the hopes and aspirations of the people of Okinawa are shared by the people of Japan, however, it may be necessary for Japan to take up some of these problems. At least Japan cannot ignore them. That would be impossible. So, from time to time, the Japanese Government may bring up certain matters with the hope and purpose of maintaining stability and tranquility. Even before the war, Okinawa, as part of the administrative territory of Japan, was a financial drag on Japan. Therefore, the Japanese were naturally cognizant of the economic aspects of the Okinawa problem. It would sometimes be necessary for Japan to extend economic aid to maintain the stability and livelihood of the people in Okinawa. Only thus could we prevent unrest and the rise of extremists and other undesirable elements. From that point of view he would like to strengthen the economic relations between Okinawa and Japan. Mr. Fujiyama expected that certain things would arise in the future, and when and if they did, he would take them up with Ambassador MacArthur. He hoped the Secretary would understand that sentiment required Japan to play a role in Okinawa. That was all he wished to say about Okinawa, but he wanted to take this opportu-

nity to express the appreciation of his Government to Assistant Secretary Robertson, General Lemnitzer and Ambassador MacArthur.

Secretary Dulles said that he would make one or two comments. The United States had no desire to erect artificial barriers to good relations between the people of Japan and the inhabitants of the Ryukyus. He was sure that Mr. Fujiyama would recognize that, for the sake of good order, economic matters and the like would have to be coordinated with the administrative authorities of the Ryukyus. We could not afford to have a competitive or conflicting situation. Because of the need for coordination with the administrative authorities, he hoped the Foreign Minister would take these questions up with Ambassador MacArthur on an informal and unpublicized basis, so that the public would not be aroused about matters which still had to be coordinated with the administrative authorities.

The Foreign Minister then referred to the Bonin Islands. As the Secretary would recall, during the discussion on the Bonin Islands last year it had been stated that repatriation could not be carried out. This had been explained thoroughly by the Japanese Government to the League of Bonin Islanders. They accept the fact that circumstances at present prevent their return. Without abandoning their hope for future repatriation, however, they would like to be compensated for the losses suffered by reason of their evacuation. They had proposed a certain sum of money as compensation. The Foreign Minister would like to have Ambassador Asakai discuss this problem with the Department of State.

The Secretary replied that the United States appreciates the acceptance of the position against repatriation, which the United States Government took reluctantly but for compelling reasons. We also appreciate the spirit in which the Japanese Government explained this matter to the Islanders and their understanding. Regarding the matter of compensation, that thought had been expressed in the prior talks. We are prepared to discuss this with the Japanese Government. The Secretary had heard figures mentioned, however, which seemed to him somewhat beyond the value of anything he thought had existed in the Bonins. But he was prepared to talk about these matters.

The Foreign Minister said that the situation on the United States side had been thoroughly explained by Ambassador MacArthur. The difference in legislation between the two countries was understood. The question, however, was one of the mental anguish of the Bonin Islanders, who hope that some settlement can be made. Mr. Fujiyama hoped that the Secretary understood that the League was well meaning. It was constantly making anti-communist efforts. Any compensation granted would be appreciated by them and by the people of Japan in a manner which would increase good will toward the United States.

After a brief discussion the Secretary and the Foreign Minister agreed that negotiations on this subject would be conducted both in Tokyo and in Washington on a parallel basis.²

Lastly, said the Foreign Minister, he would like to discuss the question of war criminals. The fact that all B and C Class war criminals had been paroled was very much appreciated by the Japanese Government. If the United States formula were followed, however, two years would elapse before their parole could be terminated. It was the desire of the Japanese Government to have parole terminated for these 80 or so men at about the same time.

The Secretary replied that we have examined this matter and that we can waive the balance of the two-year parole requirement by the beginning of next year, and this would liquidate the entire matter.³ He recommended that the details be discussed in Tokyo.

The Foreign Minister thanked the Secretary, and stated that before the meeting broke up he would like to ask whether agreement could be reached before the negotiation of a new Security Treaty regarding the question of consultation on the introduction of nuclear weapons into Japan. This might be discussed in the Security Committee in Tokyo, with an indication that the Japanese Government would be consulted. Mr. Fujiyama said that this was a "hot potato" in Japan.

The Secretary noted that this was a new thought and that he would have to give it consideration before replying. The Foreign Minister said that he did not expect a reply here, but asked that the Secretary consider taking the matter up in the Security Committee.

The Secretary answered that he could not forecast our attitude. He would have to take this up with our military advisers.

² Japan had accepted the U.S. decision that for the time being former Bonin islanders could not return to their native soil but continued to press for compensation totalling \$12.5 million. The United States was willing to compensate for the use of private land holdings as valued at the time when the peace treaty went into effect (April 28, 1952), plus 5 percent per annum interest, approximately \$5 million. Eventually the two governments agreed on \$6 million. (Position paper, "Compensation for Former Residents of Bonin Islands," prepared for the visit of Prime Minister Kishi, January 13, 1960, VKW D-1/2; Department of State, Conference Files: Lot 64 D 559, CF 1588) See Supplement. Documentation on this subject is in Department of State, Central Files, 294.94C22 and 794C.0221.

³ After examining recommendations of the Japanese Government for reduction of sentence to time served in the case of the remaining 83 Class B and Class C war criminals, the United States agreed to waive the 2-year parole requirement, effective December 29, 1958. (Memorandum from Parsons to Acting Secretary, December 24; *ibid.*, 694.0026/12-2458) See Supplement.

(The Secretary then excused himself to leave for a meeting with the President.⁴ Assistant Secretary Robertson assumed the chair on the U.S. side.)

Mr. Robertson said that he understood the Foreign Minister had suggested a press release at the end of each meeting rather than a final communiqué. He had a draft which he gave Mr. Fujiyama for consideration. Mr. Robertson recommended that in speaking to newspaper reporters we should not go beyond or embroider on the press release, and the Foreign Minister agreed.

With some changes, the text of the press release⁵ was agreed upon and sent to the Department's Press Division for immediate release.

The meeting thereupon adjourned at 4:20 p.m.

⁴Dulles' September 11 memorandum of this meeting reported that "I mentioned that the State and Defense Departments have agreed on renegotiation of the Japanese Security Treaty and said I thought this would do much to strengthen our relations with Japan and put them on a more durable and permanent basis." (Eisenhower Library, Dulles Papers, Meetings with the President)

⁵See Department of State *Bulletin*, October 6, 1958, pp. 532-533.

27. Memorandum From the Assistant Secretary of State for Far Eastern Affairs (Robertson) to Secretary of State Dulles

Washington, September 12, 1958.

SUBJECT

Circular 175:¹ Request for Authorization to Enter into Negotiations for new "Treaty of Mutual Cooperation and Security between Japan and the United States"

Pursuant to your discussions with the Japanese Foreign Minister on September 11 regarding the conclusion of a new mutual security treaty

Source: Department of State, Conference Files: Lot 64 D 559, CF 1584. Secret. Drafted by Pfeiffer; cleared with G, W/MS, C, L, H, S/P, and with Ambassador MacArthur and Assistant Secretary of Defense Sprague.

¹Department Circular No. 175, December 13, 1955, outlined procedures for the exercise of the treaty-making and executive agreement-making process of the United States. (Department of State Library)

between the United States and Japan, it is recommended that Ambassador MacArthur be authorized to enter into negotiations with the Japanese Government on the following basis:

1. As soon as we have completed necessary Senate consultation, introduce and seek Japanese agreement on the draft text of the new mutual security treaty which has been prepared (Tab A).²

2. At an appropriate point, introduce and seek agreement to a formula (Tab B) to meet Japanese requests with regard to consultation on the use and equipment of United States forces in Japan.

3. Make clear to Prime Minister Kishi that the exchange of notes between Secretary Acheson and Prime Minister Yoshida of September 8, 1951 (by which Japan agreed to permit and facilitate the support in and about Japan of United Nations forces engaged in any United Nations action in the Far East) will not be affected by the new security treaty. (Tab C)

It will be noted that under Article IX of the draft text of the new agreement (Tab A) it is envisaged that the present Administrative Agreement under Article III of the Security Treaty will continue in force except insofar as it may be subsequently modified.

*Recommendation:*³

That you authorize Ambassador MacArthur to enter into negotiations with the Japanese Government along the lines outlined above.

Tab A⁴

DRAFT TREATY OF MUTUAL COOPERATION AND SECURITY BETWEEN JAPAN AND THE UNITED STATES

Preamble

Japan and the United States of America,

Desiring to strengthen the bonds of peace and friendship traditionally existing between them, and uphold the principles of democracy, individual liberty, and the rule of law,

²No attachments were found with this memorandum. Tabs A and B were attached to another copy of this memorandum. Tab C, Peace Treaty with Japan, September 8, 1951, is in 3 UST (pt. 3) 3169.

³Approved by Dulles on September 29.

⁴Source: Department of State, FE Files: Lot 60 D 90, Japan. Secret.

Desiring further to encourage closer economic cooperation between them and to promote conditions of stability and economic well being in their countries and in the Pacific area,

Reaffirming their faith in the purposes and principles of the Charter of the United Nations, and their desire to live in peace with all peoples and all governments,

Recognizing their inherent right of individual or collective self defense as affirmed in the Charter of the United Nations,

Having resolved to conclude a treaty of mutual cooperation and security,

Therefore agree as follows:

Article I

The Parties undertake, as set forth in the Charter of the United Nations, to settle any international disputes in which they may be involved by peaceful means in such a manner that international peace and security and justice are not endangered and to refrain in their international relations from the threat or use of force against the territorial integrity or political independence of any state or in any other manner inconsistent with the purposes of the United Nations.

Article II

The Parties will contribute toward the further development of peaceful and friendly international relations by strengthening their free institutions, by bringing about a better understanding of the principles upon which these institutions are founded, and by promoting conditions of stability and well being. They will seek to eliminate conflict in their international economic policies and will encourage economic collaboration between them, including economic cooperation with other friendly and like-minded countries in the Pacific area.

Article III

In order more effectively to achieve the objectives of this Treaty, the Parties, separately and jointly, by means of continuous and effective self-help and mutual aid will maintain and develop their individual and collective capacity to resist armed attack and to prevent and counter subversive activities directed from without against their territorial integrity and political stability.

Article IV

The Parties will consult together regarding the implementation of this Treaty and whenever in the opinion of either of them the territorial integrity, political independence, or security of either of them is threatened in the Pacific.

Article V

Each Party recognizes that an armed attack in the Pacific directed against the territories or areas under the administrative control of the other Party would be dangerous to its own peace and safety and declares that it would act to meet the common danger in accordance with its constitutional processes.

Any such armed attack and all measures taken as a result thereof shall be immediately reported to the Security Council of the United Nations. Such measures shall be terminated when the Security Council has taken the measures necessary to restore and maintain international peace and security.

Article VI

The conditions under which the United States land, air, and naval forces may be stationed in and about the territories or areas under the administrative control of Japan will be determined by the Administrative Agreement.

Article VII

This Treaty does not affect and shall not be interpreted as affecting in any way the rights and obligations of the Parties under the Charter of the United Nations or the responsibility of the United Nations for the maintenance of international peace and security.

Article VIII

This Treaty shall be ratified by the United States of America and Japan in accordance with their respective constitutional processes and will enter into force when the instruments of ratification thereof have been exchanged by them in Tokyo.

Article IX

The Security Treaty between Japan and the United States shall expire upon the entering into force of this Treaty. However, the Administrative Agreement between the United States of America and Japan signed at Tokyo on February 28, 1952 under Article III of the Security Treaty shall continue in force.

Article X

This Treaty shall remain in force indefinitely. However, after the Treaty has been in force for 10 years either Party may terminate it one year after notice has been given to the other Party.

Tab B⁵

Joint Communiqué by President
Truman and Prime Minister
Churchill January 9, 1952

United Kingdom

Pertinent Language of Agreement
“Under arrangements made for the
common defense, the United
States has the use of certain bases
in the United Kingdom. We
reaffirm the understanding that
the use of these bases in an
emergency would be a matter for
joint decision by His Majesty’s
Government and the United
States Government in the light of
the circumstances prevailing at
the time.”

Proposed Formula to Deal With Japanese Request

Under arrangements made for the common defense, the United States has the use of certain bases in Japan. The deployment of United States forces and their equipment into bases in Japan and the operational use of these bases in an emergency would be a matter for joint consultation by the Japanese Government and the United States Government in the light of circumstances prevailing at the time.

⁵Source: Department of State, FE Files: Lot 60 D 90, Japan. Confidential.

28. Telegram From the Department of State to the Embassy in Japan

Washington, September 29, 1958, 9:59 p.m.

474. Joint State–Defense message. You are authorized enter into negotiations with GOJ following basis:

(1) Introduce and seek Japanese agreement on our draft text of new mutual security treaty. Note following changes in our draft.

Article VI—Substitute “In furtherance of the objectives of this Treaty, the US has the use of certain bases in Japan. With respect to the

Source: Department of State, Central Files, 794.5/9–2958. Secret; Niact. Drafted by Martin and cleared with L/FE, S/S, and DOD. Repeated to CINCPAC.

use of these bases and the status of US forces in Japan, the Administrative Agreement signed at Tokyo on February 28, 1952, as amended, shall continue in force.⁷

Article IX will consist of only the first sentence which reads "The Security Treaty between Japan and the US shall expire upon the entering into force of this Treaty."

Article X based on modification Articles 13 NATO Treaty now reads "This treaty shall remain in force indefinitely. However, after the treaty has been in force for 10 years either party may terminate it one year after notice has been given to the other party."¹

(2) Note that Article VI of draft mutual security treaty states that present Administrative Agreement will continue in force. Of course Administrative Agreement still subject to subsequent amendment under its own Article XXVIII.

If the subject of revising the Administrative Agreement should be raised, you may assure Kishi that necessary technical steps will be taken to cure references to the present security treaty. Any attempts to renegotiate the Administrative Agreement should be forestalled until we have had an opportunity to review whether this would be in our interest. Our tentative thinking is to leave agreement intact, with side agreement reciting that present references in Administrative Agreement should henceforth be read as references to Mutual Cooperation and Security Treaty. If further changes are in your opinion necessary, please advise soonest as any revision of Administrative Agreement should be concluded contemporaneously with treaty and available for possible Congressional scrutiny.

(3) At an appropriate point introduce and seek agreement to our formula to meet Japanese requests with regard to consultation on the deployment of US forces and their equipment in Japan. [5 lines of source text not declassified]

Defense desires you raise with Kishi personally the importance that we attach to the use of the facilities in Japan in the event of Communist aggression directed against another free Asian nation wherein Japan's safety is threatened. Please report Kishi's reaction and any recommendations as to how some understanding with Japanese might be reached to accomplish this objective.

(4) Make clear to Kishi that exchange of notes between Secretary Acheson and Prime Minister Yoshida of September 8, 1951 (by which Japan agreed to permit and facilitate support in and about Japan of UN forces engaged in any UN action in Far East) will not be affected by new security treaty.

Dulles

¹The draft printed as Tab A, Document 27, already incorporates this change.

29. Telegram From the Department of State to the Embassy in Japan

Washington, September 30, 1958, 8:33 p.m.

482. For MacArthur from Robertson. Re Deptel 474.¹ Desire explain our changes to Articles VI, IX and X of mutual security treaty draft as it was when you were in Washington and give background relative other instructions same telegram.

Joint Chiefs of Staff made following recommendations:

(1) Treaty should provide right for US to station its forces in Japan;
 (2) Administrative Agreement should remain unchanged, burden being on Japanese to come forth with any changes other than those which State and Defense agree are necessary;

(3) Joint consultation should take place only during emergency not only with respect operational use of bases but also with regard to deployment US forces and equipment into Japan. Moreover, treaty should provide right for US use its forces in Japan event Communist aggression directed against another free Asian nation wherein Japan's safety threatened;

(4) We should use leverage these negotiations to get exchange of notes in which Japan would refer to its practice in past of not exercising jurisdiction except in cases particular importance and affirming that it would be Japan's policy continue do so in future.

September 25 Becker and I met with Sprague, Irwin and other Defense representatives.² Discussed points raised by JCS. (1) Agreed that our draft gave only implied right US forces be in Japan. To strengthen our negotiating position other countries in Far East and to improve budget position vis-à-vis Congress, agreed to use modified NATO formula giving treaty minimum 10 year duration. (2) Agreed Administrative Agreement should remain unchanged except as technically required make it responsive mutual security treaty rather than present Security Treaty. (3) Agreed JCS proposal opened a possible means of solving jurisdictional problem we have in Philippines but should check with you on timeliness and desirability involving this in treaty negotiations (will send you separate telegram which presently being cleared with Defense).³ (4) Sprague felt need discuss JCS point #3 with Secretary Defense before could agree Department State position. Secretary Defense later concurred in Department State language on consultation for-

Source: Department of State, Central Files, 794.5/9-3058. Secret; Limited Distribution; No Distribution Outside Department. Drafted by Martin.

¹ Document 28.

² No other record of this meeting has been found.

³ See Document 30.

mula but felt should try obtain Japanese assurances US be able use bases in case free Asian country attacked by Communists if Japan security threatened.

On question base rights DOD wished get as much as possible from Japanese in regard to US right to station forces Japan. Accordingly we agreed approach similar your 688⁴ on this question.

Foregoing only background explanation and not intended alter negotiating instructions.

Dulles

⁴In telegram 688 from Tokyo, September 28, MacArthur suggested a new formulation for Article VI of the draft treaty to avoid the commitment of stationing U.S. forces in Japan for common defense under any and all circumstances. (Department of State, Central Files, 794.5/9-2858) See Supplement.

30. Telegram From the Department of State to the Embassy in Japan

Washington, October 2, 1958, 10:26 p.m.

503. Joint State-Defense message. We are anxious make most of favorable opportunity afforded by US agreement to renegotiate Security Treaty in obtaining from Japan some publishable form of its statement of intention to waive its right to exercise jurisdiction over US personnel except in cases of material importance to it. You are aware of value this would have with respect to (a) our negotiations with other countries, notably Philippines where informal talks are scheduled to reopen on October 20, and (b) facilitating presentation annual report to Congress on status of forces arrangements.

In past efforts have been aimed at declassifying current classified statement. This posed obvious difficulty which we believe might be overcome by proposing to Kishi an exchange of notes in which GOJ would refer to its practice in past of not exercising jurisdiction except in

Source: Department of State, Central Files, 794.33/10-258. Secret. Drafted by Martin, FE/NA, and W. Elang, DOD/ISA; cleared with L/FE, SPA, and DOD; and approved by Parsons. Repeated to Manila and CINCPAC.

cases of particular importance and affirming that it would be Japanese policy continue to do so in future. US has similar published commitment from NATO countries such as Greece, Netherlands and Libya.

Accordingly you should seek agreement along foregoing lines with GOJ preferably Kishi at most opportune moment.

Dulles

31. Telegram From the Embassy in Japan to the Department of State

Tokyo, October 5, 1958, 3 p.m.

743. CINCPAC exclusive for Admiral Felt and POLAD. COMUS/Japan exclusive for General Burns. Embtel 741.¹ As authorized in Deptel 474,² I met yesterday with PriMin Kishi and FonMin Fujiyama to discuss replacing Security Treaty with new mutual treaty. Following is full summary of our meeting:

1. At opening of our discussion, I informed Kishi that following the Secretary's meeting with Fujiyama, GOJ request to replace Security Treaty with mutual treaty had been discussed with Executive branch and confidentially with certain key Congressional leaders. Request for new treaty raises a serious problem for US since US is asked to give up broad continuing rights it now has by virtue of present treaty for new treaty which would impose upon US heavy obligation insofar as terms of a new treaty are concerned. Nevertheless, US prepared to accede to Kishi's request and discuss with Japanese replacing present treaty with mutual treaty. This decision was taken primarily due to importance US places in closest possible relations with Japanese Government and to its confidence in PriMin Kishi's desire for strengthening partnership with

Source: Department of State, Central Files, 794.5/10-558. Secret; Limit Distribution. Transmitted in two sections and repeated to CINCPAC POLAD and COMUS/Japan.

¹ Telegram 741 from Tokyo, October 4, was a precis of this telegram. In the concluding paragraph MacArthur said that he and Kishi had agreed not to issue a formal communiqué at the end of their meeting and that they would reply to press inquiries in general terms. (*Ibid.*, 794.5/10-458)

² Document 28.

US on basis of durable and firm treaty relationship. I pointed out that new treaty and security arrangements raise number of difficult problems for US. We therefore intended from very outset to lay all our cards on table and indicated frankly general limits and bounds within which we must work if we are to find solution which US could live with.

2. I then gave Japanese text of draft treaty³ pointing out that draft had been prepared in effort to meet various suggestions raised previously with US by Kishi and Fujiyama in earlier talks. I explained treaty was also drafted to reflect broad community of interests and interdependence between Japan and US not only in field of security but in economic and other respects.

I then carefully reviewed each article in draft treaty, drawing upon commentary prepared by Department,⁴ and stressing particularly our views with respect Articles V, VI, and X. Re Article V, I said words "territories or areas under the administrative control" included 4 main islands of Japan, small islands now under Japanese control, Article III peace treaty islands now under US administrative control and islands in Pacific administered by US. Language of treaty also would require no amendment if northern islands are restored to Japanese control by USSR or at such time as Article III peace treaty islands may be returned to Japanese administration.

However, I made clear our draft has no effect on rights of US under Article III of peace treaty. I also explained our interpretation that term, "in accordance with constitutional process", means Japan would not be obligated send its forces outside Japan if constitution interpreted to prohibit such use of Japanese forces.

Re Article VI, I stressed our deep desire present administrative agreement in effect although we prepared to take necessary technical steps to cure references in agreement to present security treaty. With such technical steps, administrative agreement would not in our view appear one-sided since inequalities in present arrangements which have been criticized in Japan seem to stem from treaty and not administrative agreement. I pointed out that if US is to commit itself to responsibility for sharing Japanese defense, we would obviously need provisions covering facilities, status of forces arrangements, etc. and that our new draft mutual treaty together with present administrative agreement would seem to be far best arrangement.

Re Article X, I recalled that Kishi in previous conversations had mentioned desire to have treaty fixed for certain period, such as 10 years, following which it could be terminated by one year's notice.

³ See Tab A to Document 27.

⁴ Not found.

Article X had been drafted to take his views into account with which we agreed.

3. I next discussed proposed formula⁵ in response GOJ request for consultation on introduction of nuclear and operational use of US bases in emergency. I recalled Fujiyama's statements to Secretary on September 11 in which he mentioned that, in event of aggression against Japan area, GOJ would provide necessary operational bases in Japan and that, in event aggression against US outside Japan, present logistic use of US bases for support of US forces would continue. I pointed out that we attach great importance to use of facilities in Japan to meet Communist aggression outside Japan area against other free Asian nations. On basis of Fujiyama's assurances regarding use of logistic and other facilities, we had developed formula providing for joint consultation on introduction nuclears and operational use Japanese bases as requested by Kishi and Fujiyama. I explained that first operative clause in formula on "deployment of US forces and equipment into bases in Japan" referred specifically to introduction of nuclears [2 lines of source text not declassified]. On second aspect of formula I stressed that it was our understanding that joint consultation formula applied to operational use of US bases and that formula would not create barrier for use of these facilities for logistic purposes.

I then explained why it was not practicable to include formula in treaty and suggested it be recorded otherwise either through exchange of notes or agreed minute, as Japanese preferred, either of which would be made public with treaty. I also indicated our desire that in due course our understanding on formula be confirmed by Japanese in some mutually agreeable way.

4. I next took up Acheson–Yoshida exchange of notes of September 1 [8], 1951⁶ by which Japan agreed to permit and facilitate the support in and about Japan of UN forces engaged in any UN action in Far East. I said that since exchange of notes was related to the peace treaty and not to security treaty it seemed quite clear that undertaking of GOJ in Yoshida note would not be affected by new mutual security treaty. I said we would wish to inform Washington that Kishi agreed with our understanding.

5. Finally, I raised question of waiver of rights to exercise jurisdiction as set forth in Deptel 503.⁷ I recalled our approach to Kishi in June 1957 to make public Japanese intention to waive its right to exercise jurisdiction except in cases of material importance to it and GOJ reply

⁵ See Tab B to Document 27.

⁶ See Document 34.

⁷ Document 30. For documentation concerning the confidential understanding on jurisdiction, see *Foreign Relations, 1952–1954*, vol. XIV, pp. 1478 ff.

that it would be embarrassing and create real problems in Japan re status forces agreement if confidential agreement were made public. I said that without making 1953 confidential minute public, it would be materially helpful to US to work out some public formulation on this matter in which Japan would refer to its past practice of not exercising such jurisdiction and affirm that it would be Japanese policy to continue to do so in the future.

6. After presentation, Kishi said that in view of the detailed proposals made, he was sure we would understand that he must withhold comment until our proposals could be carefully studied by himself and Foreign Ministry. However, he desired to express at once his great appreciation for earnest and sincere effort made by US Govt to place US-Japanese relations on truly mutual basis. He said that the intent of our proposals obviously showed a desire for mutuality on our part in numerous respects.

7. At close of discussion, we agreed upon line to be used in response to press inquiries, as set forth Embtels 741 and 742.⁸ In connection with discussion of press line, I emphasized need to conduct our negotiations in private, pointing out that, if we do not hold these discussions very closely and keep them out of press, there is a great danger of building up public inflexibility on key issues both in Japan and US. This would make it most difficult for us to handle negotiations. Kishi wholeheartedly concurred. At Kishi's suggestion, we agreed that discussions would be kept to very restricted number of people on both sides and, in particular, that no mention would be made of fact we had presented text draft treaty. Kishi emphasized that it was of paramount importance to avoid any indication re tabling of draft treaty. I gather he had in mind that when draft finally sees light of day it would be presented as document hammered out together on basis of Japanese proposals rather than based on a US draft.

MacArthur

⁸ Telegram 742 from Tokyo, October 4, transmitted the agreed text for response to press questions. (Department of State, Central Files, 794.5/10-458) See Supplement.

32. Telegram from the Embassy in Japan to the Department of State

Tokyo, October 13, 1958, 8 p.m.

792. CINCPAC exclusive for Admiral Felt and POLAD. COMUS/Japan exclusive for General Burns. Re Embtel 781.¹

1. Following are points in draft treaty on which FonOff officials at working level have informally sought clarification. They made clear that clarifications they sought had not been suggested by or discussed with high level members of GOJ but were points which would unquestionably be raised soon by senior Japanese officials and leading members GOJ and eventually LDP.

2. Points raised on (a) consultation formula, and (b) Acheson-Yoshida exchange of notes are in two immediately following telegrams.²

3. It is extremely important that just as soon as practicable I have Washington's comments on these three messages, in as much detail as feasible. In addition to specific comment on points raised by Japanese, would appreciate additional points which you might consider helpful in getting Japanese working level support for our views.

Point 1. Japanese said "objectives" of treaty (as term is used in Article six) were nowhere clearly set forth in treaty and that Article six language "in furtherance of the objectives of this treaty" could be subject to several interpretations, particularly when read in conjunction with Article five and the formula on use of US forces in Japan. They pointed out we appeared to have in mind three related interpretations in our draft treaty when taken together with the "formula" which everyone would read in relationship to the treaty: (a) defense of Japan area; (b) defense of US-administered territory in Pacific; (c) specific type of use by US in certain circumstances of facilities in Japan in relation to situations outside purview of Article five of treaty. (*Comment:* They did not express objection to this triple concept, but asked for clarification, and clearly implied that language of Article six carried apparent implication that treaty itself limited use of US facilities to achieve objectives of Article five (i.e., de-

Source: Department of State, Central Files, 794.5/10-1358. Secret; Limit Distribution. Transmitted in two sections and repeated to CINCPAC and COMUS/Japan.

¹ In telegram 781 from Tokyo, October 10, MacArthur reported that Fujiyama had requested "a minimum formal meeting" concerning negotiations on the new security treaty. The Ambassador also said that the Japanese Foreign Office had been studying the U.S. draft treaty carefully and had asked the Embassy informally and at working level for clarification of certain aspects. (*Ibid.*, 794.5/10-1058) See Supplement.

² Documents 33 and 34.

fense of US or Japanese administered territory in Pacific). If we had other aspects in mind, there would have to be full understanding and agreement about them. There might be aspects of this problem which could not usefully be formulated in official documents. In such event it would still be important to have agreement on how GOJ and US Govt would reply to questions in Diet and Congress.

Point 2. FonOff officials referred to commitment in Article five to "act" in accordance with constitutional processes and asked what concrete measures Japan would be expected to take in event of attack on US-administered territory within treaty area, but outside of Japan area, short of sending its forces overseas. (*Comment: We noted actions left to respective decisions of each party within limits of constitutional and legislative powers as they were then interpreted. Since under present interpretation of Japanese constitution, Japan cannot send its armed forces overseas to non-Japanese territories, this question is one which will be scrutinized most carefully by Japanese Diet and public.*)

Point 3. During discussion of Article five on treaty area, we took opportunity to point out that while an attack on Ryukyus or Bonins would bring Article five of treaty into effect, Japan would not have responsibility for planning or for contributing armed forces in Ryukyus or Bonins for their defense while these areas under US administrative control (Embtel 268).³ Thus, provisions for consultation on nuclear weapons in consultation formula did not in any way whatsoever apply to these areas. We pointed out this would be consistent with position already taken by Kishi in Diet.

Point 4. FonOff officials asked whether we intended by Article six to make administrative agreement integral part of treaty, and thus either freeze it in its present form or require that its future amendment be subject to same ratification procedures as treaty itself. Their initial view was that present language appeared to do this and to be inconsistent with Article XXVIII of administrative agreement which permits amendment through executive action.

(*Comment: We noted only that, for our part, US considered that administrative agreement and any amendments thereto were responsibility of Executive branch only and that there was no intention to make amendment of administrative agreement subject to Senate ratification.*)

Point 5. FonOff officials asked whether taking technical steps to conform references to security treaty in administrative agreement to new treaty would also include deletion of references in administrative agreement to "rights" conferred on US. They did not indicate any desire

³Telegram 268 from Tokyo, August 6, discussed a possible visit by Philippine President Garcia to Japan and his interest in securing Japanese economic aid. (Department of State, Central Files, 796.11/8-658)

to change main substance of administrative agreement but did indicate that retention of administrative agreement in all its present language, with exchange of notes only stating references to present security treaty applied to new treaty, would be politically difficult. They did not appear to be challenging basic substance of present agreement, but pointed out Article six of draft treaty had no specific references to US "right" to station forces in Japan, Whereas there are such references in administrative agreement and these would seem to be inconsistent with new treaty. (*Comment:* We reiterated that we had in mind only conforming administrative agreement to new mutual security treaty but not altering substance of present administrative agreement.)

Point 6. FonOff officials asked whether word "bases" was used deliberately in Article six and in consultation formula, in place of present terminology in administrative agreement, i.e., "facilities and areas". They said word "bases" had been deliberately avoided in present security treaty and administrative agreement when negotiated since it was considered to have very unfavorable connotations for Japanese public. They also asked what was intended by language "use of certain bases", i.e., whether this was intended to give treaty sanction to facilities and areas now used by US forces and thus foreclose or make very difficult any adjustments in this base system, or whether it was intended to imply that US would retain bases after US forces were withdrawn. (*Comment:* We said that as we understood it, phraseology in Article six and in consultation formula was intended to affirm fact of presence of US forces and bases in Japan which at present seemed necessary to fulfill treaty obligations, without specifically mentioning our "right" to station such forces in Japan.)

MacArthur

33. Telegram 793 From the Embassy in Japan to the Department of State

Tokyo, October 13, 1958, 10 p.m.

[Source: Department of State, Central Files, 794.5/10-1358. Secret; Limit Distribution. 3 pages of source text not declassified.]

34. Telegram From the Embassy in Japan to the Department of State

Tokyo, October 13, 1958, 10 p.m.

794. CINCPAC exclusive for Admiral Felt and POLAD. COMUS/Japan exclusive for General Burns. Embtel 792.¹ Following are points raised informally by working level Foreign Office officials on Acheson-Yoshida exchange of notes of September 8, 1951.

1. Foreign Office officials said that under Japanese interpretation Acheson-Yoshida exchange of notes was related to security treaty as well as peace treaty. Notes were exchanged physically at time and place where security treaty signed outside of San Francisco. With respect GOJ procedures, notes were submitted to Diet and ratified by Diet along with security treaty. Japanese note was signed only by Yoshida and not by entire delegation which signed peace treaty. In addition, notes appear to make clear that, with respect to US, facilities and services are provided by administrative agreement implementing security treaty and that, in absence security treaty, notes would have provided for support of US forces as well as UN forces.

2. They asked whether notes were intended to apply to future UN actions in Far East unrelated to Korean incident. They mentioned that GOJ interpreted obligations under Article 2 of UN Charter (which is referred to in notes) as not automatic but subject to provisions of Article 43(3) in each specific case. They commented informally that notes also appeared to refer specifically to hostilities flowing from North Korean invasion of South Korea in 1950 and that therefore reference to "any UN action in Far East" logically referred only to hostilities arising out of broadening of Korean action which they recalled was distinct possibility at time notes exchanged. (*Comment:* Foreign Office officials appeared troubled not by obligation to support UN forces in event of resumption of Korean hostilities but by what they thought might be our notion of advance Japanese commitment to give support automatically to any and all future UN actions in Far East. They pointed out Diet would probably never concur to such blanket interpretation.)

3. They also asked whether language in Acheson-Yoshida notes "Japan will permit and facilitate support in and about Japan" in U.S. view included "operational use" of Japanese bases by UN forces with-

Source: Department of State, Central Files, 794.5/10-1358. Secret; Limit Distribution. Repeated to CINCPAC and COMUS/Japan.

¹ Document 32.

out Japanese consent. Such an interpretation, they believed would not be accepted by Japanese Diet and people and would be inconsistent with provision nor consultation in our formula.

4. Would appreciate Department's comments soon as possible.²

MacArthur

²The Department replied in telegram 572 to Tokyo, October 16, that issues raised in telegrams 792, 793, and 794 from Tokyo were under study and instructed the Embassy to "limit response to comments already made" to Japanese Foreign Office working level queries. (Department of State, Central Files, 794.5/10-1358) See Supplement. See also telegram 707 to Tokyo, November 10, in the Supplement.

35. Telegram From the Embassy in Japan to the Department of State

Tokyo, November 28, 1958, 6 p.m.

1115. Exclusive for Admiral Felt and POLAD for information. Exclusive for General Burns for information. Exclusive for Deming and General Booth for information. For the Secretary. I met secretly with Fujiyama late November 26 at his request for further discussion of new security treaty.

Fujiyama said he and Kishi are determined to continue negotiations and have not changed their intention to submit new treaty to Diet during next regular session. However, experience with police bill has taught them importance of marshaling public and party support before government makes final decision. Obviously government cannot seek such support except in broadest terms until we have had meeting of minds on basic elements of new treaty. Therefore, he wished to discuss those elements with me on highly confidential basis before there is publicly announced negotiating session. Such session can be held when we know that basic elements are agreed and when Kishi has been able to inform party factions in more concrete terms of scope and substance of treaty. I agreed.

Source: Department of State, Central Files, 794.5/11-2858. Secret; Limit Distribution. Transmitted in two sections and repeated to Naha, CINCPAC, and COMUS/Japan.

Fujiyama then said the most critical point of the treaty revision for Japan is the treaty area. With respect to US proposal that all US and Japanese ministered territories in Pacific be included in treaty area, Fujiyama said it was now clear that inclusion of US island possessions in Pacific would raise major questions of interpretation of Japanese constitution and would not be approved by either Japanese public opinion or the Diet. GOJ had originally thought well of the idea of including the Japanese home islands and Article III Peace Treaty islands (Ryukyus and Bonins). However, as result of discussion within Conservative Party as well as private discussions with principal newspaper editors and other leaders of public opinion, it now seemed clear that GOJ would be unable to obtain necessary support for inclusion of Article III islands. This is not only because their inclusion would place major weapon in hands of Socialists, as explained further below, but also because of serious arguments advanced within Liberal Democratic Party itself:

1. Some members of majority party as well as influential public figures, Fujiyama said, feel that if Article III islands were to be included, then Japan should strongly insist upon return of administrative control of those islands to Japan. This they feel would be only way to overcome opposition to inclusion of Article III islands. Kishi and Fujiyama fully understand that we cannot return such administration at this time. They do not wish to be forced into raising this issue with us but feel that pressure within party and with the public would strongly increase if Japan were to propose inclusion of islands.

2. On other hand, Fujiyama continued, there is also important element within Conservative Party, centering around such respected figures as Admirals Nomura and Hoshina and former Prime Minister Ashida, who are opposed to including Ryukyus and Bonins in treaty area not only because they do not desire administration over those islands to be returned. (Such persons favor continued American administration of Okinawa and are opposed to inclusion of Ryukyus and Bonins in treaty area because it might result in efforts to limit our ability to introduce nuclear weapons into Okinawa. Such leaders consider it essential for Japan's security that US nuclear capability in Article III islands be not limited and they oppose their inclusion in treaty area because they do not want to see that question raised.)

3. Finally, Fujiyama said, it is GOJ assessment that Socialist opposition arguments against inclusion of Ryukyus and Bonins could win widespread popular support. Their principal argument is that if those islands were included, this would, contrary to constitution, in effect bring Japan into multilateral security treaty with Republic of China, ROK and the Philippines, etcetera, (because Ryukyus and Bonins are covered by our treaties with those countries) and that Japan would be committed to hostilities to which any of those treaties applicable. For ex-

ample, if US and Nationalist China became engaged in hostilities with Communist China over Quemoy and Matsu the US would probably be obliged to use Okinawa as a base to attack Communist forces. This might lead to an attack on Okinawa by Communist China which, by the terms of the new treaty, would bring Japan into the conflict if Article III islands are included in treaty area.

He was fully aware, Fujiyama said, that there are weighty arguments in favor of inclusion of Article III islands, not least of which from point of view of GOJ is desire of Okinawans themselves who have petitioned GOJ in this respect. But Kishi and he had come to conclusion that it would be wiser both from Japanese and American viewpoint to limit treaty area to the Japan home islands and he wanted you to know reasons and hoped earnestly this would be sympathetically and urgently considered in Washington.

I am cabling you personally about this matter not only because Fujiyama asked me to do so but also because the treaty area is the key to the entire problem and until we reach agreement on the area it is not possible to move forward. We in the Embassy have been considering this problem very seriously since we received Admiral Felt's (CINCPAC) message 060602Z November¹ which in its paragraph E strongly recommended excluding the Article III islands from the treaty area. In light of developments here since that time I strongly concur with Admiral Felt's recommendation and urge that we limit the area to the Japanese-administered islands on the assumption that we get a satisfactory agreement with the Japanese regarding the other important points, including the use of bases, the formula on consultation and the administrative agreement.

Fujiyama said he would like to meet with me again secretly about the middle of next week to get our reaction to this problem. If you in Washington agree to a treaty area which should include only Japanese-administered territories I would not inform Fujiyama at this juncture that we had agreed but would say to him that although limited treaty area raised serious problems, I thought there was a fair chance of agreeing to such a limited treaty area if, but only if, we could reach satisfactory agreement on other matters including bases, the consultation formula and the administrative agreement. I would then concentrate on these matters. (We have indication that Japanese believe administrative agreement will have to be amended to conform it to text and spirit of new treaty but that they do not seem to have in mind basic change.)

Although Fujiyama did not go into details on consultation formula, he made it clear that Kishi and he fully accept basic principle that US

¹Not found.

use of bases in Japan is most important contribution Japan can make to give required element of mutuality to new treaty. While Japanese would naturally expect us to continue to keep in close touch with them, as we are now doing, they agree with principle that consultation formula should be confined to introduction of nuclears and military operations outside of Japan. Consequently, I have no reason to expect any substantive difficulties over this most important element from our viewpoint. Fujiyama voiced preference for having consultation formula laid down in form of protocol forming integral part of treaty, but I explained to him that it is not our practice to submit such understandings for congressional ratification although there would of course be no objection whatever to GOJ submitting formula to Diet together with treaty document itself, perhaps in form of exchange of notes.

On private, confidential and personal basis, Foreign Office official showed member of my staff a draft on consultation which he said Fujiyama was considering. It read: "Major changes in the disposition of US forces (including their equipment) in Japan and the use of facilities and areas within Japan as the bases of military operations for purposes other than the defense of Japan shall be effected upon prior consultation with the Government of Japan". Foreign Office official emphasized that while as at present they would expect to be informed of withdrawal of US forces from Japan, "consultation" would not be expected or required under formula. There thus appears to be no substantive difference at this juncture over consultation formula although in this respect, as well as in others, we may later have some hard negotiating.

[1 paragraph (10-1/2 lines of source text) not declassified]

Major substantive difficulty in talks thus concerns the treaty area. As I have indicated in Embtel 948² (when there still seemed possibility of treaty area including Article III islands), inclusion of US-administered territories in treaty area does not seem essential to our purposes. As I understand it, our basic and overriding interest lies in creation of reasonably dependable and long-term military security arrangement entered into voluntarily by Japan which will: Align Japan with us and free world in military security field; which will give us use of Japanese logistic facilities and bases in peace-time thus saving us literally hundreds of millions of dollars; and which will at same time give us reasonable expectation of use of bases for logistic support if we become involved in hostilities in the Far East in which Japan is not involved, with possibility of also using them operationally. These objectives can be accomplished regardless of whether Article III islands are in treaty area. As matter of fact, given the situation here and question of continued administration

²See footnote 5, Document 43.

of Article III islands etc., I now believe that there is very substantial advantage to us if they are not so included. (Incidentally the ChiNats and ROK will also be much happier if Ryukyus are not included.) I therefore strongly recommend that we be prepared to have treaty area confined to Japanese home islands.

I have given copy of this message to General Burns and am sending copy to Admiral Felt and General Booth because of their strong interest in this problem.

MacArthur

36. Memorandum From the Joint Chiefs of Staff to Secretary of Defense McElroy

Washington, December 1, 1958.

SUBJECT

Japan Security Treaty

1. In the American Embassy, Tokyo, telegram No. 948 to the Secretary of State, dated 3 November 1958,¹ Ambassador MacArthur has proposed changes in the State–Defense approved draft wording of a new “U.S.–Japanese Mutual Cooperation and Security Treaty”.

2. The Joint Chiefs of Staff note that this change would limit the area covered by the agreed draft to only the home islands of Japan and the Ryukyus and the Bonin–Volcanos. The Joint Chiefs of Staff further note that Ambassador MacArthur bases his proposed change on the expectation that Prime Minister Kishi and Foreign Minister Fujiyama will make a request to exclude all U.S. administered territories except the Ryukyus and Bonins. He believes satisfaction of this anticipated request will reduce confusion in the Japanese public mind and help Kishi and Fujiyama in justifying inclusion of the Ryukyus and Bonin–Volcanos before the Diet on grounds of Japan’s residual sovereignty. Additionally,

Source: National Archives and Records Administration, RG 218, JCS Records, CCS .092 Japan (12–12–50). Secret.

¹ See footnote 5, Document 43.

the Joint Chiefs of Staff have noted that the Ambassador accounts for the failure on the part of the Japanese as yet to have made this request, to their fear that it might not be granted.

3. The Joint Chiefs of Staff agree that, in developing a U.S. position for negotiations, it is wise to consider all possible positions of the other side. It does not follow in this case, however, that the U.S. position should be changed to conform to this new prediction of the Japanese position. Indeed, Japanese reluctance to accept the responsibility attendant upon mutuality was duly considered in setting forth the present wording that either party will act "in accordance with its constitutional provisions and processes"; this in effect would relieve Japan of the necessity of taking anything but passive action to defend any of the territory covered by the treaty. Passive Japanese support in the defense of the Ryukyus, Bonins and Volcanos would be a foregone conclusion, hence the United States would gain nothing by the inclusion in the Treaty of these islands per se. Such an inclusion would, on the other hand, be useful to the Japanese as a political lever toward reestablishment of Japanese administrative control over the islands.

4. The Joint Chiefs of Staff are therefore opposed to the proposed change in the wording to Article V of the agreed draft, and while understanding and appreciating the reasons persuading the Ambassador to suggest it, recommend that the United States adhere to the position that a mutual treaty should involve the application of whatever commitments the Japanese may undertake to U.S. as well as Japanese "territories and areas". The phrase "in accordance with its constitutional provisions and processes" should be recognized as providing the necessary differences to accommodate Japanese political and physical limitations. If it becomes impossible to include any U.S. sovereign territory, then the Article III peace treaty islands should not be included in Japanese responsibility for so long as the U.S. retains administrative, legislative and jurisdictional control over them.

5. It is recommended the above views be transmitted to the Department of State.

For the Joint Chiefs of Staff:
N.F. Twining²
Chairman
Joint Chiefs of Staff

²Printed from a copy that bears this typed signature.

37. Telegram From the Department of State to the Embassy in Japan

Washington, December 4, 1958, 4:26 p.m.

802. Pass COMUS Japan exclusive for General Burns. For Ambassador. Embtel 1115.¹ We would prefer before reaching decision on treaty area as proposed by Fujiyama or some alternative to receive Japanese views on other aspects of treaty and related proposals submitted to them.

Subject to foregoing following are preliminary comments FYI.

Understand Japanese desire to limit treaty area in new Security Treaty to Japan home islands but this proposal raises problems for us. Agreeable to deletion of Article 3 Islands from treaty area. However, absence of any territory other than Japanese in treaty area makes treaty susceptible to criticism, particularly from Congressional and public circles, for lack of mutuality of type included in our other treaty arrangements in Far Eastern area. More specifically, failure to include any US sovereign territory in treaty area may be interpreted as move by Japan toward non-involvement in event US territorial interests under direct attack. This might result in possible non-availability of US bases and forces stationed in Japan for active defense of these areas except as US forces are pulled out from Japan and operate from other Pacific bases.

Under present conditions, possibility cannot be excluded of direct Commie attack on US Pacific territories bypassing Japan. In return for treaty commitment covering defense of Japan, we were not anticipating at this time Japanese participation in military actions outside Japan area in defense of such US territory. By inclusion of US Pacific territory in Treaty area, however, we looked for indication of Japanese concern over defense of US territorial interests at least to extent of agreeing 1) to our use of US bases and forces in Japan to assist in defending against attacks on these areas and 2) to Japanese taking appropriate military actions within Japan area. E.g., in event US territories attacked, Japanese might

Source: Department of State, Central Files, 794.5/11-2858. Secret; Limit Distribution. Drafted by Richard L. Sneider, Officer in Charge of Japanese Affairs, on December 3; cleared with L, S/S, and DOD; and approved by Robertson. Repeated to Naha exclusive for Deming and General Booth, CINCPAC exclusive for Admiral Felt and POLAD, and COMUS/Japan.

¹ Document 35.

for example attack Soviet aircraft headed to or from US territory and overflying Japanese territory. End FYI.

Would appreciate your comments.

This message has been cleared with Defense.

Herter

38. **Telegram From the Department of State to the Embassy in Japan**

Washington, December 6, 1958, 3:58 p.m.

824. Pass COMUS Japan exclusive for General Burns. For Ambassador. Portions your 1115¹ re consultation formula.

1. Concur consultation formula should be agreement apart from treaty document and may be recorded either through exchange of notes or agreed minute as Japanese prefer. No objection to GOJ submitting formula for Diet approval.

2. No objection to your indicating willingness to consider Japanese proposed wording for consultation formula as set forth ref tel. Key of course to any wording on consultation formula is confirmed understanding as to limitations upon consultation.

3. As you have previously pointed out to Japanese, confirmed understanding on consultation formula should assure (a) formula will not be interpreted as affecting present procedures with respect to deployment of US forces and equipment in Japan, [1-1/2 lines of source text not declassified] (b) consultation on "major changes in disposition" will be confined to the introduction of nuclears into Japan (c) consultation will not be necessary for withdrawal of US forces from Japan and (d) consultation on "military operations for purposes other than defense of Japan" will cover only direct launching of combat operations (operational use) outside Japan from bases in Japan.

This message cleared with Defense.

Dulles

Source: Department of State, Central Files, 794.5/11-2858. Secret; Limit Distribution. Drafted by Pfeiffer on December 5; cleared with L and DOD; and approved by Robertson. Repeated to Naha exclusive for Deming and General Booth, CINCPAC exclusive for Admiral Felt and POLAD, and COMUS/Japan.

¹ Document 35.

39. Telegram From the Embassy in Japan to the Department of State

Tokyo, December 7, 1958, 3 p.m.

1184. Exclusive for CINCPAC and POLAD. Exclusive for General Burns. Exclusive for Deming and General Booth. Re Embtel 1179.¹ I met secretly with Kishi yesterday afternoon (December 6) to discuss Security Treaty revision. (Only Wada was present to interpret.) I said that Treaty revision seemed now to have become entangled not only with domestic political situation and conflict between conservatives and socialists but also in intra-party dispute within LDP. I felt it was important to assess where we stood in order to decide how best to proceed and therefore I wanted his estimate of situation.

Kishi said he wanted to discuss this matter very frankly with me, particularly as it related to intra-party situation within the LDP. He then said that the unhappy outcome of the attempt to revise the police law had caused a wave of factionalism within the LDP. This was probably the most unfortunate result of the police law affair. When GOJ/LDP liaison committee had met December 4 to discuss Security Treaty there had been no agreement reached as to how to proceed. Kishi said it was quite clear that certain anti-main-stream factions, having in mind forthcoming election next year for LDP presidency, were using revision of Security Treaty in connection with factional maneuvering within LDP.

Discussing attitude of anti-main-stream factions on treaty revision, Kishi said Miki-Matsumura faction was opposed to treaty revision if it would strengthen and make closer Japanese military relations with US. On other hand, Ikeda-Yoshida group indicated it was opposed to treaty revision unless Japan's military and security ties with US would be strengthened thereby. Kishi said that views of Ikeda-Yoshida group as to objective of revising Security Treaty were similar to views of Kishi, his brother Sato and mainstream in that they all wanted revision of Security Treaty to make security relations between Japan and U.S. even closer than they had been before. Specifically, Ikeda-Yoshida group wished to have Ryukyus and Bonins included in treaty area, whereas Miki-Matsumura group were strongly opposed. However Miki-Matsumura group were minority in LDP and their views in themselves would not be decisive.

Source: Department of State, Central Files, 794.5/12-758. Secret; Limit Distribution. Repeated to Naha, CINCPAC, and COMUS/Japan.

¹ Telegram 1179 from Tokyo, December 5, reported the result of a GOJ/LDP Liaison Committee meeting held December 4 concerning the treaty area in the draft treaty. LDP faction leaders did not reach an agreement. (*Ibid.*, 794.5/12-558) See Supplement.

Kishi said in light of factional situation within LDP he doubted that there could be unified position on Security Treaty on part of Conservative party until after elections for presidency of LDP. Kishi went on to say that while his 2-year mandate as president did not expire until March, he felt it was very important that present uncertainties as to future leadership of LDP be resolved as soon as possible. Therefore he believed elections for LDP presidency should be held in January at regular annual meeting of party convention now tentatively scheduled for about January 17. If elections were held in January, Kishi felt it was certain he would be reelected and quite possibly nobody would run against him. On other hand if elections were postponed till March he believed factional maneuvering within LDP would increase, with strong possibility that anti-mainstream might agree to back Ishii against him. Furthermore delaying presidential election till March would have very unsettling and adverse effect on LDP campaign for important Upper House election scheduled for beginning of June. Kishi said he believed chances were at present 80% in favor of elections for presidency of LDP in January.

Kishi said that insofar as public opinion relating to revision of Security Treaty is concerned, general public is groping because it is not certain precisely what revision of treaty will mean. He had been confidentially in touch with certain leaders of public opinion such as political commentators, et cetera, and they were all generally in favor of treaty revision, particularly if treaty area were confined to Japanese-administered islands. He had also been privately in touch with Nishio (right wing) Socialist faction and had received most confidential indications that Nishio group would probably not oppose treaty revision if Ryukyus and Bonins were not included and if revision followed general lines which were envisaged and did not increase chances of Japan becoming involved in war. Kishi said recent interventions of ChiComs and Soviets against treaty revision had definitely influenced Nishio group, which is not desirous of giving impression they were Communist stooges. This, Kishi believed, was one important reason Nishio group would not oppose sensible revision of treaty. Furthermore, Japanese public opinion in general had reacted adversely to ChiCom and Soviet blasts against treaty revision.

I asked Kishi how he thought we should proceed in light of his estimate of situation, saying that until Conservatives were solidly behind treaty I had some doubts as to wisdom of proceeding with publicly announced meetings between Fujiyama and myself, although I would, of course, be glad to meet privately with them whenever convenient.

Kishi replied he thought we should continue to meet secretly to discuss detailed aspects of treaty revision. In addition to these confidential discussions [he] thought it would also be useful, following my return

December 12 from my trip to Hiroshima and Shikoku, for me to have relatively short publicly announced meeting with Fujiyama before Christmas.² This would not have to be of great lengths but would serve notice that treaty discussions had not been abandoned. We would thereafter continue to exchange views and work confidentially, together with perhaps occasional publicly announced meetings, if this seemed useful, until meeting LDP convention in January when he anticipated president of LDP for next two years would be elected. Once LDP president had been elected, he felt factional maneuvering with respect to Security Treaty revision would vanish and he would be able to move forward with solid support of Conservative party.

With respect to treaty area, Kishi believed majority of LDP leadership might end up by favoring inclusion in treaty area of Ryukyus and Bonins despite strong opposition of Miki-Matsumura. However, this was speculative and he emphasized that treaty area was most important single aspect of entire treaty revision problem insofar as Japanese were concerned. The final decision would depend not only on views of different factions within LDP but also on his final assessment to public opinion which admittedly was at present strongly against inclusion of Ryukyus and Bonins.

In light of above situation and since I am leaving tomorrow for official speaking tour of Hiroshima, Matsuyama, Takamatsu and Nagoya, I will not send comments on Deptel 802³ until some time after my return to Tokyo December 12 when can further assess situation.

MacArthur

² See Document 40.

³ Document 37.

40. Telegram From the Embassy in Japan to the Department of State

Tokyo, December 17, 1958, 8 p.m.

1247. Exclusive for CINCPAC and POLAD. Exclusive for General Burns. Exclusive for Deming and General Booth. Re Embtels 1184,¹ 1189,² and 1244.³ In my publicly announced meeting with Fujiyama yesterday to discuss revision of security treaty, Fujiyama opened by saying he wished to outline to me political situation within LDP Conservative Party as it related to our discussions. Since our last meeting he had number of consultations with party leaders and these had convinced him of three things: (a) None of factional leaders presently making trouble over treaty revision is really opposed to new security treaty. Present differences within party stem essentially from considerations of intra-party politics; (b) this squabbling will disappear and unity on treaty question will be quickly restored once election for party presidency is out of way; (c) anti-mainstream elements in party are not really trying to oust Kishi from direction of party but are gunning for certain other personalities in party directorate (i.e., Kono, Kawashima, and Fukuda). Even Yoshida, whom Fujiyama had recently seen, had voiced to him private opinion that there is no alternative to Kishi as PriMin at present time. Fujiyama said in light of foregoing it is essential that elections for party president be got out of way at earliest possible time, and PriMin agrees with him on this. Present indications are that those elections will take place in LDP convention about January 18 rather than in March, although final decision has not yet been taken. Meanwhile Fujiyama was continuing to conduct active public relations program, including large number personal contacts with public opinion leaders, to dispel misunderstandings about treaty negotiations and unify public opinion. However, it was clear Fujiyama said that until Conservative Party itself is unified there

Source: Department of State, Central Files, 794.00/12-758. Confidential; Priority; Limit Distribution. Repeated to Naha, CINCPAC, and COMUS/Japan.

¹ Document 39.

² Telegram 1189 from Tokyo, December 8, informed the Department that in a private meeting on December 7 Fujiyama asked MacArthur to hold a publicly announced meeting to discuss some aspects of the security treaty other than the question of the treaty area. The Ambassador agreed to hold such a meeting but warned Fujiyama that the United States would not like to see treaty negotiations enmeshed with intraparty disputes, and that the United States would be content to wait until after the election of the LDP President. (Department of State, Central Files, 794.5/12-858) See Supplement.

³ Telegram 1244 from Tokyo, December 16, contains a statement to the press that Fujiyama and MacArthur had a general discussion on the security treaty during the publicly announced meeting. (Department of State, Central Files, 794.5/12-1658) See Supplement.

can be no negotiations on basic substantive questions such as treaty area, although there were one or two other matters that could be talked about. I agree that treaty negotiations on basic issues would be fruitless unless Conservative Party gives strong and unified support.

He said one aspect of treaty revision problem which had been studied very carefully by Japanese legal experts was administrative agreement. They had come to conclusion that administrative agreement derives from present security treaty and is based upon it, so that it would legally cease to be valid when new mutual security treaty enters into effect. Consequently, even if no change at all were made in present admin agreement, it would have to be signed again and would acquire "another personality" in order to be valid in connection with new mutual security treaty. Moreover, while present admin agreement had not been submitted to Diet for ratification, subsequent UN Status of Forces Agreement⁴ had been submitted so that in view of Japanese legal experts a new admin agreement would have to be submitted to Diet together with new mutual security treaty.

Theoretically, Fujiyama continued, matter might be dealt with in one of following ways: (1) There might be minimum adjustments in language of present admin agreement to conform it to new mutual security treaty, but this could not be done by simple exchange of notes as we had proposed but would have to be done by changing text of agreement. (2) There might, in addition, be renegotiation of certain provisions which have caused difficulties in past, thereby making it in fact a new admin agreement. (3) Present admin agreement would be submitted to Diet with minimum adjustments conforming it to new treaty, but on "tacit" understanding with us that necessary modifications in admin agreement would be made in future by mutual agreement.

Fujiyama said he wished to make quite clear that while in Japanese view new admin agreement was necessary, they intended to recognize without question the maintenance of existing US facilities and areas in Japan and had no intention of questioning present procedures for acquisition and release of facilities, nor would they propose any modifications in provisions governing jurisdiction and status of US forces in Japan.

I said to Fujiyama that question of admin agreement together with treaty area were, it seemed to me, the two fundamental problems we had to deal with in text of new treaty. I said it would not be possible for us to sign any new treaty until we were in complete agreement on text of

⁴ Agreement regarding the status of the U.N. forces in Japan, and agreed official minutes, signed at Tokyo February 19, 1954, and entered into force for the United States June 11, 1954. For text see 5 UST (pt. 2) 1123.

new admin agreement. I furthermore stated that until we knew exactly what Japanese had in mind with respect to new admin agreement and we were in basic accord with them, it would not in my judgement be feasible to move forward on text of new treaty. Therefore, it was important that we know precisely what they had in mind. If it was to conform present admin agreement to new treaty, without basic changes of substance, I felt matter might be handled without undue delay. If, however, Japanese had in mind basic changes of substance, it was clear we were in for long negotiation which would delay concluding treaty itself. Fujiyama said he fully recognized that we must be completely satisfied with new admin agreement before we could sign treaty, and he furthermore recognized that we would not be in position to sign new treaty unless new admin agreement could be signed before or simultaneously with signature of new treaty.

Fujiyama said he thought period between now and time difficulties within LDP were straightened out might most usefully be used to have some informal private discussions about admin agreement. I said I fully agreed since it was imperative that there be agreement on how we were going to handle admin agreement before we could usefully move forward with treaty. Fujiyama said his people would get in touch with Embassy at staff level in due course for further informal exchange of views on admin agreement.

I have agreed and have asked General Burns to make available an officer from COMUS who can sit in on private informal discussions which we will have with FonOff on admin agreement. General Burns's staff has already prepared draft to conform present admin agreement with new treaty. I am forwarding this draft in following telegram.⁵ General Burns and I recommend urgent approval of this draft so that at appropriate point in informal discussions with Japanese, we can table it and have it, rather than a Japanese draft, serve as basis for discussion and negotiation with Japanese.

MacArthur

⁵ Changes in the Administrative Agreement proposed by COMUS/Japan were transmitted in telegrams 1248 and 1263, December 17 and 18 from Tokyo. (Department of State, Central Files, 794.5/12-1758 and 794.5/12-1858) See Supplement.

41. National Intelligence Estimate

NIE 41-58

Washington, December 23, 1958.

PROBABLE DEVELOPMENTS IN JAPAN'S INTERNATIONAL ORIENTATION

The Problem

To analyze recent trends and to estimate probable developments in Japan's international position and orientation over the next five years.

Conclusions

1. Over the next five years, Japan will probably remain basically aligned with the US. Within this alignment, however, Japan will be more assertive in pursuing its independent national interests. Supported by a strong and growing economy, Japan probably will increase its economic, political, and diplomatic influence, especially in South and Southeast Asia. Japan will increasingly identify itself with the Afro-Asian states, particularly in the UN, but on fundamental issues will continue to cooperate with the US and the West (Paras. 8, 22, 36)

2. Japan will probably continue to depend primarily on US deterrent strength for its defense. Popular opposition to the idea of rearmament as well as to its cost will continue to restrict Japan's defense effort, although we believe that this opposition will gradually diminish. We believe that five years from now Japan's defense establishment will be substantially more modern than now planned. Nevertheless, the armed forces will still have only a limited ability to defend Japan against major attack. (Paras. 21, 29)

3. If negotiations for revision of the US-Japan Security Treaty end in a mutually satisfactory agreement, the US bases in Japan can be maintained for at least the period of this estimate. If such a mutually satisfactory agreement is not achieved, US-Japanese relations would gradually deteriorate. Even in this situation the US base position could probably be maintained for at least a year or two, but Japanese pressure for the elimination of the bases would increase rapidly and might result in making effective operation of the bases impossible. (Para. 31)

Source: Department of State, INR-NIE Files. Secret. A note on the covering sheet indicates that this estimate was prepared by the CIA, INR, and the intelligence organizations of the Army, the Navy, the Air Force, and the Joint Staff. All members of the USIB concurred with this estimate on December 23, except the representatives of the AEC and FBI who abstained on the grounds that the topic was outside their jurisdiction.

4. We do not believe that the Japanese Government will consent to the deployment of US nuclear weapons in Japan in the foreseeable future. We believe that it would consent to the use of US bases in Japan for the launching of air attacks, nuclear or otherwise, against targets on the mainland of Asia only if Japanese leaders were convinced that Japan itself was directly threatened. In the event of a Communist attack on South Korea it is likely that the Japanese Government would be convinced that Japan itself was directly threatened and would agree to non-nuclear attacks on targets in Korea. It might even agree to the use of nuclear weapons if this appeared necessary to keep South Korea out of Communist hands. In case of US involvement in hostilities with the Communist Bloc in defense of Korea, Taiwan, or Southeast Asia, we believe that the Japanese Government would consent to the use of US bases for staging, supply, and maintenance support of operations. However, it would probably place limitations on such use of the bases, the extent of which would depend upon its own estimate of the importance of the threatened area to Japan's security as balanced against the degree of risk of Japanese entanglement in the hostilities, and the possibility of retaliatory attack on Japan itself. Regardless of the Japanese Government's decision, effective and sustained use of US bases in Japan would probably be impossible if the Japanese public in general, and organized labor in particular, actively opposed their use. (Para. 32)

5. Japan's relations with the Bloc will probably not become close during the next five years. However, Japan will seek to minimize frictions with Moscow and Peiping. Trade with the USSR will probably continue to increase, but it will amount to only a very small fraction of Japan's total trade. There will probably be some improvement in the current strained relations with Communist China, and trade with China will probably be resumed within the next year or so. If Communist China is admitted to the UN or if other major nations such as Canada and France recognize the Peiping Government, domestic pressures will probably force Japan to offer recognition regardless of US action. However, we do not believe that Japan would recognize Peiping if this entailed acceptance of Communist China's claim to Taiwan. (Paras. 33-34)

6. Japan's present close working relationships with the US will probably continue as long as Prime Minister Kishi remains in power. Kishi's political future is uncertain. If he should be replaced by another conservative leader, US-Japanese working relationships would probably be more difficult, especially if the transfer of power were accompanied by acute dissension in conservative ranks. However, we believe that as long as the government remains in conservative hands Japan's international orientation will remain basically unchanged, and that satisfactory US-Japanese relationships can be maintained. If the Socialists should come to power, which we believe unlikely, Japan's foreign

policy would move toward a neutralist position and the government would seek closer relations with the Bloc. However, a Socialist government would probably not move as rapidly or as far toward the Bloc as the Socialist Party program suggests. (Paras. 23-24)

[Here follow the "Discussion" portion of the estimate and an annex; see Supplement.]

42. Telegram From the Embassy in Japan to the Department of State

Tokyo, December 24, 1958, 9 p.m.

1302. CINCPAC exclusive for Admiral Felt and POLAD; COMUS Japan exclusive for General Burns. Exclusive for Deming and General Booth. Re final paragraph Embassy telegram 1184.¹

Following is comment on Department telegram 802:²

As we have made clear in earlier messages (Embassy telegrams 1115³ and 1189⁴), agree it is best to await Japanese views on all major aspects of treaty and related proposals before attempting reach agreement with them on treaty area. We should not however, delay reaching agreement within USG on what is essential for us in mutual security treaty with Japan. It is still possible that GOJ may prefer to have Article III, Peace Treaty Islands in Treaty Area, but it would be very unfortunate if we were unable to respond promptly and favorably when other parts of treaty fall into place and if they then still feel that inclusion of territory outside Japan is impossible under present interpretation of their constitution following comments should prove helpful in arriving at agreed position within USG, which I hope can be reached within next two weeks.

1. In view of present interpretation of Japanese constitution there is absolutely no possibility of inclusion of "US sovereign territory" in

Source: Department of State, Central Files, 794.5/12-2458. Secret; Limited Distribution. Transmitted in two sections and repeated to Naha, CINCPAC, and COMUS/Japan.

¹ Document 39.

² Document 37.

³ Document 35.

⁴ See footnote 2, Document 40.

treaty area. Japanese argument against inclusion of Article III Islands, would apply with far more force to inclusion of US territory. GOJ statements to effect that inclusion of US territory would not oblige Japanese forces to act outside of home islands would be unconvincing to Japanese public. Critics would ask why in such case such territory was included and would accuse GOJ of having given secret commitment to violate constitution, or of having given secret commitment to railroad revision of constitution through Diet. There would be uproar in Japanese Diet which could bring fall of government, withdrawal of ratification bill, or both.

2. As to possibility that failure to include US territory might be interpreted as a move toward noninvolvement of Japan, this does not seem problem in view of consultations we have had with Senate leaders in September. At that time, as explained in Embassy telegram 1049,⁵ all these possible alternatives of treaty area (US and Japanese-administered islands in Pacific, Japan and Article III Peace Treaty Islands, or Japan main islands only) were explained and none of Senate leaders raised any objection with respect to any one of these alternatives. A good case can be made that Japan would be making much more important contribution to US security, even if treaty area is limited to main islands, than any of our other security partners in Pacific, simply because Japan has great deal more to contribute. But Japanese contribution consists primarily in providing bases and logistical facilities rather than in its military forces, which are relatively small. Provision of Japanese forces to help defend US territory is not necessary in our national interest. On other hand, it would be highly unfortunate if there were any tendency to belittle the great political and psychological importance, not only with respect to Japan but also in terms of free-Asian opinion, of obtaining voluntary, long-term alignment of Japan in vital field of collective military security, which would result from the conclusion of mutual security treaty. For it seems quite clear Japan can only be dependably aligned with the free world in the vitally important field of security through a collective security treaty with us voluntarily entered into.

3. As to "possible nonavailability" of bases and forces in Japan for conduct for military operations and hostilities in which Japan is not engaged, US position, which we have presented to Japanese, already takes

⁵Telegram 1049 from Tokyo, November 16, discussed the treaty area and reiterated MacArthur's conviction that the mutuality of the proposed security treaty with Japan lay mainly in the use of bases in Japan. In a conversation with Senate leaders last September, MacArthur informed them that there were three possibilities regarding the treaty area: "A. U.S.- and Japanese-administered islands in Pacific; B. Japan and Article 3 Peace Treaty islands; C. Japan main islands." None of the Senators expressed any concern over any of these possibilities as long as the major objective of aligning Japan with the United States was achieved. (Department of State, Central Files, 794.5/11-1658) See Supplement.

into account such possible non-availability by our having proposed formula for consultation in event of hostilities in which Japan is not involved. As to our obtaining "indication of Japanese concern" over defense of US territorial interest by their agreeing to use of bases and forces to assist in defending those areas, we have already done this implicitly, subject to consultation formula. However, any notion that Japanese would "agree" in advance is quite unrealistic. None of our other allies will give us blank check to use their territory to conduct military operations in which they are not themselves involved. As to Japanese taking military action within Japan area in event US territories are attacked, they might well do this in defense of Japanese national interests and security, but it would depend upon circumstances and conditions and there is no possibility of obtaining advance commitment. For instance, in case of Soviet overflight of Japanese territory in connection with attack on US territory it is reasonable to expect that Japanese would fully cooperate with us in defense of their own territorial sovereignty.

4. It is still possible that GOJ may find it feasible to include Ryukyus and Bonins, over which Japan has residual sovereignty, in treaty area. In our opinion, while their inclusion would add another element of mutuality, it is not essential because the really valuable Japanese contribution to mutuality rests in provision of US bases and logistical facilities in Japan and in common action in defense of Japan. (There is precedent in SEATO protocol for US commitment to come to defense of countries which do not agree to defend US territory.) New mutual security treaty will give us:

(A) Assured use of logistic base in Japan which saves us hundreds of millions of dollars a year;

(B) Possible use of our bases in Japan, subject to consultation formula, for operational use outside of treaty area even in case of hostilities in which Japan is not involved; and

(C) Assured use of bases in Japan for operations in defense of Japan. These are highly important.

5. We envisage no difficulty with respect to withdrawal of forces from Japan for active defense of other areas. Negotiations so far do not suggest that this will be a problem. We have made perfectly clear, and will continue to do so, that our freedom to withdraw forces cannot be restricted in any way. At same time, we assume that we can assure GOJ that we will continue to give maximum private advance information on troop withdrawals from Japan, as we did in recent Taiwan crisis.

6. Re last FYI paragraph Department telegram 802, while our willingness to undertake commitment to help in the defense of Japan (we can never commit ourselves in an absolute sense to defend Japan) must continue to be presented as major bargaining counter in our negotiations with the Japanese, we should not magnify significance of such

commitment since in effect it already exists. This policy has long been recognized within US Government and also in relations with Japan. The very presence of our forces has been and will continue to be strongest possible commitment to that effect, stronger than treaty engagement itself as Secretary pointed out to Philippines in his talk with Magsaysay and other leaders in 1954 when nature of our commitment to defend Philippines was discussed.

MacArthur

43. **Telegram From the Department of State to the Embassy in Japan**

Washington, January 24, 1959, 5:51 p.m.

1028. Pass COMUS Japan for General Burns. For Ambassador. Embtels 1247,¹ 1248, 1263² and 1302.³

1. We assume substantive treaty negotiations with GOJ will not be resumed until GOJ takes initiative on this matter and unless in your judgment it is clear that Kishi can obtain substantially unified LDP support on key treaty issues and thus able effectively to conduct and conclude treaty renegotiation. We should also feel reasonably assured he can successfully face Diet where following successful Socialist barrage against police bill there were indications Socialists would seek exploit treaty issue too. When treaty negotiations are resumed, you are authorized at your discretion to take positions on treaty area and Administrative Agreement as set forth below.

2. *Treaty Area.* Our strong preference re treaty area continues to be Pacific area. However, we recognize for reasons set forth your tels this

Source: Department of State, Central Files, 794.5/12-2458. Secret; Limit Distribution. Drafted by Sneider, cleared with L and DOD, and approved by Robertson. Repeated to CINCPAC for Admiral Felt and POLAD and Naha for Deming and General Booth.

¹ Document 40.

² Telegrams 1248 and 1263, December 17 and 18, transmitted a draft of changes in several articles of the Administrative Agreement proposed by COMUS. (Department of State, Central Files, 794.5/12-1758 and 794.5/12-1858)

³ Document 42.

not likely be acceptable to GOJ. If GOJ continues to reject firmly Pacific area, treaty area limited to territory under administration of Japan should be proposed as alternative. Treaty area covering Japan and Article III islands not considered desirable or necessary from our viewpoint and we hope Japanese can be discreetly discouraged from making such proposal. Objections mentioned by Japanese (Embtelet 911⁴ and 948⁵) appear to be most appropriate arguments for us to use against inclusion Article III islands.

Under these circumstances Article V should be rephrased as follows: "Each party recognizes that an armed attack directed against the territory or areas under the administrative control of Japan would be dangerous to its own peace and safety and declares that it would act to meet the common danger in accordance with its constitutional processes." In addition, while helpful references to Pacific area exist in Preamble and Article IV, in order to provide stronger basis for use of US facilities and areas outside treaty area, following language should be added to Preamble before "having resolved" paragraph: "Recognizing that the maintenance of international peace and security in the Pacific area is a matter of mutual concern."

3. *Administrative Agreement.* (a) As indicated during Washington talks⁶ we are opposed to any substantive changes in the Administrative Agreement. We are particularly wary of taking any step that will stimulate Japanese pressure for substantive changes, particularly on grounds that these will be necessary to gain Diet approval. In this regard, we are puzzled by Fujiyama's rationale that a new agreement is required for legal reasons. We agree with Japanese lawyers that present agreement is based on Security Treaty and with latter's expiration normally would fall. However, Article VI of proposed Treaty specifically designed to breathe continued life into present agreement. Would appreciate your views as to reasoning behind Japanese position. If, in your view this is gambit to force US to negotiate new agreement (with attendant pressures for substantive changes), believe you may wish to press point with Fujiyama.⁷ We still consider appropriate changes could be made to pres-

⁴ In telegram 911, October 29, MacArthur reported that he had a general discussion on the security treaty with Vice Foreign Minister Yamada. The latter stated that the inclusion of Article III islands and U.S. possessions in the Pacific in the treaty area would cause difficulty for the Government of Japan. (Department of State, Central Files, 794.5/10-2959)

⁵ In telegram 948, November 3, the Embassy proposed certain changes in the wording of the draft treaty because of reservations expressed by Japanese officials concerning the treaty area. (Department of State, Central Files, 794.5/11-358)

⁶ See Document 26.

⁷ In telegram 1584, February 9, MacArthur reported that the Japanese did not want extensive substantive changes in the Administrative Agreement. (Department of State, Central Files, 794.5/2-959) See Supplement.

ent agreement by amendments under Article XXVIII conforming it to new treaty. If Fujiyama provides sound legal basis under Japanese law for having new agreement rather than amending present Agreement, you may table changes set forth in next following message.⁸ If Japanese desire for new agreement based essentially on political grounds, would appreciate their reasoning and your assessment thereof. In any case, you may table changes set forth next message as amendments to present agreement under Article XXVIII.

(b) Article VI draft treaty will require appropriate revision in event of new Administrative Agreement. In addition following changes should be made in Article VI to conform language re "bases" to that of Administrative Agreement: "In furtherance of the objectives of this treaty the US has the use of certain facilities and areas in and about Japan. With respect to the use of these facilities and areas and the status of US forces in Japan, the Administrative Agreement signed at Tokyo on February 28, 1952 as amended shall continue in force." Negotiating record should indicate that "in and about Japan" includes only territory under administrative control of Japan.

4. Defense concurs.

Dulles

⁸Telegram 1029 to Tokyo, January 24, included some amendments to a COMUS draft of the Administrative Agreement. (Department of State, Central Files, 794.5/12-2458)

44. Telegram From the Embassy in Japan to the Department of State

Tokyo, March 7, 1959, 4 p.m.

1806. CINCPAC for POLAD and Adm Felt. COMUS Japan for Gen Burns. Reference Embassy telegram 1758.¹ Fujiyama asked to see me privately last night with respect to security treaty negotiations. He said

Source: Department of State, Central Files, 794.5/3-759. Secret; Limit Distribution. Transmitted in two sections and repeated to CINCPAC and COMUS/Japan.

¹Telegram 1758, March 2, reported that some LDP faction leaders had publicly come out in favor of major changes in the Administrative Agreement. Kishi, attempting to stem the tide, made statements in the Diet implying that changes in the Administrative Agreement could be made after the signing of the new security treaty. (*Ibid.*, 794.5/3-259)

after his continuing talks with party leaders he thought there were no longer any substantial divergences in treaty itself; he hoped to adjust remaining differences within relatively short time; and he would then want to move quickly to complete negotiations. However, he did not on this occasion wish to discuss provisions of Mutual Security Treaty itself, but the Administrative Agreement.

In view of my strong statements to him and to Kishi (Embtels 1274² and 1584³) that it will be impossible to move ahead with treaty negotiations unless we first have a clear understanding with respect to Administrative Agreement and my insistence that it was also necessary to keep changes in Administrative Agreement largely to those of form and not open up all kinds of substantive matters, he and Kishi had been holding the line on Administrative Agreement. However, while substantial unity exists among conservatives with respect to handling of security treaty itself, there are widely differing views within party about Administrative Agreement and he wished to discuss them with me in all frankness. Opinions on Administrative Agreement within LDP fall essentially into three groups:

First, there are those who desire massive revision of Administrative Agreement now. Such persons usually talk without knowledge of actual provisions of the agreement and want to make changes just for the sake of their political impact. This point of view was definitely opposed by Kishi government. Fujiyama felt that such persons could be dealt with.

Second, there were some who feel that certain changes of substance, though not necessarily numerous changes, should be made in Administrative Agreement, but that negotiations should be concluded fairly soon. They do not desire to open up entire agreement for renegotiation. However, they have in mind several changes in addition to elimination of Articles XXIV and XXV (2) (b) dealing with consultation and yen contribution. They feel certain changes are necessary to make Administrative Agreement less vulnerable to criticism that it is not in line with "new era of equal partnership."

Third, there is large group who feel that Japan should not at this time press for more than elimination of Articles XXIV and XXV (2) (b), provided there is a public understanding between us that Administrative Agreement will be reopened for renegotiation after signature of new Mutual Security Treaty.

In any event, Fujiyama said, legal experts of Foreign Ministry, Prime Minister's small [*staff?*] and Conservative Party all agree that technically the present Administrative Agreement will expire upon

²Reference is apparently incorrect as telegram 1274 did not deal with the subject.

³See footnote 7, Document 43.

entry into effect of new Mutual Security Treaty so that, even if no changes were made (beyond changing references from old Security Treaty to new Mutual Security Treaty), it will in any event be essential to have technically "new" Administrative Agreement. This is strictly legal view, and has been fortified by finding of parliamentary experts that Administrative Agreement will have to be submitted to Diet for ratification.

Fujiyama said strong majority of LDP was developing in favor of third alternative above. Fujiyama realized third alternative created certain difficulties on our side and in light of this development had asked to see me urgently after dinner in order to put the problem frankly before US and to hear my reaction.

I said I appreciated frankness with which Fujiyama had spoken and would reply with all frankness although I might have to say some things that he would not like. I said treaty revision basically involves US giving up certain broad rights which we have under present treaty and undertaking a commitment to assist in defense of Japan. In return we would have assured use of bases and facilities on mutually agreed terms and also one intangible element that we regard as of great value: This is strengthening of relationship of friendship, mutuality and durable cooperation in security field on basis of free and voluntary association between our countries. A new security treaty can be presented in Japan as valuable achievement for Kishi government in eliminating certain one-sided aspects of present treaty, thus improving atmosphere between our two countries. However, if we were to sign such a treaty, only to be confronted immediately by the prospect of prolonged and perhaps acrimonious debate about Administrative Agreement, the entire idea of new treaty loses its attractiveness for US.

I said it would in my opinion be most serious error to proceed along lines of third alternative. Neither our Executive branch nor our Senate would be interested in new security treaty if at same time we are served notice that Administrative Agreement, which spells out what we obtain under treaty, is to come in for extensive and unpredictable renegotiation. Furthermore, our ability to carry out our responsibilities under a new security treaty would depend on a satisfactory Administrative Agreement. Therefore I thought it imperative that we reach agreement on Administrative Agreement before we could conclude a new security treaty.

Fujiyama then said that under second alternative there would not be major or massive revision, but improvement of appearances and possibly a small number of changes. Fujiyama said he had been taking posi-

tion that only substantive changes would be elimination of Articles XXIV and XXV (2) (b) on yen support costs but there was considerable opposition within LDP to restricting changes to these two articles only.

At this point I decided (Deptel 1028)⁴ it was best to give Fujiyama clear indication of what we were willing to do and how we envisioned improving appearance of agreement. I said Washington still strongly preferred simply to conform old Administrative Agreement to new treaty by an exchange of letters or documents. Our legal experts did not see why a new agreement was essential. However, in view of position of GOJ that some form of new Administrative Agreement was required under Japanese laws we were willing to have a new Administrative Agreement which would be technically new since the language would be conformed to the new treaty. There would also be some other modifications of appearance in an effort to be helpful to Kishi and make agreement better received by Japanese public opinion, and we would also agree to drop Article XXIV as proposed by Japanese. I then gave him paper containing changes we are prepared to make (Deptel 1029).⁵ I said I hoped he would agree that we had made a serious effort to be helpful and meet his and Kishi's problem.

I also gave Fujiyama draft of exchange of letters by which GOJ would confirm our continued use of facilities and areas and that continued validity of decisions, procedures, interpretations, agreed views, arrangements and all other agreements of joint committee (Embtel 1263⁶ and Deptel 1029). I said it would of course be necessary to exchange letters on these subjects but if Japanese prefer they need not be made public.

Fujiyama said he would study papers I gave him most carefully. He wished to remind me that he and Kishi were both committed to seek elimination of Article XXV (2) (b). He would report his talk with me in detail to Kishi and after they had time to consider problem further he would be in touch with me. He wished to assure me that he and Kishi both realized that we had our problems as well as the fact that they had their problems. He also wished to emphasize that he and Kishi would try and keep substantive changes to absolute minimum.

Comment: While Kishi and Fujiyama obviously have a problem with respect to the Administrative Agreement, I am most strongly opposed to easy way out (third alternative favored by majority of Conservative Party). This would in effect merely postpone negotiations on Administrative Agreement. I continue to feel strongly that we should

⁴ Document 43.

⁵ See footnote 8, Document 43.

⁶ See footnote 2, Document 43.

not conclude new Mutual Security Treaty until we have reached satisfactory agreement with Japanese on substance of Administrative Agreement.

MacArthur

45. **Telegram From the Embassy in Japan to the Department of State**

Tokyo, March 14, 1959, 4 p.m.

1867. CINCPAC for POLAD and Admiral Felt; COMUS/Japan for General Burns. Following our discussion of Bristol Bay salmon¹ yesterday, Fujiyama said he wanted to report on latest developments in connection with security treaty negotiations.

Fujiyama said following our last conversation (Embtel 1806)² he and other govt leaders had been giving further serious consideration to question of how to handle Administrative Agreement and they had now come to agree with position I had indicated, that new Mutual Security Treaty and new Administrative Agreement should be one package and that any changes made in latter agreement must be with view to making it durable and not having it all opened up again for renegotiation. Japan and US would of course as in past have right under Article XXVIII to request changes in Administrative Agreement, but object of present exercise should be to have a new Administrative Agreement which would not need to be opened up after it and treaty are ratified. To this end, GOJ must be able to show that Administrative Agreement involves significant improvements in line with new relationship of equality between our two countries.

I told Fujiyama I had been rather disturbed by irresponsible press stories that seem to be grab-bags of all possible features of Administrative Agreement that might come in for revision. I said if such overall revision were proposed it would involve very prolonged negotiations,

Source: Department of State, Central Files, 794.5/3-1459. Confidential; Limit Distribution. Repeated to CINCPAC and COMUS/Japan.

¹ Documents relating to bilateral negotiations on the subject are *ibid.*, 894.245.

² Document 44.

with prospect that socialists, press and other elements hostile to govt would seize on every disagreement, in which case I saw no prospect for early conclusion of new Mutual Security Treaty.

Fujiyama said he had met March 12 with LDP Foreign Affairs Research Committee. Most of its members seem to understand that overall revision of Administrative Agreement, opening up virtually all its substantive provisions to re-examination and renegotiation, is neither desirable nor politically necessary at this time. On other hand, Fujiyama said, he was forced to report in all frankness that majority opinion among responsible elements of his party does not feel that revision of Administrative Agreement could be limited only to Article XXIV and XXV (2) (b). At present, the various interested ministries and agencies were studying the agreement, in line with customary right to make known their views when an international agreement is under consideration. However, Fujiyama added, the results of those studies will be submitted to FonOff for screening and he hopes to be able to dismiss large number of suggestions for changes as unnecessary or unrealistic.

It was his intention, Fujiyama said, to keep suggestions for substantive changes to minimum. At same time, however, GOJ must be in position to answer criticisms that Japan is receiving significantly less favorable treatment than other US Allies. In some cases, Fujiyama said, such charges could probably be met by mere face-lifting or window-dressing. In other cases he would probably be satisfied with any information or arguments that we might furnish to enable GOJ to answer such criticisms. Where treatment of Japan is glaringly discriminatory as compared with other US Allies, however, and where such impression cannot be met by appropriate explanations or by changes in form, it may be necessary to contemplate also substantive changes.

MacArthur

46. Telegram From the Embassy in Japan to the Department of State

Tokyo, April 29, 1959, 8 p.m.

2232. For Acting Secretary, Assistant Secretary Robertson, and Secretary of Defense. CINCPAC exclusive for POLAD and Adm. Felt. COMUS Japan exclusive for Gen. Burns and Capt. Harrison (CINCPAC

Rep). I had two long private meetings with Fujiyama and Yamada yesterday afternoon and evening, during which latter gave me complete Japanese "package" on revision of Security Treaty and Administrative Agreement. Fujiyama went over with me Japanese proposals carefully which I will report in detail together with my specific comments in separate telegrams. In handing me package, Fujiyama again (Embtel 2201)¹ stressed it should be held in strictest secrecy.

Re treaty, Japanese have withdrawn all "tentative" suggestions which Fujiyama mentioned to me (Embtel 2005)² and have in fact agreed to every point of substance in US position including treaty area limited to Japan and excluding Ryukyus and Bonins. (However, have maneuvered this so it is Japanese who propose exclusion of these islands, which should help Gen. Booth in Okinawa.) Japanese have proposed certain modifications of our language to meet specific points which I will explain in my comments.³ While Japanese proposals will require careful study, they seem not only satisfactory but fully in keeping with my discussions with Senators Fulbright, Mansfield, Wiley, and Hickenlooper,⁴ and also fully consistent with our other security treaty engagements in Pacific.

Japanese have also proposed formula for consultation virtually same as in Embtel 1115, Nov 28,⁵ and have accepted in toto (as indicated in Embtel 2076⁶ and subsequently confirmed to me again) four points in US position set forth in Deptel 824, Dec 7 [6].⁷ Japanese formula, together with their acceptance of our four-point understanding, would seem to give us everything we insisted on with respect to this matter. Furthermore, they have dropped insistence that formula be protocol to treaty and have agreed to our position that it be contained in exchange of notes which they will present to Diet.

¹ Telegram 2201, April 24, reported on the discussion that MacArthur had in a publicly announced meeting on April 23 with Fujiyama. During the meeting Fujiyama said that the Government of Japan would be ready to present the whole package soon. MacArthur then emphasized the importance of strict secrecy regarding the Japanese package, particularly the existence of an earlier U.S. draft. (*Ibid.*, 611.94/4-2459)

² Dated April 3. (Department of State, Central Files, 794.5/4-359) See Supplement. Also pertinent are telegrams 2012 and 2088 from Tokyo, April 3 and 11. (Department of State, Central Files, 794.5/4-359 and 611.94/4-1159) See Supplement for both.

³ See Document 48.

⁴ Senators J.W. Fulbright of Arkansas, Bourke B. Hickenlooper of Iowa, Mike Mansfield of Montana, and Alexander Wiley of Wisconsin were members of the Foreign Relations Committee.

⁵ Document 35.

⁶ Dated April 9. (Department of State, Central Files, 794.5/4-959)

⁷ Document 38.

Re Admin Agreement, both Kishi and Fujiyama have been under very heavy pressure, not only from Conservative Party, but from certain Cabinet Ministries such as Finance, MITI, Justice, and Labor, to press US for massive substantive modifications of existing Admin Agreement. Fujiyama showed me memorandum half as thick as telephone book containing suggestions from party and other ministries for changes or modifications. He said impulse for these proposals in many instances arose from demagoguery of certain LDP members or narrow-mindedness on part of certain bureaucrats in other ministries. However, others were prompted by three important reasons which he and Kishi felt deserved consideration: (a) to remove phrases which appeared to carry over occupation concept into present era; (b) to conform Admin Agreement with UN SOF Agreement previously ratified by Diet; and most importantly (c) to eliminate or minimize appearance of inequalities between arrangements US has concluded with certain of its NATO and other Allies and those made with Japan.

Fujiyama said he and Kishi opposed massive substantive modifications because they believed, after careful study, that they are not necessary, and also because I had pointed out repeatedly that any such proposals on part of GOJ would consume many months or perhaps years of detailed negotiations.

Fujiyama said it had been major political problem for him and Kishi to reconcile requirement of substantial party unity with need to limit proposals for changes in Admin Agreement to those they believed would cause US no major difficulties. They met problem in these ways: (a) they have proposed considerable number of changes, many of form only, to improve appearance of Admin Agreement when it goes to Diet; (b) in certain cases they have proposed no changes in present language of Admin Agreement but have suggested agreed interpretive understandings couched in general terms; (c) in several cases where they have serious problems they have put problems to us with request for our view on how they should be dealt with to meet their difficulties rather than proposing new language for Admin Agreement which might get frozen on Japanese side and limit their ability to work out problems to our satisfaction. Among proposed changes, they have insisted on dropping Article XXV (2b) on yen support costs, as we reported to you they would do. To summarize, Japanese proposals on Admin Agreement are in three categories: (a) proposed modifications; (b) changes of form or otherwise to improve appearance but not of such basic substance as to give us trouble; (c) problems on which they will ask our views re solutions.

They have also accepted: (1) exchange of letters, with non-substantive changes, on continued validity of decisions of joint committee, etc. (Deptel 1029);⁸ (2) exchange of notes carrying over as guidance for new joint committee the existing official minutes of Feb 26, 1952,⁹ re Admin Agreement (Embtel 2201); and (3) inclusion of new interpretive understandings in exchange of notes. At my suggestion they have actually written into new Admin Agreement (instead of in separate exchange of notes as we proposed) a new paragraph agreeing that we continue to have use of all facilities and areas we are using when new agreement comes into effect. I proposed this with new language because in discussion with Fujiyama it became clear that to Japanese State-Defense language (Deptel 1029) in proposed exchange of notes on continued use of facilities and areas as ambiguous re our continued use of facilities under Rusk-Okazaki exchange of notes of Feb 28, 1952.¹⁰

Comment: I thought you would like to have my appreciation of this entire picture which is as follows:

1. Over all, both Kishi and Fujiyama have behaved very correctly throughout negotiations, although I have had to go over and over again with them our new draft treaty, full implications of language of which they did not at first understand. They now understand it thoroughly and with modifications they have proposed, they like it and are prepared to support it to hilt. From their discussions with party leadership, even anti-mainstream, they believe treaty will be well received by LDP, Japanese press, and people.

2. Similarly, they have bought basic substance of our proposal for consultation formula and do not anticipate any difficulty in gaining its full acceptance in Japan.

3. Admin Agreement has been issue which has caused them greatest difficulty. As reported, I have continuously pressed both Kishi and Fujiyama to avoid substantive changes in Admin Agreement. Kishi and Fujiyama have understood our view and have steadfastly held line against demagogic conservative politicians who wished to tamper massively with Admin Agreement as well as against some of interested Cabinet Ministries. They believe changes which they have proposed to us, which they understand still leave US substantially more privileges in Japan than in some NATO countries, are minimum for getting acceptance of new Admin Agreement. At same time they believe changes they have proposed are sufficient to obtain LDP and Diet approval.

⁸ See footnote 8, Document 43.

⁹ Transmitted in telegram 1776 from Tokyo, February 25, 1952; for text, see *Foreign Relations, 1952-1954*, vol. XIV, Part 2, pp. 1192-1194.

¹⁰ For text, see 3 UST (pt. 3) 3413.

4. Greatest compulsion on Kishi, Fujiyama, and Fukuda (LDP SecGen who is playing ball well with us), to resist those who wish greatly to change substance of Admin Agreement is their desire to see agreement on treaty and new Admin Agreement reached before upper house elections first week in June. Therefore it would seem to be in our own basic interest to proceed with examination of Japanese proposals on basis of great urgency with view to replying to their proposals by May 10. I realize this will require maximum and extraordinary efforts on part of State-Defense because each Japanese change must be carefully examined. But if we cannot reach agreement on these matters before upper house elections in June, ability of Kishi, Fujiyama, and Fukuda to hold line and to limit changes in Admin Agreement to minimum will be substantially reduced and there will not be same reason for resisting pressures to open up many other substantive aspects. Should this occur, we could have a Philippine-type situation develop with Admin Agreement becoming an aggravated domestic political issue readily susceptible to manipulation by unscrupulous and publicity-seeking politicians.

5. On timing, Fujiyama said Kishi hoped we could reach basic agreement on over-all package sufficiently before Diet Upper House elections June 2nd to enable Japanese to give out, in agreement with us, basic outline of what is included in new treaty. They feel this will have very beneficial effect on June 2 elections. They recognize treaty texts and documents cannot be tidied up for signature before elections, and therefore Kishi proposes to send Fujiyama to US to sign treaty, Admin Agreement, and related documents in Washington about June 20. Kishi feels it is of utmost importance that treaty be signed before he departs on his European and South American trip early in July. Japanese timing would involve submission of treaty, Admin Agreement, and appropriate related documents to Diet in special session in autumn with view to obtaining Diet approval by end of year. If this schedule were carried out, Kishi understands we would ask Senate to act on treaty after it convenes in January 1960. I have made absolutely clear to Kishi and Fujiyama that we will not ask Senate to take final action on new treaty until Japanese Diet has approved both treaty and Admin Agreement.

6. In view of above I urge that State-Defense working group be set up at once to go over Japanese package. I discussed with Adm Felt at Baguio need for urgent consideration of Japanese package once we had received it. He has kindly sent member of his staff to work with Embassy and COMUS Japan in examining Japanese proposals. I and my staff will of course work closely and intimately with COMUS and CINCPAC reps as we examine in detail Japanese proposals re new Admin Agreement. Results of our studies which both State and Defense

will wish to have will be transmitted as soon as completed, but I urge that Washington also start examination of Japanese package immediately.

7. I cannot of course guarantee that Kono or some of LDP anti-mainstream factions may not eventually try to use treaty or Admin Agreement to pull rug from under Kishi's feet. Neither Kishi nor Fujiyama believes they will do so once treaty and Admin Agreement signed, and particularly in view of party action approving principles governing negotiations. I think we should take their judgment on this, for there would seem to be every advantage for us in assisting Kishi in every way possible to settle on basis of US proposals as modified by him and Fujiyama since we will certainly not get any better, if as good, proposal later from Kishi or any future govt.

If we can reach final agreement on basis of our proposals as modified by Japanese, I think we will be out of woods on this very difficult problem and that it will be accepted by Japanese public and Diet and will have effect of placing our security relationships with Japan, which are so vital to our own over-all security interests in the Pacific, on much more durable long-term basis.

MacArthur

47. **Telegram From the Embassy in Japan to the Department of State**

Tokyo, April 29, 1959, 10 p.m.

2234. Secnog 2. CINCPAC exclusive for Adm Felt and POLAD. COMUS/J exclusive for Gen Burns and Capt Harrison (CINCPAC Rep). Following is draft text of Mutual Security Treaty, incorporating modifications suggested by Japanese:

Begin verbatim quote.

Draft Treaty of Mutual Cooperation and Security Between Japan and the United States of America.

Japan and the United States of America,

Desiring to strengthen the bonds of peace and friendship traditionally existing between them, and to uphold the principles of democracy, individual liberty, and the rule of law,

Desiring further to encourage closer economic cooperation between them and to promote conditions of economic stability and well being in their countries,

Reaffirming their faith in the purposes and principles of the Charter of the United Nations, and their desire to live in peace with all peoples and all governments,

Recognizing that they have the inherent right of individual or collective self-defense as affirmed in the Charter of the United Nations,

Desiring that the security of Japan be ensured,

Considering that they have a common concern in the maintenance of international peace and security in the Far East,

Having resolved to conclude a Treaty of Mutual Cooperation and Security,

Therefore agree as follows:

Article I

The parties undertake, as set forth in the Charter of the United Nations, to settle any international disputes in which they may be involved by peaceful means in such a manner that international peace and security and justice are not endangered and to refrain in their international relations from the threat or use of force against the territorial integrity or political independence of any state, or in any other manner inconsistent with the purposes of the United Nations.

The parties will endeavor in concert with other peace-loving countries to strengthen the United Nations so that its mission of maintaining international peace and security may be discharged more effectively.

Article II

The parties will contribute toward the further development of peaceful and friendly international relations by strengthening their free institutions, by bringing about a better understanding of the principles upon which these institutions are founded, and by promoting conditions of stability and well-being they will seek to eliminate conflict in their international economic policies and will encourage economic collaboration between them.

Article III

The parties, individually and in cooperation with each other, by means of continuous and effective self-help and mutual aid will maintain and develop their capacities to resist armed attack.

Article IV

At the request of either party, the parties will consult together regarding the implementation of this treaty, and whenever the security of Japan or international peace and security in the Far East is threatened.

Article V

Each party recognizes that an armed attack against either party in the areas under the administration of Japan would be dangerous to its own peace and safety and declares that it would act to meet the common danger in accordance with its constitutional processes.

Any such armed attack and all measures taken as a result thereof shall be immediately reported to the Security Council of the United Nations in accordance with the provisions of Article 51 of the Charter. Such measures shall be terminated when the Security Council has taken the measures necessary to restore and maintain international peace and security.

Article VI

For the purpose of contributing to the security of Japan and in consideration of the common concern that the two parties have in the maintenance of international peace and security in the Far East, the United States of America is granted the use by its land, air and naval forces of facilities and areas in Japan.

The use of these facilities and areas as well as the status of United States armed forces in Japan shall be governed by separate agreement.

Article VII

This treaty does not affect and shall not be interpreted as affecting in any way the rights and obligations of the parties under the Charter of the United Nations or the responsibility of the United Nations for the maintenance of international peace and security.

Article VIII

Nothing in this treaty shall be interpreted as imposing on either party any obligation in conflict with its constitutional provisions.

Article IX

This treaty shall be ratified by Japan and the United States of America in accordance with their respective constitutional processes and will enter into force on the date on which the instruments of ratification thereof have been exchanged by them in (blank).

Article X

The Security Treaty between Japan and the United States of America signed at the city of San Francisco on September 8, 1951 shall expire upon the entering into force of this treaty.

Article XI

This treaty shall remain in force until in the opinion of the Governments of Japan and the United States of America there shall have come into force such United Nations arrangements as will satisfactorily provide for the maintenance of international peace and security in the Japan area.

If however, after the treaty has been in force for ten years, either party may give notice to the other party of its intention to terminate the treaty, in which case the treaty shall terminate one [year] after such notice had been given.

In witness whereof the undersigned plenipotentiaries have signed this treaty.

Done in duplicate at (blank) in the Japanese and English languages, both equally authentic, this (blank) day of (blank). *End verbatim text.*

MacArthur

48. Telegram From the Embassy in Japan to the Department of State

Tokyo, April 29, 1959, 6 p.m.

2236. CINCPAC exclusive for POLAD and Adm Felt. COMUS/J exclusive for Gen Burns and Capt Harrison (CINCPAC Rep). Secnog 3. Following are my comments on Japanese proposals for new security treaty:

Verbatim text.

1. Preamble:

Comment:

a. The title word "Preamble" has been dropped. This is consistent with pattern of our other treaties in Pacific area.

b. In second full paragraph, Japanese have moved word "economic" to link it with "stability" and have eliminated words "in the Pa-

cific area". Japanese do not wish to give appearance that their economic objectives in Southeast Asia, including their important economic relations with such neutral countries as Burma and Indonesia, are in any way related to a military security treaty, as they fear it might lead to charges that they are reviving greater Asia co-prosperity sphere of pre-war Japanese militarists. They are prepared however (see para d below) to stress in other ways their interest in security of entire Far East.

c. Japanese have inserted one-line fifth paragraph, "desiring that the security of Japan be ensured." For comment see paragraph 5 (a) below.

d. New sixth para gives us what we had sought as per Deptel 1028, para 2.¹ It provides stronger basis for US use of facilities and areas in connection with maintenance of peace and security outside of treaty area [and] as formulated should be quite acceptable to Japanese opinion. (Same thought is also very clearly expressed in new Japanese proposed language in Article VI.)

2. Article I.

Comment: Additional para about strengthening UN designed to make treaty more acceptable to Japanese public opinion. Both sentiment and language appear to be unexceptionable and would seem to raise no problems.

3. Article II.

Comment: Japanese have eliminated phrase "including economic cooperation with other friendly and like-minded countries in the Pacific area" for same general reason as stated in comments in para 1(b) re Preamble and also because phrase "like-minded" might be construed by some as meaning Japan would give reference [Article] II economic cooperation to countries also having military security pact with US such as SEATO countries, GRC, etc. Deleted phrase is not of course essential and was proposed by us on assumption it would please Japanese.

4. Article III.

Comment: Japanese proposal involves four modifications of our proposal:

a. Introductory phrase "In order more effectively to achieve the objectives of this treaty" has been eliminated. Since objectives of treaty as set forth in Preamble, as amended, envisage maintenance of peace and security in area larger than the treaty area, GOJ feels it must avoid charge that Article III would obligate Japan to build up capacity to resist armed attack also outside of treaty area, which would clearly be consid-

¹ Document 43.

ered unconstitutional. This would not seem to raise any major problem since as Japanese know, some of our former security treaties such as that with ROK do not have phrase "in order more effectively to achieve objectives of this treaty."

b. "Individual capacity and in cooperation with each other" has been substituted for "separately and jointly". Fujiyama explained that Japanese legal experts believed "jointly" in this context would imply integrated effort and thus impairment of Japanese sovereignty, and also that Japan might be obligated to contribute to development of its capacity to resist attack outside of treaty area. Fujiyama therefore suggested we drop phrase "separately and jointly". To meet problem, I suggested ad referendum "individually and in cooperation with each other". This phrase in conjunction with phrase "continuous and effective self-help and mutual aid, etc." would seem fully to preserve intent of our original language which is based on Vandenberg resolution concept.

c. Elimination of words "individual and collective capacity" and substitution of "capacities". Japanese cannot accept word "collective" because in Japanese it connotes a multilateral meaning which would raise major difficulties and would be interpreted as first step of Japan into SEATO. We note that words "individual and collective capacity" are also not contained in our mutual defense treaty with ROK.

d. Elimination of final clause on subversive activities. Japanese believe reference to counter-subversive activities will create major parliamentary difficulties. They point out Socialists last fall tried to connect new treaty with Japanese police revision bill (Embtel 1058)² and that Leftists, Neutralists, and leftist-oriented Japanese press would use counter-subversion phrase to stir up troubles. Also, Japanese fear clause would be interpreted as retention substance of so-called "civil war" clause in Article I of present treaty. They prefer handle problem as in 5a below. This clause is not essential, and Japanese are aware language on subversive activities is not contained in Mutual Defense Treaty with ROK or Philippines. Above four modifications seem to us quite acceptable.

5. Article IV.

Comment:

a. Japanese have two reasons for proposed insertion of words "the security of Japan or" into our draft. First, they feel that since Article XXIV is to be dropped from Admin Agreement (as approved in para

²Telegram 1058 from Tokyo, November 17, 1958, reported that Tokyo papers carried an AP release from Washington stating that experts considered the police bill, security treaty, and constitution revision to be "somewhat related." Moreover, the AP story continued, the United States would welcome revision of the Japanese constitution. (Department of State, Central Files, 794.00/11-1758)

1(c) of Deptel 1029),³ treaty should contain some language calling specifically for consultation in event of threat to security of Japan. Secondly, Fujiyama has had trouble with small number Diet members who are concerned over dropping of "civil war" clause in Article I of present security treaty. For reasons stated in para 4 (b) and (d) above, GOJ feels that any direct reference to joint action in case of internal disturbances would be politically undesirable. However, the words "security of Japan" proposed for insertion in Article V would in GOJ view give additional reassurances to such Diet members that treaty does not preclude consultations also on internal threats directed from without. Fujiyama also believes this will have some useful impact on Communist powers in deterring them, should they ever be so tempted, from organizing an insurrection in Japan which would be directed and supported by them from without.

b. The phrase "at the request of either party" has been substituted for our original phrase "in the opinion of either of them". This change, which involves no difference in substance and is one purely of form, is due to GOJ concern lest Socialists charge that Japan would be required to consult about internal security of Japan at a time when in its own opinion there might be no need for such consultation. Substitution of "at the request of either party" meets this difficulty, and consultation can still be held at any time either party considers it necessary or desirable for any reason.

c. Substitution of words "international peace and security in the Far East is threatened" stems from Japanese acceptance of our proposal to include in Preamble and Article VI an affirmation of common concern in peace and security of Far East and to that extent signifies increased Japanese interest in peace and security outside treaty area. This would seem to raise no basic problem, because obviously if either Japan or US felt peace or security in Far East threatened, there should be consultation. This same concept appears, of course, in other of our treaty engagements.

6. Article V.

Comment:

a. New language defining treaty area is substantially same as that proposed in Deptel 1028.

b. Insertion of "in accordance with the provisions of Article 51 of the Charter" serves to call attention to compatibility of new treaty with UN Charter.

Both above changes appear non-substantive.

³ See footnote 8, Document 43.

7. *Article VI.*

Comment:

a. Japanese draft first para would seem constitute improvement as against our draft because it makes clearer Japanese interest in maintenance of international peace and security in Far East, and thus provides stronger basis for use of US facilities and areas in Japan for purposes other than defense of Japan.

Reference to land, air and naval forces makes more specific what had been implied in our draft.

b. Second draft para would seem quite acceptable and takes account of fact that use of facilities is governed not only by new agreement on status of forces and use of facilities and areas with subordinate agreements thereto but also by consultation formula.

8. *Article VII.*

Comment: No change from US proposal.

9. *Article VIII.*

Comment: This new article is important to GOJ for domestic political reasons as it emphasizes that treaty does not impose obligations on either party conflicting with its constitutional provisions. From our viewpoint this would seem to create no problem.

10. *Article IX (VIII in US draft).*

Comment: Japanese have substituted "on the date on which" for "when", to make language of article more precise. This seems fully acceptable. Japanese initially proposed that "Japan" should precede "the United States of America" in treaty. We opposed this and then proposed ad referendum that in English language version "the United States of America" come first and in Japanese language version "Japan" come first throughout treaty. Japanese have agreed to this.

11. *Article X (IX in US draft).*

Comment: Additional phrase is simply to be more precise regarding present security treaty and raises no problem.

Article XI (X in US draft).

Comment:

a. Japanese have substituted for our word "indefinitely" the phrase "until in the opinion of the Govts of Japan and the United States of America there shall have come into force such UN arrangements as will satisfactorily provide for the maintenance of international peace and security in the Japan area."

This language was developed from language Secy Dulles wrote into Article IV of present treaty. Its effect for purpose of this article is

basically same as "indefinitely" and it is much more acceptable to Japanese opinion than word "indefinitely" as it carries hope that eventually the UN will be developed and strengthened to point where it will be able to ensure peace and security.

b. Original last sentence of this article as proposed by US was subject to ambiguity as to whether minimum term of treaty would be ten years or eleven years. Accordingly we proposed new language for second sentence of this article which makes clearer that minimum duration of treaty is eleven years (Embtel 2005).⁴ From our point of view this language would seem to be preferable.

13. New concluding sentence of treaty indicates that both American and Japanese versions are equally authentic. Japanese envisage signature of treaty in Washington with exchange of ratification instruments in Tokyo.

14. Overall Conclusions: Draft with modifications proposed by GOJ appears fully consistent with basic objectives of our draft and also with our other Pacific security treaties. It is also consistent in every respect with discussions I had with Senators Fulbright, Mansfield, Wiley, and Hickenlooper last September and with further discussion I had with Senator Fulbright in November, as Dept may wish to mention to them. I strongly recommend we accept modifications which Japanese have proposed to our draft since Japanese have in fact accepted all points of substance we proposed except for original treaty area which was constitutionally and politically impossible for them to accept but where they have accepted our second choice on treaty area.

MacArthur

⁴Dated April 3. (Department of State, Central Files, 794.5/4-359) See Supplement.

49. Telegram From the Embassy in Japan to the Department of State

Tokyo, April 29, 1959, 7 p.m.

2235. Secnog 4. CINCPAC exclusive for POLAD and Adm Felt. COMUS/Japan exclusive for Gen Burns, and Capt Harrison (CINCPAC Rep). Following is text Japanese proposed exchange of notes on consultation formula.

Source: Department of State, Central Files, 794.5/4-2959. Confidential; Limit Distribution. Repeated to CINCPAC and COMUS/Japan.

Begin Verbatim Text. I have the honor to refer to the Treaty of Mutual Cooperation and Security Between Japan and the United States of America signed today, and to inform Your Excellency that the following is the understanding of the Government of Japan concerning the implementation on Article VI thereof:

Major changes in the disposition in Japan of United States armed forces, including those in their equipment, and the use of facilities and areas as bases for military operations other than those conducted under Article V of the said treaty, shall be effected upon prior consultation with the Government of Japan.

I should be appreciative if Your Excellency would confirm on behalf of your government that this is also the understanding of the Government of the United States of America.

I avail myself, etc. *End Verbatim Text.*

Reply: *Begin Verbatim Text.* I have the honor to acknowledge the receipt of Your Excellency's note of today's date, which reads as follows:

(Text of note)

I have further the honor to confirm on behalf of my government that the foregoing is also the understanding of the Government of the United States of America.

Accept, Excellency, etc. *End verbatim text.*

[1 paragraph (16 lines of source text) not declassified]

Suggest Dept repeat this and appropriate references to Manila for personal information Ambassador Bohlen.

MacArthur

50. Telegram From the Embassy in Japan to the Department of State

Tokyo, April 29, 1959, 11 p.m.

2237. Secnog 5. CINCPAC exclusive for POLAD and Admiral Felt. COMUS Japan exclusive for General Burns. Following are Japanese proposed modifications of administrative agreement, together with

explanations offered by Fujiyama. Modifications are based on text of existing administrative agreement, as amended by US proposal (Deptel 1029) which we transmitted to GOJ on March 6 (Embtel 1806).¹

1. *Title.*

Present wording: "Administrative agreement under Article II of the Security Treaty between the United States of America and Japan".

Proposed wording: "Agreement regarding facilities and areas in the status of United States Armed Forces in Japan". Reason for proposal: The word "administrative" translates into Japanese as "executive" and is not used in agreements which are submitted to Diet for ratification.

2. *Preamble.*

Present wording: "The Governments of Japan and the United States of America, et cetera".

Suggested change: Delete words "The Governments" at beginning of preamble.

Reason for change: Since agreement will come before Diet for ratification, Japanese must avoid form which in Japanese would be used for executive agreement.

3. *Preamble.*

Present wording: Last line refers to "administrative agreement".

Suggested change: Drop the word "administrative".

Reason for change: same as under "Title".

4. *Article I (B).*

Present wording: "'Civilian component' means the civilian persons of United States nationality who are in the employ of, serving within or accompanying the United States Armed Forces in Japan . . . et cetera".²

Proposal: To amend passage by eliminating words "serving with" so that it will read: "'Civilian component' means the civilian persons of United States nationality who are in the employ of and accompanying the United States Armed Forces in Japan . . . et cetera".

Reason for proposed change: Japanese feel words "serving with" are either ambiguous or redundant. They believe it was not intended to imply that certain civilian persons might be serving with the US Armed Forces without being in their employ. They also feel that "or accompanying" seems to set up separate category of persons who are neither in the employ of US forces nor serving with them but nevertheless accompanying them. Such persons would seem to be covered in paragraph

¹ See footnote 8, Document 43. Telegram 1806 is printed as Document 44.

² All ellipses are in the source text.

I (C). Japanese believe their proposal will merely tighten up language, making it more understandable and hence defensible, without change in substance.

5. *Article I (B).*

Proposal: To delete "or who are mentioned paragraph 1 (B) of Article XIV."

Reason for proposed change: If proposal in paragraph above is accepted, there would be no need for phrase "or who are mentioned in paragraph 1 (B) of Article XIV." That phrase appears to have been originally inserted in view of possible doubt whether Article XIV contractors might be covered by Article I (B) and specifically excluded them. Japanese proposal to clarify definition would remove any such doubt and therefore exclusion of such persons would no longer have to be specifically stated.

6. *Article II paragraph 1.*

Proposal: Reword as follows: "1. A. The United States of America is granted, under Article VI of the Treaty of Mutual Cooperation and Security, the use of facilities and areas in Japan. Agreements as to specific facilities and areas shall be concluded by the two governments through the joint committee provided for in Article XXV of this agreement. Facilities and areas—include existing furnishings, equipment and fixtures necessary to the operation of such facilities and areas.

B. The facilities and areas of which the United States of America has the use at the time of expiration of the administrative agreement under Article III of the Security Treaty between Japan and the United States, shall be considered as the facilities and areas agreed upon between the two governments in accordance with subparagraph (A) above."

Reason: GOJ considers that proposed formulation would give us stronger assurance of continued use of present facilities and areas than our proposal, which would have essentially old language of paragraph 1 amplified by exchange of notes as per Embtel 1263³ and Deptel 1029. As pointed out in Embtel 2232⁴ that exchange of notes would not have clearly covered unagreed facilities and areas whose use we have under Rusk-Okazaki exchange of notes of February 28, 1952. Moreover, second sentence in paragraph 1 of old administrative agreements ("agreements as to specific facilities and areas not already reached by the two governments by the effective date of this agreement, shall be concluded . . . etc.") would not necessarily have assured us of continued use of such facilities.

³ Dated December 18, 1958. (Department of State, Central Files, 794.5/12-1858)

⁴ Document 46.

Rather than strengthen the exchange of notes which we had proposed and which would have been classified, we thought it preferable to have GOJ grant us explicitly the continued use of all facilities and areas in new agreement. Our modifications in paragraph 1 (A) pick up operative language from Article VI of new Mutual Security Treaty and eliminate language in second sentence of present paragraph 1 which would be unnecessary in view of sweeping public assurance of continued use of facilities and areas in paragraph (B).

I believe that by accepting proposed modifications, we gain two advantages: Attention will not be publicly drawn to fact that there are still facilities and areas in use by US forces without Japanese agreement seven years after an exchange of notes which had contemplated such agreement within "ninety days". In addition, we obtain clear assurance of our rights to facilities and areas since language will now be integral part of new agreement regarding facilities and areas.

Since assurance of continued use of facilities and areas would be contained in body of new agreement itself, exchange of notes (Embtel 1263 and Deptel 1029) would be confined to confirmation regarding continued validity of decisions, etc. of joint committee.

7. Article II paragraph 4 (A).

Proposal: To amend subparagraph to read: "When facilities and areas are temporarily not being used by the United States Armed Forces, the Japanese Government may make, or permit Japanese nationals to make, interim use of such facilities and areas provided that it is agreed between the two governments that such use would not be harmful to the purposes for which the facilities and areas are normally used by the United States Armed Forces".

If foregoing amendment is accepted, the words "such" and "as target ranges and maneuver grounds" in paragraph 4 (B) would also be dropped for same reason.

Reason for proposed change: Japanese realize that intent of singling out "target ranges and maneuver grounds" was to illustrate some facilities and areas rather than to place limitation on facilities and areas whose interim use might be granted.

They feel that without change in substance, appearance of this paragraph could be considerably improved by deleting the illustrative clause. They also feel that unused facilities and areas should not be turned over to Japanese nationals without knowledge or authority of Japanese Government, and have therefore inserted language which would without diminishing US control appear to leave to Japanese Government appropriate authority over interim use.

8. *Article III paragraph 1.*

Question re wording of first sentence: Since every single word of new administrative agreement will come in for close scrutiny in Diet, and GOJ will be called upon to explain need for them, they have asked whether "rights" might not convey all the substantive meaning that is contained in the words "rights, power and authority"; and whether "operation and control" might not convey all the substantive meaning contained in the words "establishment, use, operation, defense or control". If there are reasons for full phrases Japanese would appreciate having them so as to be better able to defend them in Diet questioning.

9. *Article III paragraph 2.*

Question re need for last sentence: Japanese believe sentence to be obsolete. What was temporary seven years ago they say has long since been replaced by specific arrangements concluded under second sentence of paragraph 2 and such arrangements are working satisfactorily. GOJ is not proposing deletion of sentence if it has any remaining substantive significance. If it has, they request full explanation in order to be able defend this provision before the Diet.

10. *Article V paragraph 1.*

Proposal: To have second sentence read "When cargo or passengers not accorded the exemptions of this agreement are carried on such vessels and aircraft, notification shall be given to the appropriate Japanese authorities, and their entry and departure from Japan shall be according to the laws and regulations of Japan".

Reason for proposed change: Japanese feel that cargo or passengers not entitled to exemptions of administrative agreement should not only enter but also leave according to laws and regulations of Japan. Absence of provision to that effect might give rise to questions in Diet. They believe that suggested modification would involve no significant difference for US interest but would permit GOJ better to defend this article in Diet debate.

11. *Article V paragraph 2.*

Present ending of paragraph: "... between such facilities and areas and the port of Japan".

Proposals: (A) To reword ending so as to read "... between such facilities and areas and the port or airports of Japan". (B) To add new sentence reading "Such access to and movement between facilities and areas by United States military vehicles shall be free from toll or other charges".

Reason for proposals: (A) GOJ believes "airports" was inadvertently omitted since both vessels and aircraft are mentioned in paragraphs 1 and 2 of Article V. (B) New final sentence takes up presently

effective element of official minutes of February 26, 1952 regarding Article V.

As to freedom from toll and other charges, GOJ legal experts say this provision was not properly a minute since it extended, rather than interpreted, substance of Administrative Agreement. Since it involves expenditure of Japanese Govt funds, GOJ would prefer to have authority for such expenditures derive from explicit Japanese undertaking in new agreement. (Proposed wording covers only military vehicles because private vehicles of US personnel are, by earlier agreement in joint committee, not covered by official minutes.) From US point of view, new addition would seem an improvement.

12. *Article VIII.*

Present wording of article includes phrases (1) "under the present procedures, subject to such modifications as may from time to time be agreed"; (2) "or as may result from Japan's becoming a member of the International Civil Aviation Organization or the World Meteorological Organization"; and (3) "(ships) assigned to positions known as 'X' and 'T'".

Proposal: To delete the passages referred to above. In addition, "Central Meteorological Observatory" should be changed to "Meteorological Agency."

Reason for proposed change: "Present procedures" in this article referred to procedures in effect under the occupation, which have long since been modified by mutual agreement. Japan has also long since become member of ICAO and WHO. Furthermore there no longer exists reason to single out positions of weather ships. (Position "T" no longer exists.) Meteorological Agency was created since signature of present Administrative Agreement. Proposed changes would involve no substantive difference but would reflect presently existing situation.

13. *Article IX paragraph 1.*

Proposal: To reword paragraph 1 so as to read: "The Government of Japan grants permission to members of the United States Armed Forces, the civilian component, and their dependents to enter into and depart from Japan. The United States authorities shall appropriately notify the Government of Japan of the number of persons entering and departing, the date of entry and departure, the object of entry, and the expected duration of stay.

Reason for proposed change: In addition to "conforming" change which would remove the word "right" (paragraph 1-C Deptel 1029), Japanese would like to include same language US agreed to, and Diet ratified, in UNSOF and be notified of numbers of persons of various categories entering and departing. They feel this would not change substance but would improve appearances for Japanese. In answer to my

question about meaning of "object of entry" Fujiyama said Japanese would consider it sufficient for US to indicate whether persons entering or departing were members of US forces, civilian component, or dependents. He also pointed out that only totals, and not names, would be expected to be furnished to Japanese authorities.

14. *Article IX paragraphs 3 (b) and 4.*

Proposal: To reword second sentence paragraph 3 (b) so as to read "for purposes of their identification while in Japan, members of the United States Armed Forces shall be in possession of the foregoing personal identifying card which must be presented on demand to the appropriate Japanese authorities." Also amend paragraph 4 to read "members of the civilian component, their dependents, and the dependents of members of the United States Armed Forces shall be in possession of appropriate documentation issued by the United States authorities which must be presented on demand to the appropriate Japanese authorities so that their status may be verified upon their entry into or departure from Japan, or while in Japan."

Reason for proposal: Public appearances would be considerably improved if the relevant paragraphs not only stated that American personnel required appropriate documentation but also that they should present it on demand to appropriate Japanese authorities. Japanese feel this must clearly have been intent of original wording, since compliance with the provisions in question could only be verified in such manner and since even diplomats must produce identity documents when so requested by authorities. Moreover, in existing practice Japanese authorities are invariably being shown identity documents when they request it. Accordingly, GOJ feels that spelling out such requirement would not involve difference in substance or practice.

15. *Article IX paragraph 5.*

Proposal: To add to paragraph 5 new final sentence "If the Japanese Government, for good cause, has requested the removal from its territory of a member of the United States Armed Forces, or of the civilian component, or a dependent, the United States authorities shall be responsible for causing the said person to leave Japan without delay."

Reason for proposed change: Japanese wish to add provision that if GOJ has good cause to request removal of an individual from Japan, he will be so removed. Such addition would improve public appearance of agreement and is believed to involve little, if any, change from present situation since even Ambassadors can be declared *persona non grata* and be asked to leave without delay.

16. *Article XI paragraph 2.*

Present wording: This long paragraph dealing with duty-free imports refers in two places both to "the United States Armed Forces, the

authorized procurement agencies of the United States Armed Forces, or the organizations provided for in Article XV" and to "supplies and equipment which are to be used exclusively by the United States Armed Forces or are ultimately to be incorporated into articles or facilities used by such forces".

Question: Japanese say they are agreeable to substance of this paragraph but would like to know why words "authorized procurement agencies of the United States Armed Forces" are necessary and how best their retention could be defended in Diet. They ask if "authorized procurement agencies of the US Armed Forces" are not a part of US Armed Forces? Similarly, they ask clarification of phrase "or are ultimately to be incorporated into articles or facilities used by such forces". Needless to say, Japanese would prefer phrases in question to be eliminated. Believe they would be satisfied however, with adequate explanations which they could use in defending retention.

17. *Article XII paragraph 1.*

Present wording (as amended in accordance paragraph 1-C Deptel 1029):⁵ "The United States may contract for any supplies or construction work to be furnished or undertaken in Japan for purposes of, or authorized by, this agreement, without restrictions as to choice of supplies or person who does the construction work".

Proposal: To add sentence "such supplies or construction work may, upon agreement between the two governments, be procured through the Government of Japan".

Reason for proposed change: Japanese are agreeable to substance and wording of above sentence, but wish it to be stated that, provided we agree, there may also be procurement through the Japanese authorities. They are not proposing to change existing system of procurement, but wish hypothetical possibility of future additional or alternative procurement through GOJ to be mentioned, particularly since members of the Diet are aware there are such possibilities in our agreements with some NATO countries. Proposed addition, they believe, involves no significant substantive change since any procurement through GOJ would clearly have to be by agreement.

18. *Article XII paragraph 5 and Article XV paragraph 4.*

Proposal: To include the local inhabitant—so that paragraphs in question will begin "The obligations or the withholding and payment of income tax, local inhabitant tax and social security contributions, et cetera".

⁵ Telegram 1029 to Tokyo included some amendments to a COMUS draft of the Administrative Agreement. (Department of State, Central Files, 794.5/12-2458) The COMUS draft is in telegram 1248 from Tokyo, December 17, 1958. (*Ibid.*, 794.5/12-1758)

Reason for proposed change: It is customary in Japan to withhold not only income tax and social security contributions but also the "local inhabitant" tax. Provision for withholding also of that tax would improve public acceptance of administrative agreement.

19. *Article XII paragraph 6 (new).*

Proposed new paragraph: "The Governments of Japan and the United States will cooperate with each other with a view to facilitating amicable settlement of claims of individual workers arising out of work with the United States Armed Forces or with the organizations provided for in Article XV in connection with the application of the preceding paragraph and paragraph 4 of Article XV.

Remaining sub-paragraphs would be renumbered accordingly.

Reason for proposal: GOJ does not wish to change presently existing mechanism for adjustment of differences with respect to labor problems (in form of subcommittees of joint committee), since that mechanism is working satisfactorily. Proposed new paragraph is to call attention to existence of these subcommittees which will greatly help in obtaining Diet approval. Fujiyama stated to me explicitly that this proposed new paragraph would not be considered as entailing any change in present organizational arrangements.

20. *Article XIII paragraph 3.*

Question: Japanese have no objection to substance of this paragraph, but say that when questioned in Diet about meaning of "tangible or intangible" they will be unable to answer. They do not know what to answer if asked meaning of "intangible movable property the presence of which in Japan is due solely to the temporary presence of members of the United States Armed Forces, the civilian component, or their dependents". GOJ would like "tangible or intangible" to be deleted since they cannot explain it. However, if we can give them an explanation, preferably examples, which would enable reasonable defense of the provision to be made before Diet and public opinion, there should be no problem.

If "tangible and intangible" is deleted in first part of Article XII paragraph 3, Japanese would also prefer to delete "or to any intangible property registered in Japan" later in same paragraph, and also to delete identical language in Article XIV paragraph 5.

21. *Article XVII paragraph 11.*

Present wording: "In the event of hostilities to which the provisions of Article XXIV of this agreement apply, either the United States or Japan shall have the right, et cetera".

Suggested change: "In the event of hostilities to which the provisions of Article V of the treaty of mutual cooperation and security apply, either the United States or Japan shall have the right, et cetera".

Reason for change: Article XXIV of administrative agreement would be deleted and its substance transferred to new mutual security treaty, hence reference should be to latter document. No change in substance.

22. *Article XVIII paragraph 3 (d).*

Proposal: To reword the sub-paragraph so that it will read "The cost incurred in satisfying claims pursuant to the preceding sub-paragraphs shall be shared in the proportion of 75 percent chargeable to the United States and 25 percent chargeable to Japan."

Reason for proposed change: This change would only reflect existing status. The terms referred to above were agreed by exchange of letters dated March 23, 1953⁶ which established current practice of sharing costs in ratio of 75 percent by US and 25 percent by Japan. Writing this arrangement into the agreement would, in Japanese view, entail no actual change of substance but would improve appearance of new agreement.

23. *Article XVIII paragraph 6(a).*

Proposal: To reword this sub-paragraph so that it will read "members of the US Armed Forces and of the civilian component shall not be subject to suit in Japan with respect to claims specified in paragraph 3, but shall be subject to the civil jurisdiction of Japanese courts with respect to all other types of cases."

Reason for proposed change: Japanese do not propose to change substance of this sub-paragraph. They note, however, that the term "civilian employees" does not appear anywhere else in the Administrative Agreement and that it is not defined. They state Japanese employees could not have been meant since they are specifically excluded. They fear that if called upon to explain present wording in Diet, it may be difficult to do so. Therefore, GOJ proposes to simplify wording and to use phrase "civilian component" defined in Article I.

24. *Article XXII (as amended by paragraph 1-C Deptel 1029).*

Present wording: "The United States shall have the right to enroll and train all eligible United States citizens, residing in Japan, in the reserve organizations of the Armed Forces of the United States, except that the prior consent of the Japanese Government shall be obtained in the case of persons employed by the Japanese Government."

Proposal: To reword article so it would read "The United States may enroll and train eligible United States citizens residing in Japan,

⁶ Agreement relating to the sharing of claims costs under Article XVIII of the Administrative Agreement, effected by an exchange of notes at Tokyo March 23, 1953, and entered into force the same day. For text, see 4 UST 355.

who apply for such enrollment in the reserve organizations of the Armed Forces of the United States."

Reason for proposal: GOJ believes language may be permissive in form because US never requested right to conscript United States citizens in Japan, since present Article XXII is clearly limited to reserve organizations. GOJ is anxious to be in better position to meet opposition charges that US would be able to enroll private US citizens residing in Japan, even against their will. They are particularly sensitive on this point because as they frankly admit they had such rights in their pre-war occupation of Mainland China, and anything smacking of this practice would appear to Diet as serious derogation of Japanese sovereignty. Japanese believe their new language would not result in substantive change.

Since new language emphasizes voluntary practice, they propose drop final clause. If changes involve major difficulty for US, they would appreciate being informed of nature such difficulty in terms they may use in Diet.

25. *Article XXIV.*

Reason for deletion: Substance of this article included in Article IV of new Mutual Security Treaty. (Deletion authorized by Deptel 1029.)

26. *Article XXV paragraph 2(b).*

Present wording: (This is the well-known sub-paragraph dealing with Japanese yen payments for support of US forces.)

Reason for deletion: Japanese have strongly insisted on deletion of sub-paragraph (b) as not in keeping with new era between Japan and the US. Both from Japanese and from US point of view, yen contribution is heavy political liability. Its original purpose to encourage Japanese defense build-up while compensating US for its share in defending Japan, can no longer be accomplished in this manner, the basic concept of new Mutual Security Treaty in any event contemplates not money contribution but granting of facilities and areas as Japanese contribution in return for US commitment to regard attack against Japan as common danger. As expressed in country team-USFJ message contained Embtel 364 of August 18, 1958,⁷ Japanese yen contribution is "political albatross." It is now clear that continuation of yen contribution is politically impossible for GOJ which is publicly and irrevocably committed to deletion of this sub-paragraph (cf. Embtels 1806⁸ and 1808⁹).

⁷ Not printed. (Department of State, Central Files, 794.5-MSP/8-1858)

⁸ Document 44.

⁹ Telegram 1808 from Tokyo, March 9, deals with the purchasing of PA systems. (Department of State, Central Files, 894.191-TO/3-959)

27. *Articles XXVI (old XXVII) and XXVIII (new).*

Present wording of Article XXVI (as amended by Deptel 1029):

"1. The agreement will enter into force when the Treaty of Mutual Cooperation and Security between Japan and the United States, signed on (blank), enters into force.

"2. Each party to this agreement undertakes to seek from its legislature necessary budgetary and legislative action with respect to provisions of this agreement which require such action for their execution."

Proposed wording: "1. This agreement shall be approved by Japan and the United States of America in accordance with their legal procedures, and notes indicating such approval shall be exchanged.

"After the procedure set forth in the preceding paragraph has been followed, this agreement will enter into force on the date of the coming into force of the treaty of mutual cooperation and security, at which time the administrative agreement under Article III of the security treaty between Japan and the United States signed on February 28, 1952, as amended, shall expire.

"2. The government of each party undertakes to seek from its legislature necessary budgetary and legislative action with respect to provisions of this agreement which require such action for their execution."

Reasons for proposed change: Since GOJ must submit new agreement Diet for approval, Japanese insist they cannot stipulate that new agreement will enter into effect automatically when mutual security treaty enters into effect. At same time they understand that we will handle new agreement as executive agreement and that we will not present new treaty for ratification unless and until Japanese Diet has approved both treaty and new agreement. They have proposed this seemingly cumbersome language to emphasize that Diet action on new agreement must be completed before new treaty can enter into effect. Language beginning "at which time" is in Japanese view not essential, but represents attempt to carry over essence of Article XXVIII of our draft (which they would propose to delete), while making it clear that expiration of present administrative agreement will not occur until new treaty and agreement come into force.

Change at beginning of paragraph 2 is designed to take into account fact that with Japanese Diet ratification "party" is not synonymous with "government". GOJ feels it must say "government of each party" to avoid implication, which would be offensive to Diet, that legislature is subordinate to executive.

28. *Throughout the agreement.*

Proposal: To substitute "government" or "governments" for "party" or "parties", in Article II paragraph 2 and in Articles XXVII and XXIX. Also, to write "Government of Japan" and/or "Government of

United States" in place of "Japanese" and "United States Government" in Articles IV paragraph 3, IX/1, IX/5, XI/9(A), XI/9(D), XII/1, XIII, XIV/6, XVIII/11, XIX/1, XX/1(A), XX/1(B), XXIII, XXIV and XXV. In Japanese version, word "Japan" would precede "United States" while in US (English) version "United States" would precede "Japan".

Reason for proposal: In view of fact agreement will be ratified by Diet, the term "the parties" could be construed as meaning not only GOJ but also legislature. Also, throughout agreement GOJ would prefer use of term "Government of Japan" to "Japanese Government". To conform to this change, "United States Government" would be replaced by "Government of United States". GOJ would also prefer "Japan" to precede "United States" in Japanese text.

29. *Throughout the agreement.*

Suggested changes: (A) In Article II paragraph 4A, add "between the two governments" after "provided that it is agreed". (B) In Article III paragraph 2, replace "by mutual agreement" in second sentence with "by agreement between the two governments". (C) In Article VI paragraph 1 add "between the two governments" after "procedure will be established by mutual arrangement". (D) In Article XI paragraph 6, also Article XII old paragraph 8 and Article XV paragraph 3, replace "in accordance with conditions agreed upon between the two governments". (E) In Article XII paragraph 5 and Article XV paragraph 4, "between the two governments" after "except as may otherwise be agreed".

Reason for proposal: In number of places, present administrative agreement calls for "mutual agreement" on implementing features. Inasmuch as new agreement itself will go to Diet for ratification, Japanese are anxious to make it clear that such "mutual agreements" will be between the two governments as executive actions and not by any stretch of imagination subject to further Diet approval. Hence GOJ proposes tightening-up by stating "by agreement between the two governments" in place of "by mutual agreement". Since the new administrative agreement is in any case treated by us as executive agreement, Japanese have assumed that suggested change involves no difficulty for us. From our point of view we think it most important to emphasize that subsequent or implementing agreements will not require Diet action.

30. *Final clause.*

Proposal: To have first sentence read "In witness whereof the undersigned plenipotentiaries have signed this agreement".

Reason for proposed change: Since new agreement is to be approved by Diet (even though we regard it and will treat it in every respect as executive agreement), Japanese desire it to be signed by "plenipotentiaries". They would also understand that in English-

language version, the word "English" would come first while in Japanese-language version the word "Japanese" would come first.

MacArthur

51. Telegram From the Embassy in Japan to the Department of State

Tokyo, April 29, 1959, 10 p.m.

2238. Secnog 6. CINCPAC exclusive for POLAD and Admiral Felt. COMUS Japan exclusive for General Burns. Following is Japanese proposed exchange of notes on interpretive understandings. Japanese would initiate exchange and we would acknowledge, confirming their understanding; *begin verbatim text.*

I have the honor to refer to the agreement regarding facilities and areas and the status of United States Armed Forces in Japan, signed today.

With respect to Articles I, XI and XII of that agreement, I wish to confirm the following understanding of my government.

1. Re Article I(a):

Members of the United States Armed Forces being required by Article IX paragraph 3(b) to carry travel orders when entering into Japan, it is understood that those personnel on active duty belonging to the United States Armed Forces, whose entry into Japan is not under travel order, shall not be treated as "members of the United States Armed Forces" for the purpose of this agreement.

2. Re Article XI:

(1) Re paragraph (2):

The United States Government undertakes to ensure that the quantity of goods imported under paragraph 2 of this article for the use of the members of the United States Armed Forces and of the civilian component, and their dependents shall be limited to the extent reasonably required for such use, and to take all necessary measures to this end.

(2) Re paragraph 3(c):

The United States Armed Forces will take every possible measure to ensure that the duty-free importation of clothing and household goods as provided for in paragraph 3(c) shall not exceed reasonable quantities.

(3) Re paragraph 5:

The United States Armed Forces will take every possible measure to ensure that goods will not be imported into Japan in violation of Japanese customs laws and regulations. They will promptly notify the Japanese customs authorities whenever violations are discovered.

3. Re Article XII, paragraph 1:

The United States Armed Forces undertake to furnish the Japanese authorities with appropriate information, as far in advance as possible, on their procurement programs in Japan.

I would appreciate Your Excellency's confirmation that the foregoing is also the understanding [of] your government.

Accept, Excellency, etc. *End verbatim text.*

Reasons for proposed interpretive understandings:

1. Article I (a):

Although Article IX paragraph 3 (b) specifies that members of United States Armed Forces shall be in possession of travel orders upon entry into Japan, Article I (a) appears to define members of United States Armed Forces, by implication, as all personnel on active duty. Japanese desire to clear up this discrepancy by having it understood that members who do not possess travel orders (which might include leave orders) would not be entitled to privileges of Administrative Agreement. However, in order not unduly to disturb language of the agreement they propose interpretive understanding in exchange of notes. Its effect would be to make clear that privileges of Administrative Agreement do not extend to any member of US Armed Forces who enters Japan without travel orders of some kind.

2. Article X paragraph 2:

Provisions for custom-free entry of materials, supplies and equipment give rise to public and parliamentary criticism on ground that they might be abused and because so many American commodities sold in the PX show up on black market and are often sold quite openly. GOJ has no intention to ask for modification in language of paragraph.

It believes, however, that without change of substance assurance could be given, in form of interpretive understanding, that duty-free imports will be held to reasonable quantities. This would be very helpful in terms of public and parliamentary opinion.

3. Article 68 [XI] paragraph 3 (c):

Provisions for custom-free entry of goods mailed through Military Post Offices are heavy political liability to GOJ, which it is not however asking to remove. It believes that without change of substance assurance could be given that such duty-free imports will be held to reasonable quantities.

In addition to understanding in exchange of notes, GOJ will appreciate information on how US Armed Forces could implement such understanding and how such matters are handled in other Allied countries. (They showed us text of what they said was US agreement with Greece¹ specifying that: Recipients required to open packages when requested in presence of security officials; special note made of persons receiving large number of parcels; recipients obliged submit to competent US authorities list of "controlled items" they have imported.) Fujiyama said that perhaps our present regulations in Japan were similar and were effective. If so and if we would let him have copy it would be extremely helpful in explaining to Diet and public opinion that US has effective measures in operation.

4. Article XI paragraph 5.

Exemption from Customs examination of units and members of US Armed Forces has given rise to some suspicion that it might be used to bring in goods whose importation is illegal in Japan (for instance, drugs or plants). Separate understanding on paragraph 5 would permit GOJ to assure questioners in Diet that matter had been discussed with US and measures would be taken, or reinforced, to prevent any such illegal importations.

5. Article XII paragraph 1.

In practice, US forces in Japan notify GOJ of any important changes in their procurement program, such as prospective major lay-offs of labor or important new requirements for goods or services. Such advance information, as provided at present, is helpful to GOJ in avoiding possible shocks to Japanese economy. Ability of GOJ to point to specific understanding along these lines would also help GOJ in answering opposition claims that all procurement should be through GOJ. GOJ is of course not asking for any change in present system of direct procurement.

MacArthur

¹ Apparently a reference to an understanding relating to an agreement concerning military facilities signed by the United States and Greece at Athens October 12, 1953, and entered into force the same date. For text, see 4 UST (pt. 2) 2189.

52. Telegram From the Embassy in Japan to the Department of State

Tokyo, April 30, 1959, 1 p.m.

2239. Secnog 7. CINCPAC exclusive for POLAD and Admiral Felt. COMUS/J exclusive for General Burns. Following are problems re Administrative Agreement put to us by Japanese:

1. Article III paragraph 1, sentences 2 and 3.

Japanese note that under Article II paragraph 1 the United States is provided with facilities and areas upon agreement with the Japanese Government. Article III paragraph 1 however gives the United States "rights, power and authority" outside our bases (over rights of way) without any Japanese agreement and only with "consultation as the occasion requires." Inasmuch as Japan is required under Article XXV (2) (a) to "make compensation where appropriate to owners and suppliers thereof all facilities, areas and rights of way . . . as provided in . . . ¹ Article III" the Japanese feel they will be subject to heavy criticism in Diet unless there is some provision indicating that Japan had a voice also in the provision of such rights of way. They feel that according to present wording of Article II paragraph 1 GOJ appears to be responsible for paying for actions of US Armed Forces on which they may not have been consulted and to which they have not agreed. In actual practice, of course, US Armed Forces do not and cannot go out of the facilities and areas to exercise their rights, but request Japanese Government to take measures on their behalf.

Accordingly, and in belief that no major substantive changes need be involved, Japanese are bringing up foregoing as a "problem" (Embtel 2097).² Japanese would like proposal from US on how to amend article to give impression that rights mentioned in Article III, paragraph 1 shall be exercised with agreement of the Japanese Government.

2. Article XIV.

This article is unusual in that it grants virtually extraterritorial rights to certain US business firms engaged in work under contract with US forces in Japan. We understand its origin lies in occupation period when because of food and housing shortages certain US firms could only be prevailed upon to come to Japan for such purpose if granted privileges substantially equal to those of occupation personnel, and

Source: Department of State, Central Files, 611.94/4-3059. Confidential; Limit Distribution. Transmitted in two sections and repeated to CINCPAC and COMUS/Japan.

¹ Ellipses in the source text.

² Not printed.

when open bidding for local procurement was in many cases inexpedient. That situation has since undergone great change and we understand there are only 23 such contractors left, almost half of them in the civil aviation business.

Now large numbers of American contractors are engaged in private business in Japan on a competitive basis with Japanese contractors. Fujiyama says he cannot defend himself against charge by Japanese business interests and rest of Cabinet that it is unfair that certain American contractors enjoy privileges for carrying out contracts which give them competitive advantage over local Japanese of non-privileged American contractors. GOJ finds it cannot continue justify Article XIV if privileged contractors (a) were to participate in open bidding together with non-privileged contractors of (b) if they were to engage in Japan in any non-military contracts.

GOJ does not propose to restrict in any way free US choice of contractors to satisfy needs of US forces in Japan. However, Fujiyama points out that continuation of present language in Article XIV attracts attention not only to privileges granted US contractors, but also to privileges for members of US forces, civilian component, and dependents, which GOJ has no desire to see restricted. I believe if at all possible this strongly in our interests to eliminate this special privilege position for US contractors, for it is going to be a source of major trouble for us from now on. If we rigidly insist on Article XIV privileges for all these favored contractors we may not only jeopardize privileges armed forces enjoy and require here but we risk courting publicity on issue which competing private business firms in Japan also resent. However, I believe I could get Japanese to agree to extending such privileges where necessary to US contractors if they were brought into Japan solely for purpose of doing work for our military and engage in no other business whatsoever in Japan.

3. Article XVIII paragraphs 1 and 2.

The present provisions stipulate mutual waiver of claims as between the United States Armed Forces and all Japanese Govt agencies. Article was drafted at time when Japan had no self-defense forces. Now that Japan has such forces, the Japanese believe it reasonable to stipulate such waiver as between the self-defense forces and the United States Armed Forces rather than between US forces and all Japanese Govt agencies. The Japanese hope that in light of arrangements we have in other countries, we may be able to come forward with mutually acceptable proposal which would remove what at present appears as glaring inequality. Revision of this article would substantially improve Diet acceptability of new Administrative Agreement.

4. Article XVIII paragraph 4.

Japanese say question of duty determination under Article XVIII (civil claims) does not involve jurisdiction in sense of trial by US versus Japanese court since under paragraph 3, any cases that go to court will in any event go to a Japanese court and under paragraph 5, actions [*sic*] and in any event be taken in Japanese court. Question of duty determination is of importance in deciding whether case shall be treated under paragraph 3 (adjudication by Japanese, with costs shared between US and Japan) or under paragraph 5 (ex gratia payment by US).

Under paragraph 4 as presently worded, duty determination is made unilaterally by US. It may be challenged in joint committee, but there is no provision for arbitration or for judicial consideration of facts involved in duty determination. Fujiyama stated LDP members and Finance Minister aware that under NATO Status of Forces Agreement, determination whether an act is in performance of official duties is left to decision of arbitrator who is a national of receiving state. Japanese also note that under present (old) agreement with German Federal Republic,³ each party certifies the scope of official duties of its person concerned at relevant time and place, and that on basis such certification the German authorities determine whether or not the act or omission occurred in the performance of official duties. Fujiyama expressed strong hope we could give Japanese same treatment as we gave Germans. Question of duty determination in civil claims cases is one on which Diet can be expected to focus full spotlight of publicity when new agreement comes up for ratification. In opinion of Kishi and Fujiyama, present provisions of paragraph 4 are extremely vulnerable even within Cabinet. Some substantive improvement of these provisions is considered highly important.

MacArthur

³ Apparently a reference to the Convention on the Presence of Foreign Forces in the Federal Republic of Germany, signed at Paris October 23, 1954, and entered into force for the United States May 6, 1955. For text, see 6 UST (pt. 5) 5689. A supplementary agreement was signed on August 3, 1959.

53. Memorandum of Discussion at the 404th Meeting of the National Security Council

Washington, April 30, 1959.

[Here follow a paragraph listing the participants at the meeting and agenda item 1.]

2. *U.S. Policy Toward Japan* (NSC 5516/1;¹ OCB Report, dated April 8, 1959, on NSC 5516/1²)

Mr. Harr presented the reference OCB Report on the subject to the Council. He said that the U.S. has no operational difficulties with respect to Japan of such a magnitude as to threaten the successful pursuit of our objectives there, but the OCB believes that our policy toward Japan should be reviewed because it has become apparent, particularly during the eight and a half months covered by the report, that one era of Japanese-U.S. relations has come to an end and another has begun. During this period there has been an easing of the tensions between the U.S. and Japan which stemmed from the vestiges of World War II. Similarly, the period has seen indications of the beginning of a new era in which Japanese dependence upon the U.S. is reduced and Japan is taking an increasingly independent approach to foreign policy. Because the climate surrounding the negotiations for the revision of U.S.-Japanese security arrangements will be the best test of the new era in U.S.-Japanese relations, the OCB recommends that a review of our policy toward Japan be initiated as soon as sufficient time has passed to permit an evaluation of the progress of such negotiations.

Acting Secretary Dillon said he had recently had an opportunity to talk to our Ambassador to Japan about the forthcoming negotiations for a revision in U.S.-Japanese security arrangements. Ambassador MacArthur was optimistic about the possibility of reaching a satisfactory agreement. Yesterday a complete statement of the Japanese position on this matter³ had arrived in the State Department. Ambassador MacArthur and the Japanese Government had agreed that final signatures to a revised U.S.-Japanese agreement should be affixed in Washington before June 20. Moreover, there should be agreement in substance between the two Governments sufficiently early so that the fact of

Source: Eisenhower Library, Whitman File, NSC Records. Top Secret. Drafted by Boggs.

¹ For text of NSC 5516/1, April 9, 1955, see *Foreign Relations, 1955-1957*, vol. XIV, Part 1, pp. 52-62.

² Not printed. (Department of State, OCB Files: Lot 62 D 430, Japan)

³ See Document 52.

agreement could be announced at least a week before June 2, the date of elections to the Upper House of the Japanese Parliament. Such an announcement would be of considerable help to the Japanese Government against the Socialists in the election. Ambassador MacArthur hopes that the U.S. comments on the Japanese position can be received in Tokyo by May 10. A State-Defense working group is starting today to analyze the Japanese position. Mr. Dillon concurred in the OCB recommendation for a review of our policy toward Japan, but thought that the current negotiations were moving so fast that it might be desirable to delay such a review until June.

The President wondered whether we were adequately staffed to undertake the task of making major revisions in our treaty relations with Japan in such a short time. He recalled that some years ago when we made the first Peace Treaty with Japan we had brought John Foster Dulles in for a year's work. Mr. Dillon said that the Peace Treaty with Japan was not being revised at this time; the current negotiations concerned only U.S.-Japanese security arrangements. The President said he had been under the mistaken impression that the Peace Treaty was involved.

Secretary McElroy remarked that as we looked down the road ahead, it would be necessary for us to consider very carefully the future security of Japan and our relations with that country. The President agreed; and added that there were two counter-weights to Communist China in the Far East; namely, Japan and India. We had better continue to think very seriously about these two countries.

Mr. Gray said that the Planning Board would review NSC 5516/1 at an appropriate time in relation to progress in the current negotiations.

The National Security Council:

- a. Noted and discussed the reference Report on the subject by the Operations Coordinating Board.
- b. Noted that the Planning Board would undertake a review of U.S. policy toward Japan (NSC 5516/1) at an appropriate time in relation to progress on revision of U.S.-Japanese security arrangements.

[Here follow the remaining agenda items.]

Marion W. Boggs

54. Telegram From the Embassy in Japan to the Department of State

Tokyo, May 1, 1959, 10 p.m.

2254. Secnog 10. Verbatim text. CINCPAC exclusive for POLAD and Admiral Felt. COMUS Japan exclusive for General Burns and Captain Harrison (CINCPAC Representative). Naha exclusive for Deming and General Booth. In my meeting with Fujiyama April 28 on revision of security treaty, he referred to Japanese position on treaty area excluding Ryukyus and Bonins and again expressed desire for public reaffirmation from US that Japanese have residual sovereignty over these islands. He referred to our conversation April 23 (Embtel 2201)¹ in which I had suggested reaffirmation along lines of language of 1957 Eisenhower-Kishi communiqué and said this suggestion raised real problems. He explained that in Eisenhower-Kishi communiqué, Kishi had first emphasized strong desire for return to Japan of administrative control of Ryukyus and Bonins and President had then made clear that while Japan possesses residual sovereignty, US found it necessary to continue present status so long as conditions of threat and tension exist in FE, et cetera.

Fujiyama referred to my understanding with Kishi that as long as situation in Ryukyus was calm, GOJ will not publicly press US for return of administrative control. He said neither he nor Kishi wished to raise return to Japan of administrative control, but would be obliged to do so if reaffirmation of our position included fact that we would have to remain in Article 3 islands indefinitely. He asked that consideration be given to a simple exchange of notes whereby US note would (a) make clear that when administrative control is returned to Japan, Article 3 islands will be included in treaty area under Article V of new treaty, and (b) that Japan possesses residual sovereignty. Japan would make simple acknowledgement. Fujiyama handed me following draft note for our consideration:

Begin text draft US note:

I have the honor to refer to the Treaty of Mutual Cooperation and Security between the United States of America and Japan signed today.

It is the understanding of my government that any territories of Japan presently not under its administration shall as a matter of course come within the purview of Article V as they are restored to the administrative control of Japan.

Source: Department of State, Central Files, 794.5/5-159. Confidential; Limit Distribution. Repeated to CINCPAC, COMUS/Japan, and Naha.

¹ See footnote 1, Document 46.

In this connection I wish to reaffirm the United States position that Japan possesses residual sovereignty over the islands mentioned in Article 3 of the Treaty of Peace with Japan which have not yet been restored to the administrative control of Japan. End draft US text.

Begin text draft Japanese note: I have the honour to acknowledge the receipt of your note of today's date concerning the Treaty of Mutual Cooperation and Security between Japan and the United States of America, which reads as follows: (Text of US note to be inserted here.)

I appreciate the reaffirmation of the United States position that Japan possesses residual sovereignty over the islands mentioned in the above and have the honour to confirm that the understanding of the United States Government concerning territories presently not under the administration of Japan is also the understanding of my government. End draft Japanese text.

Comment: Neither Kishi nor Fujiyama wishes to handle this matter in a way which would oblige GOJ publicly to request return of administration of Okinawa. On other hand, both feel that reaffirmation of Japanese residual sovereignty is major element in their ability to defend present treaty area, which excludes Article 3 islands. I think they have in mind particularly Ryukyans, but also Kono and certain anti-mainstreamers. While originally I had felt reaffirmation of Eisenhower-Kishi communiqué language was best solution, on second thought this would be unwise since it would reopen Japanese demand for return of administration. I now feel there is advantage in going along with substance of Japanese proposal since by doing so we can avoid possibility that GOJ would feel obliged to press US publicly for return of administrative control. I would greatly appreciate General Booth's views.

In conclusion, it would certainly seem strongly in our own interest to try to assist Kishi and Fujiyama to handle this problem in way which will gain fullest acceptance of treaty area both in Ryukyus and Japan and at same time give us some assurance that GOJ will not publicly raise question of return of islands to Japanese administration.

MacArthur

55. Telegram From the Embassy in Japan to the Department of State

Tokyo, May 8, 1959, 10 p.m.

2344. CINCPAC exclusive for Adm Felt and POLAD. COMUS/Japan exclusive for Gen Burns and Capt Harrison (CINCPAC Rep). Secnog 11. Pursuant to paragraph 4 of negotiating instructions Deptel 474 of September 30 [29], 1958,¹ I raised with Fujiyama as remaining item of "package" the question of continued validity of Acheson-Yoshida exchange of notes of September 8, 1951.

Fujiyama said GOJ has no objection to keeping substance of Acheson-Yoshida exchange alive, but cannot accept our position that it is linked only to peace treaty and would remain unaffected by expiration of old security treaty since (A) notes were submitted to Diet as integral part of security treaty and were ratified as one item, closely linked, under same title; (B) notes were signed by Yoshida only and not by other plenipotentiaries who signed peace treaty; (C) US originally proposed that undertaking be an addendum to security treaty. Fujiyama said since basic substance of Acheson-Yoshida notes is duplicated in UN-SOF agreement which Diet has ratified and which will remain in effect after expiration of present treaty, our desire to have continued validity of substance of notes would seem to be met.

I replied to Fujiyama that I hoped very much that we could find way to continue validity of Acheson-Yoshida notes themselves through a new exchange of notes.

When I saw Fujiyama today he said he concurred with my suggestion and handed me draft of proposed US note (see immediately following telegram),² which would continue validity of Acheson-Yoshida notes. In giving me proposed note, Fujiyama made following statement from talking paper which at my request he subsequently handed me:

Begin Verbatim Text:

1. The Japanese Government understands that the exchange of notes between Mr. Acheson and Mr. Yoshida covers only any further action which would be taken by the United Nations forces in Korea in case there is resumption of the attack against them.

2. It is stated in the note that "Japan will permit and facilitate the support in and about Japan, by the member or members, of the force

Source: Department of State, Central Files, 794.5/5-859. Confidential; Limit Distribution. Repeated to CINCPAC and COMUS/Japan.

¹ Document 28.

² Telegram 2345 from Tokyo, May 8. (Department of State, Central Files, 794.5/5-859) See Supplement. This text is substantively similar to the exchange of notes in Washington on January 19, 1960; see 11 UST (pt. 2) 1647.

engaged in such United Nations action." The term "support" as used here is understood to mean the so-called "logistic support" to be provided to the forces. Therefore, the notes should not be interpreted as permitting the use of facilities and areas in Japan as bases for military combat operations by United States armed forces without consultation under the agreed formula. *End Verbatim Text.*

After Fujiyama made foregoing statement he said he did not think it was necessary for us to have any exchange of notes on this Japanese understanding. Essential point, he felt, was to be sure that we clearly understood each other as to nature of Acheson-Yoshida commitment, and statement which he had given me was Japanese understanding of the existing commitment. Fujiyama said that text of notes to be exchanged on Acheson-Yoshida notes (Secnog 12)³ would be made public but that Japanese did not intend to publish the two point statement he had made to me. However, if questions are raised in Diet on this subject GOJ would in response to queries take the position set forth in this statement.

I strongly recommend we accept Japanese proposal as it would provide the assurance which I feel we must have and is the very best we can obtain from them.

MacArthur

³Same as telegram 2345 from Tokyo; see footnote 2 above.

56. Telegram From the Department of State to the Embassy in Japan

Washington, May 9, 1959, 12:27 p.m.

1673. For MacArthur from Robertson. Re Secnog 2 and 3 Draft Treaty.¹

1. Preamble—

- (a) Deletion title word "preamble" approved.
- (b) Change economic paragraph approved.

Source: Department of State, Central Files, 794.5/5-959. Confidential; Verbatim Text; Niact; Limit Distribution. Drafted by Sneider on May 8; cleared with L, S/P, and Defense (ISA); and approved by David M. Bane, Director of the Office of Northeast Asian Affairs. Repeated to CINCPAC and COMUS/Japan.

¹Documents 47 and 48.

(c) Re para on security of Japan, instead of proposed GOJ language insert "considering that they have a common interest in the security of Japan". *Comment:* GOJ language too one-sided from US viewpoint. Our proposed language appears meet basic objective of GOJ position while pointing up security of Japan in mutual interest of both countries. We object to word "ensuring" as implying guarantee of Japan's security. Believe Congress would object to such strong language.

(d) Re para on international peace and security in Far East insert addition of "and in the Pacific area" following "in the Far East". *Comment:* Reference to Pacific area in this context and subsequently in Articles IV and VI does not create obligation for Japan defend US territory but retains reference to GOJ concern in event US Pacific territories threatened which most desirable from our viewpoint. Believe this reference particularly important in light statehood now accorded Alaska and Hawaii. Such references would strengthen our ability convince Congress of mutuality draft treaty.

2. Article I. Japanese proposal of additional paragraph re UN approved.

3. Article II. Japanese proposal approved.

4. Article III. No objections to most aspects Japanese draft. However, make every effort retain, if possible, reference to "individual and collective capacities" which follows Vandenberg resolution. *Comment:* Recognize reference to "collective" capacity creates problems for GOJ. However, inclusion "collective" in Article III could reasonably be considered as consistent with reference to "collective self-defense" in preamble. In addition, combination of Japan self-defense forces and United States forces, Japan, employed in defense of Japan, constitutes de facto "collective" capacity, which thus justified by this treaty language. However, if GOJ continues object to inclusion, of "individual and collective capacity" we willing accept "their capacities".

5. Article IV. Following language based on GOJ draft should be used: "The parties will consult together from time to time regarding the implementation of this Treaty, and, at the request of either party, whenever the security of Japan or international peace and security in the Far East and the Pacific area is threatened." *Comment:* Phrase "at the request of either party" has been moved to the second clause to indicate that there will be regular consultation such as presently takes place on overall security matters. In this connection, we envisage that current security committee or some other group would meet periodically for discussion security problems on diplomatic level. "In the Pacific area" added for reasons stated above paragraph 1 (c).

6. Article V. (a) Replace word "areas" with "territory." *Comment:* "Territory" is commonly used in Pacific treaties in connection with treaty area. Would prefer to use this language in Japan treaty unless there are compelling Japanese objections to it.

(b) Insertion of reference to Article 51 UN Charter approved.

7. Article VI. (a) Following language based on Japanese draft should be used: "In consideration of the common interest that the two parties have in the security of Japan and in consideration of the common concern that the two parties have in the maintenance of international peace and security in the Far East and in the Pacific area, . . . etc."² *Comment:* This language consistent with changes proposed in preamble.

(b) In final phrase para 1 change to read "facilities and areas in and about Japan." *Comment:* Prefer add "and about" to assure that arrangements for maneuver areas and other facilities outside territorial waters Japan continue in effect. If GOJ unwilling add this language to treaty, will accept appropriate assurances from GOJ that status of these maneuver areas not affected by any language in Article VI and in Article II of new Administrative Agreement.

(c) Revise para 2 as follows: "The use of these facilities and areas as well as the status of US armed forces in Japan shall be governed by a separate agreement, replacing the Administrative Agreement between the US and Japan signed on February 28, 1952 and by such other arrangements as the Governments of the US and Japan may agree upon." *Comment:* Change recommended by CINCPAC to relate new treaty to new agreement.

8. Article VIII. We have serious objections to inclusion in treaty of special article on constitutionality qualifying whole treaty. First, there is no similar provision in any of our other mutual security arrangements and Congress is bound to question inclusion this article in Japanese arrangements very closely. Second, we fear other countries may raise problems with us re this Article and seek similar relief from obligations incurred in treaty arrangements on basis conflict with constitution. Third, there is problem whether under US constitutional system Executive Branch can so explicitly assert its authority to interpret constitution. You might explain to Japanese that as this provision presently drafted it could be construed as effort by Executive Branch to assert powers of US judiciary as final arbiter interpreting our constitution. Finally, present language Article VIII conceivably could permit either Government to seek relief from obligations under treaty, for example Article VI provisions, at some future time on basis obligation in conflict with their constitution as then interpreted. Under accepted international law, country does not escape from international obligations entered into in treaties even when such treaties may be declared unconstitutional for purposes of domestic law.

² Ellipsis in the source text.

We recognize, however, constitution issue very delicate and crucial point in Japan. Therefore, propose that as addition at end of Article V: "and constitutional provisions".

9. Article IX (VIII in US draft). In international usage of "alternate" in both original English and Japanese signed texts which US retains, US would be mentioned first and in both original English and Japanese signed texts which Japan retains, Japan would be mentioned first. Assume this acceptable and perhaps originally intended by Japanese officials.

10. Article X (IX in US draft). Japanese proposal acceptable.

11. Article XI (X in US draft). Japanese draft acceptable and second paragraph, in fact, preferable in clarifying 11 year duration.

12. New concluding sentence acceptable.

Defense concurs.

Dillon

57. Telegram From the Department of State to the Embassy in Japan

Washington, May 9, 1959, 12:27 p.m.

1674. For MacArthur from Robertson. Re Secnog 4—Consultation Formula.¹

1. Japanese note for consultation formula should be revised as follows: Word "combat" should be inserted between "military" and "operations." Alternative would be to substitute "combat" for "military." Reason: Word "military" standing alone is much too broad and can be construed to involve all operations including logistics at the bases. If Japanese flatly reject above proposal, only other acceptable alternative to us is to retain GOJ text with clear understanding that it will in all probability be necessary to divulge in confidence to Philippines that GOJ consultation formula limited to military combat operations. Japanese

Source: Department of State, Central Files, 794.5/5-959. Confidential; Niact; Limit Distribution. Drafted by Sneider on May 8; cleared in draft with Robertson, L, SPA, S/P, and Defense (ISA); and approved by Bane. Repeated to Manila, CINCPAC, and COMUS/Japan.

¹ Document 49.

formula will undoubtedly set precedent for Philippine negotiations and we must be able make clear to Philippines substance of formula in this regard so that we could reach arrangements with Philippines which would be no more limiting them that we have with Japan.

Latter part of formula should be reworded as follows: "will be the subject of prior consultation with the GOJ in the light of circumstances prevailing at the time." "Will be subject of" smooths out language of formula. Important that "in light of circumstances prevailing at the time" be retained. In explanation point out to GOJ that this phrase does not relieve us from need to consult with GOJ but makes clear we expect them take into consideration international situation at any time in which consultation would be required. FYI Phrase "in light of circumstances prevailing at the time" appears in public UK and confidential Italian IRBM agreements although both agreements refer to "joint determination." End FYI.

2. Public formula should also include:

"Consultation will not be required concerning the deployment of US armed forces or their equipment out of Japan." *Comment:* This is confirmation of standard US policy not to be bound in withdrawing forces from overseas areas. Congress bound to make inquiry of us on this point and issue also will arise with Philippines. Therefore far preferable make our position clear in public document rather than confidential agreement.

3. Understandings on formula (Embtel 2076)² should be set forth in exchange of classified letters between Ambassador MacArthur and Foreign Minister Fujiyama. In this regard, point three should be deleted and point four should be expanded to refer to "direct launching" of combat operations and to make clear logistic operations are not covered by formula. [5 lines of source text not declassified]

4. Separate message will follow on reaffirmation of present air defense arrangements.³

Dillon

²Telegram 2076 from Tokyo, April 9, reiterated the U.S. understanding of the consultation formula (Department of State, Central Files, 794.5/4-959), as contained in Document 38.

³This statement reflected the DOD's concern that air defense arrangements with Japan should not lapse under new treaty arrangements. (Telegram 1844 to Tokyo, May 29; (Department of State, Central Files, 611.94/5-2959) Subsequently discussions were conducted at the service level, and a new agreement for conduct of air defense of Japan was signed by Lieutenant General Robert W. Burns, USAF, and Lieutenant General Misoo Matsumae, JASDF, on September 2, 1959. The text of the Burns-Matsumae Agreement was transmitted to Washington in despatch 464 from Tokyo, October 15, 1959. (*Ibid.*, 794.5/10-1559)

58. **Telegram 2358 From the Embassy in Japan to the Department of State**

Tokyo, May 10, 1959, 1 p.m.

[Source: Department of State, Central Files, 794.5/5-1059. Confidential; Niact; Limit Distribution. 3 pages of source text not declassified.]

59. **Telegram From the Embassy in Japan to the Department of State**

Tokyo, May 11, 1959, 9 p.m.

2374. CINCPAC exclusive for Adm Felt and POLAD. COMUS/Japan exclusive for Gen Burns and CINCPAC Reps. In accordance with instructions in Deptels 1673 and 1674,¹ I met with Fujiyama early this afternoon and put strongly to him the points regarding treaty and consultation formula, explaining in detail why particular changes are important and why certain language proposed by Japanese, notably new Article VIII, cannot be accepted by us.

[1 paragraph (5 lines of source text) not declassified]

Fujiyama asked me to convey his deep appreciation for speedy handling of Japanese proposals by COMUS, CINCPAC and Departments of State and Defense. He said he would personally study them carefully prior to his departure for Saigon tomorrow and that Vice Minister Yamada would be in touch with me to convey GOJ views. Fujiyama said some of our points raised real problems for GOJ. He referred notably to deletion of Article VIII, which he said would raise serious "constitutional" difficulties in connection with Article III since it might be claimed that article obliges Japan to develop its capacity to resist attack beyond restrictions of Japanese Constitution which limit Japan's efforts to self-defense of Japan. He also felt that insertion of "individual and

Source: Department of State, Central Files, 794.5/5-1159. Confidential; Priority; Limit Distribution. Repeated to CINCPAC and COMUS/Japan.

¹ Documents 56 and 57.

collective" in Article III would raise parliamentary difficulties. He was much concerned over proposal to include "Pacific area." Re consultation formula he questioned phrase "in the light of circumstances prevailing at the time" as exceedingly difficult to interpret to the Diet. He said foregoing were preliminary observations and Yamada would give me definite GOJ reaction.

Speaking personally, I said that while Washington finds it impossible, in view strict separation of powers between executive and judiciary, to accept Japanese proposed Article VIII, it might be possible to meet Japanese problem in connection with Article III by inserting at appropriate point a phrase such as "in accordance with their constitutional provisions." I said that if Fujiyama thought such addition would meet problem of elimination of Article VIII, I would be personally willing recommend it strongly to Washington.

Fujiyama also inquired about Administrative Agreement. I said GOJ proposals are receiving most urgent consideration in Washington and I hoped to transmit official US reactions within two days. Fujiyama said Yamada was authorized to discuss with me both treaty and Administrative Agreement during his absence, so that we might make further progress toward overall agreement prior to Fujiyama's return. He said Yamada would be working with PriMin Kishi who is acting FonMin during Fujiyama's absence.

MacArthur

60. Telegram From the Department of State to the Embassy in Japan

Washington, May 15, 1959, 8:02 p.m.

1726. For MacArthur from Robertson. Secnogs 5, 6 and 7.¹

General Comments

We agree necessity for certain revisions in Administrative Agreement to make it politically acceptable in Japan. Such revisions are consistent with our interest in reducing to maximum extent possible areas

Source: Department of State, Central Files, 611.94/4-3059. Confidential; Niact; Limit Distribution. Drafted by Sneider on May 13, cleared with L and DOD (ISA), and approved by Bane. Repeated to CINCPAC and COMUS/Japan.

¹ Documents 50–52.

of friction flowing from US base operations abroad and thereby strengthening acceptability of bases with host country. For these reasons we have accepted most of changes proposed by GOJ. In certain instances, however, we are proposing modifications in GOJ proposals which in our view meet Japanese requirements but may have less substantive effect on our position.

Following are our comments on proposed revisions, notes of understanding, and questions set forth in Secnogs 5, 6 and 7. We have taken into account CINCPAC comments in 101050Z.²

1. Title. "Agreement under Article VI of the Treaty of Mutual Cooperation and Security between the United States and Japan."

2. Preamble. Changes acceptable.

3. Article I.

(a) I(a) (Secnog 6). Note of understanding acceptable, with following changes.

Insert ", including leave orders," after "travel orders." Add additional sentence as follows: "It is further understood that members of crews of aircraft or members of crews of ships of the US armed forces entering Japan aboard such aircraft or ships are entering Japan under travel orders and shall not be required to be in possession of such orders." This confirms existing practice.

(b). Retain present language. *Comment:* Present Japanese language would not include under new Administrative Agreement certain categories of personnel who perform valuable and essential services to our services although not directly employed by them, such as Red Cross workers, USO personnel, etc. Our understanding is these categories treated in NATO area in effect as DOD employees. If this not acceptable to GOJ, GOJ language on this point agreeable providing there is separate side agreement covering above groups under Article I(b).

4. Article II. (a) II, 1A. Japanese draft acceptable.

(b) II, 1, B. In final clause revise to read "shall be considered as facilities and areas agreed upon . . . etc."³ *Comment:* Deletion of word "the" between "considered as" and "facilities and areas" important to prevent any misunderstanding. Without deletion, para II, 1, B could be construed as limiting agreements through Joint Committee on facilities and areas to only those facilities which US is now using and thus exclude acquisition through Joint Committee of new facilities or areas.

(c) II, 4. Changes approved.

²Not found.

³All ellipses are in the source text.

5. Article III. (a) Article III, 1. *Comment*: Prefer present language re first sentence to preclude any question arising in future that through deletion of some of present wording, substance of US power to act under this Article had been reduced. However, if Japanese insist agreeable to changing words "right, power and authority" to "rights" and words "establishment, use, operation, defense or control" to "establishment, operation, defense or control", providing GOJ affirms that these terms contain all substantive meaning contained in present language. Desire retention of "establishment" to make clear US may construct or expand facilities.

Re rights outside facilities and areas (Secnog 7), prefer present language which not only covers rights of way but also provides access rights to air bases, control of air space, etc. To meet GOJ's concern, we are agreeable to separate note of understanding that US will consult with GOJ when exercise of rights involves compensation by Japan to private landowners or other expenditures of GOJ funds.

(b) Article III, 2. Deletion of last sentence approved provided new language developed to retain concept for reasons set forth CINCPAC message.

6. Article V, 1 and 2. Changes acceptable. Word "into" should be inserted after "entry" in V, 1.

7. Article VIII. Changes acceptable.

8. Article IX, 1. (a) First sentence GOJ proposal should be revised as originally authorized or as follows: "The Government of Japan grants permission to the Government of the US to bring into Japan members of the US armed forces, the civilian component, and their dependents." *Comment*: Right should be granted to US and not to individuals. We opposed to inclusion of second sentence since similar provision not in NATO SOF and since it would establish precedent for other negotiations and base arrangements elsewhere. To meet GOJ's concern, we are agreeable to side understanding as set forth Embtel 2369.⁴

(b) Article IX, 3(b) and 4. Japanese draft approved with changes proposed by CINCPAC.

(c) Article IX, 5. Language of Article III, para 5 of NATO SOF should be used with appropriate changes such as "Japan" for "receiving state" and "United States" for "sending state." Reason: US cannot enforce removal of civilian component or dependents.

⁴In telegram 2369 from Tokyo, May 11, the Embassy commented on CINCPAC proposals related to the Administrative Agreement. (Department of State, Central Files, 611.94/5-1159)

9. Article XI.

(a) Article XI, 2. Desire retain present language for reasons set forth in CINCPAC message.

(b) Article XI, 2, 3(c), and 5. Question need for additional assurances in Japanese note in light of US commitments and obligations contained in paragraphs 8 and 9 of Article XI which should be sufficient to satisfy Diet. Japanese proposal could be construed as implying failure by US to have lived up to these obligations in past. GOJ should be given copies of pertinent US regulations. However, if despite above argument GOJ insists on additional assurances, note of understanding approved with following changes:

(1) Article XI, 2. Agree to note of understanding (Secnog 6) although prefer following wording: "The US Government . . . to ensure that"; and "and to take all necessary measures to this end." *Comment:* GOJ language implies US would not take "necessary measures" without specific undertaking to do so.

(2) Article XI, 3(c) (Secnog 6). Agree to note of understanding since it merely reiterates Administrative Agreement obligation. To reassure Diet further USFJ should provide GOJ with relevant regulations re control over imports entering through military post office.

(3) Article XI, 5 (Secnog 6). Proposed note of understanding be redrafted as follows: "The US armed forces will take every practicable measure to ensure that goods will not be imported into Japan by or for the members of the US armed forces, civilian component, or their dependents, the entry of which would be in violation of Japanese customs laws and regulations. The US armed forces will promptly notify the Japanese customs authorities whenever the entry of such goods is discovered."

10. Article XII.

(a) Article XII, 1 (Secnogs 5 and 6)

(1) Additional sentence proposed by GOJ approved with insertion word "also" between "governments" and "be" in second sentence.

(2) Note of understanding approved with changes set forth in CINCPAC message. If reference to "continue" creates serious difficulties for GOJ, we will reconsider this point.

(b) Article XII, 5. Japanese proposal approved.

(c) Article XII, 6. Japanese proposal should be revised as follows: "In connection with the application of the preceding paragraph and paragraph 4 of Article XV, the Governments of Japan and the US will continue to cooperate with each other with a view to facilitating amicable adjustments of differences with individual workers arising out of work with US armed forces, including the organizations provided for in Article XV."

11. Article XIII, 3. Intangible moveable property refers to stocks, bonds, checks, etc. and therefore reference should be retained.

12. Article XIV (Secnog 7). Desire retain Article XIV without abuse of privileges. We agreeable to limit provisions to contractors whose services essential. Article XIV should be revised as proposed by CINCPAC except that separate paragraph concerning decertification should be added at end of and as part of CINCPAC's proposed new para 3. In addition, "Certification of such persons and their employees will be withdrawn by appropriate US authorities" should be substituted for "Such persons and their employees will be decertified by appropriate US authorities." Rest of Article should be renumbered accordingly.

13. Article XV, 4. Japanese proposal acceptable.

14. Article XVII, 11. Japanese proposal acceptable.

15. Article XVIII. Our comments will follow by later message.

16. Article XXII. Have no objections to Japanese proposal if this does not affect status of reserve organizations in Japan.

17. Article XXIV. Yen contribution question still under consideration. Will send separate message.

18. Article XXV, 2(a). Substitute phrase "facilities and areas" for "facilities, areas".

19. Article XXV 2(b). Approve deletion provision on yen contribution to US forces.⁵

20. Article XXVI. Retain present language. Substance of problem raised by CINCPAC covered in paragraph 23 below.

21. Article XXVII. Japanese draft approved.

22. Final clause. Signing by plenipotentiaries agreeable.

23. General wording changes (Secnog 5, paras 28 and 29) approved. However, references to "agreements between the two governments" and the like should be revised to "agreement between appropriate authorities of the two governments." This will enable arrangements to be worked [out] at appropriate levels, diplomatic or technical, including Joint Committee. Article II, 4a should read "between the two governments through the Joint Committee." This conforms to Article II, 1.

Defense concurs.

Dillon

⁵ In telegram 1733 to Tokyo, May 16, the Department made changes in paragraphs 17 and 19: "Para 17 should read 'Article XXIV deletion approved.' Para 19 should read 'Article XXV 2 (b) yen contribution question still under consideration.' Will send separate message." (*Ibid.*, 611.94/5-1659)

61. Telegram From the Department of State to the Embassy in Japan

Washington, May 16, 1959, 5:14 p.m.

1734. For MacArthur. State-Defense message. Secnog 10.¹ Have had lengthy State-Defense discussions on exchange of notes re Residual Sovereignty. Serious concern expressed that exchange of notes reaffirming Japanese residual sovereignty over Article III islands linked with suggestion that islands may at future time fall under new Treaty will give rise to false hopes and increased pressures on part of Japanese public and Ryukyans for early return of administration of islands to Japan.

Recognize that exchange of notes proposed as tactic to enable Kishi resist opposition when new treaty before Diet. However, since exchange might be interpreted as indicating that return Article III islands was considered during treaty negotiations, Kishi might well be subjected to criticism for not pressing for early return of islands.

In view of foregoing, request you explore with Kishi means of meeting Diet opposition other than through proposed exchange of notes. One possible means to reaffirm Japanese residual sovereignty is by your making public statement along lines Eisenhower-Kishi communiqué of 1957. If question arises in Diet whether islands would fall within treaty area should their administration be returned to Japan, Kishi could reply affirmatively, pointing out that treaty specifically speaks of territory under the administration of Japan which would include Article III islands if they are returned to Japan's administration while treaty still in force. Foregoing approach would follow line Kishi has taken before Diet and public that there is no connection between negotiations for new treaty and return of administrative control of islands.

Dillon

Source: Department of State, Central Files, 794.5/5-1659. Confidential; Niact; Limit Distribution. Drafted by William E. Lang, DOD, and Sneider; cleared by Parsons; and approved by Robertson. Repeated to CINCPAC exclusive for POLAD and Admiral Felt and to COMUS/Japan exclusive for General Burns.

¹ Document 54.

62. Telegram 1741 From the Department of State to the Embassy in Japan

Washington, May 18, 1959, 8:15 p.m.

[Source: Department of State, Central Files, 794.5/5-1059. Confidential; Priority; Limit Distribution. 2 pages of source text not declassified.]

63. Telegram 2476 From the Embassy in Japan to the Department of State

Tokyo, May 20, 1959, 8 p.m.

[Source: Department of State, Central Files, 794.5/5-2059. Top Secret; Priority; Limit Distribution. 4 pages of source text not declassified.]

64. Telegram From the Department of State to the Embassy in Japan

Washington, May 20, 1959, 1:16 p.m.

1757. For MacArthur from Robertson. Deptel 1726.¹ Re Article XXV 2(b). We agreeable to deleting Article XXV 2(b) providing for yen contribution in new administrative arrangements. (FYI. As soon as we have reached agreement with GOJ on all major substantive points, we intend

Source: Department of State, Central Files, 611.94/5-2059. Confidential; Niact; Limit Distribution. Drafted by Sneider on May 18; cleared with L/FE, H in substance, and with DOD; and approved by Dillon. Repeated to CINCPAC exclusive for POLAD and Admiral Felt, and to COMUS/Japan exclusive for General Burns.

¹ Document 60.

discuss entire package with appropriate Congressional committees.
End FYI)

In interest of answering possible Congressional objections to dropping yen contribution most helpful if Fujiyama would affirm that GOJ intends take every practicable measure assure that funds derived from absence yen contribution will be used for Japanese defense forces.

Defense concurs.

Dillon

65. **Telegram From the Embassy in Japan to the Department of State**

Tokyo, May 22, 1959, 7 p.m.

2498. CINCPAC exclusive for Admiral Felt and POLAD. COMUS Japan Exclusive for General Burns. ReDeptel 1673.¹ Fujiyama had long meeting with Kishi this morning re security treaty negotiations and then met with me this afternoon to give me Kishi and his reactions to our amendments of treaty redraft as follows:

1. Preamble. Fujiyama said language we proposed (Deptel 1673 Para 1-c) would be objectionable to Diet since it appeared to imply that Japan's interest in its own security was no greater than that of US. If we cannot accept Japanese formulation beginning "Desiring . . .",² Japanese prefer to drop this para from Preamble. I agreed to recommend deletion since this clause is unnecessary for us.

2. Insertion of "in the Pacific area" in para 6 of Preamble, Article IV, and Article VI. Fujiyama said GOJ could not accept inclusion this phrase. Kishi realizes that addition would not create any new obligation for Japan and indeed that it could be held to have no substantive importance. However it does not [garble], and Japanese Diet, press, and public

Source: Department of State, Central Files, 794.5/5-2259. Confidential; Priority; Limit Distribution. Transmitted in two sections and repeated to CINCPAC and COMUS/Japan.

¹ Document 56.

² Ellipsis in the source text.

would, when comparing new treaty with old treaty, immediately regard insertion this phrase as an indirect extension of Japanese treaty responsibilities. This would create major political problem for Kishi, would arouse new constitutional arguments, and would embroil Diet in acrimonious, futile and needless discussions. Furthermore, vagueness of term would permit Socialists and other Leftists to raise public clamor on basis that GOJ had indirectly agreed to security responsibilities as far away as the coasts of all of North, Central and South America.

3. Article III. I pressed Fujiyama strongly to accept "individually and collectively" along lines reftel but Fujiyama said Japanese could not agree to include this phrase. He insisted that in Japanese language this would have inescapable implication that treaty was intended to provide for Japanese membership in some regional collective security pact. He and Kishi had concluded that this phrase remained unacceptable. He recognized that "collective" is mentioned in Preamble in connection with inherent rights under UN Charter but use in context of Article III would be interpreted quite differently. He pointed out that word "collective" does not appear in corresponding Article II of US-ROK Mutual Defense Treaty. In view foregoing I said I would recommend that we accept alternative of "their capacities" (last sentence para 4 Deptel 1673) to which he agreed. (Since I pressed very hard for inclusion of "individual and collective" I would not tell him I was authorized to agree to deletion. Accordingly when next I meet with him, I will tell him we accept deletion of this phrase as authorized in Deptel 1673.)

4. Article IV. Japanese accept our proposed redraft except for addition of "and the Pacific area." (See para 2 above.)

5. Article V. Japanese proposed and I accepted (ad referendum), as purely editorial change, "in accordance with its constitutional provisions and processes" instead of "in accordance with its constitutional processes and constitutional provisions." Also Japanese prefer "territories" rather than "territory" to replace "areas."

6. Article VI. Since phrase that Japanese originally proposed, "desiring that the security of Japan be ensured", has been dropped from Preamble because of our objection, Kishi strongly hopes we will now agree to reinstate introductory phrase "for the purpose of contributing to the security of Japan" in Article VI as proposed by Japanese in Secnog 2.³

With respect to our proposed insertion "and about" at end of first para, Fujiyama said Japanese legal experts had come to conclusion it would imply granting of facilities and areas outside Japanese territorial limits, which would conflict with established Japanese policy in favor of

³ Document 47.

three-mile limit. While it is true, Fujiyama said, that "in and about Japan" occurs in Article I of present security treaty, language did not refer to facilities and areas and could be construed to apply only within three-mile limit. As regards arrangements for target ranges, maneuver areas, and other facilities outside territorial limits, Fujiyama said there is no intention whatever to disturb existing facilities and arrangements. He said our desire for assurance in this respect is met by proposed language of Article II para 1 (b) of new Admin Agreement (Secnog 5)⁴ which now gives us adequate assurance. He emphasized it not possible for GOJ to appear to grant rights beyond their territorial waters.

Final language Article VI acceptable except that Japanese for clarity prefer to have final clause read "replacing the Administrative Agreement under Article III of the Security Treaty Between Japan and the US of A, signed at Tokyo on Feb 28, 1952, as amended, and by such other arrangements as may be agreed upon." Fujiyama explained that they would prefer not to specify "governments" in this sentence because there may also be arrangements which in future could be concluded at technical or service levels, and they did not wish to appear to prejudice this possibility.

7. Fujiyama said most important remaining problem is Article VIII. He then made very strong pitch for US to accept Japanese proposal as per Secnog 2. I said it was impossible for US to accept Japanese proposal and explained to him again reasons why. He then asked if we could agree to include in Article III phrase "within their constitutional limitations" after "maintain and develop." I told him that I felt this proposal would be unacceptable for the same reasons that original Japanese Article VIII was unacceptable since it carried in it implication that executive branch of govt would interpret what were constitutional limitations.

I then said to Fujiyama that I felt he must seek elsewhere for solution to his problem. As I had informed him earlier (Embtel 2374)⁵ I would be willing to recommend Washington consideration for including phrase "in acceptance [*accordance*] with their constitutional provisions" in Article III. If this did not meet Japanese problem we could ask Washington consider feasibility of a new Article VIII based on language of Article XI of MDA agreement,⁶ along following lines: "This treaty will be implemented by each government in accordance with its respective

⁴ Document 50.

⁵ Document 59.

⁶ Mutual Defense Agreement between the United States and Japan, signed at Tokyo March 8, 1954; entered into force May 1, 1954. For text, see 5 UST 661. The phrase "in accordance with the constitutional provisions of the respective countries" appears in Article IX.

constitutional provisions." I did not know if Washington would agree to this but we could inquire. Yamada suggested that Japan might put in the treaty unilateral "understanding" similar to US understanding in SEATO Treaty which could contain substance of Japanese-proposed Article VIII. I strongly discouraged this and explained why circumstances were different. I said only remaining way for Japan to handle this matter that I could envisage would be for Fujiyama to make a general public unilateral statement when the treaty is signed or sent to Diet, indicating that nothing in the treaty should be construed as imposing on Japan any obligations in conflict with its constitutional provisions.

Fujiyama said he would reflect further on this matter and discuss it with Kishi before meeting me again on May 26.⁷ (If Department has any views on this I must have them before May 26. Also, Deptel 1786⁸ just received. Would hope have Department's reactions before May 26 when consultation formula will also be discussed with Fujiyama.)

8. All other points re treaty as set forth in Deptel 1637 were accepted by Fujiyama.

MacArthur

⁷No record of such a meeting has been found.

⁸Telegram 1786 to Tokyo, May 22, dealt with the consultation formula. The Department commented on some words suggested by Yamada and informed MacArthur that several aspects of the formula were still under consideration. (Department of State, Central Files, 794.5/5-1559)

66. Telegram 1815 From the Department of State to the Embassy in Japan

Washington, May 27, 1959, 4:58 p.m.

[Source: Department of State, Central Files, 794.5/5-2059. Top Secret; Priority. 1 page of source text not declassified.]

67. Telegram From the Embassy in Japan to the Department of State

Tokyo, June 4, 1959, 4 p.m.

2577. CINCPAC exclusive for POLAD and Adm Felt. COMUS/Japan exclusive for Gen Burns. Embtel 2498.¹ Fujiyama asked me to meet with him yesterday afternoon for further discussion of treaty. He immediately raised constitutional problem for Japanese in new mutual security treaty and asked me whether we could reconsider acceptance of Japanese Article VIII (Secnog 2). I replied that this article was totally unacceptable and explained again reasons why. He then asked me to enquire whether Washington would accept inclusion of phrase "within their constitution limitations" in Article III. (See para 7 of refelt.)

I said I would ask Dept for specific answer to this query but as I had pointed out to him on May 23, I believe this proposal would be unacceptable since it might be read to imply that executive branch would interpret what were limitations of our constitution.

Fujiyama said Kishi and he still feel they need separate article making it clear that GOJ has not obligated itself to do anything contrary to Japanese Constitution. However, if we could accept inclusion of above phrase in Article III it might solve their problem. He said this issue is major remaining problem and of such importance to Kishi and him that he requested reconsideration of our position after study of a paper he then gave me prepared by FonOff legal experts in cooperation with legislative bureau of PriMin's office. (Paper is obviously a "lawyer's paper.") Summary of paper follows which includes new proposal for Article VIII:

Begin summary:

1. (Gives provisions of Article 9 of constitution.)
2. In interpreting these provisions, GOJ has maintained position (a) that Article 9 does not go so far as denying right of self-defense; (b) that it does not go so far as prohibiting maintenance of minimum capacity required for self-defense; (c) that nothing in constitution precludes Japan from concluding security treaty with foreign country or having foreign troops stationed in Japan.
3. These three points are premises of the new treaty, or more specifically of provisions of Articles III, V, and VI. They must simply be taken for granted. Question is not whether they are right or wrong, but

Source: Department of State, Central Files, 794.5/6-459. Confidential; Priority; Limit Distribution. Transmitted in two sections and repeated to CINCPAC and COMUS/Japan.

¹ Document 65.

how far one can go under them. Article VIII as proposed by GOJ was meant to meet this point. It does not say that all provisions of treaty should be considered constitutional. It simply says that treaty provisions (not constitutional provisions) should not be interpreted in such manner as may involve violation of constitutional provisions. It proposes to adjust scope of treaty provisions to framework of constitution.

4. If it is impossible for US Govt to accept Article VIII for constitutional reasons, it may be reworded to read for instance: "nothing in this treaty shall be construed as constituting any undertaking by Japan exceeding its constitutional limitations." This is entirely one-sided proposition. This one-sidedness however does not make proposition more fit to be incorporated in unilateral declaration by Japan. On contrary, it makes it all more important that US acceptance thereof is clearly recorded.

5. There may be no such precedent in treaties concluded by US so far. But lack of precedent or one-sidedness might very well be justified if uniqueness of Article 9 of Japanese Constitution is taken into consideration.

6. Heated debate arose over constitutionality of provisions of MDA Agreement in course its deliberation in Diet, despite provisions of its Article IX, para 2. Use of term "shall be implemented" gives impression that provisions of treaty themselves or obligations embodied therein extend beyond scope of constitutional provisions. Furthermore, as has been pointed out in (1) and (2) above, there is nothing in constitution itself which provides ground for maintaining defense capacity. Expression "in accordance with the constitutional provisions" does not seem adequately to reflect this constitutional inhibition. Therefore we would like to avoid using same formula in new treaty, if at all possible.

7. Problem of constitutionality has become highly controversial issue particularly since Sunagawa case.² In order to gain popular support for new treaty therefore we feel it highly important to leave no room for any dispute or doubt on this point. That is reason why GOJ has been emphasizing point that, contrary to allegations of anti-revisionists, new treaty would remain within framework of constitution. *End summary.*

²The Sunagawa case involved seven Japanese who in 1957 penetrated several feet into the U.S. Tachikawa Air Base. A Japanese court of original jurisdiction held that the defendants were not guilty on grounds that Special Criminal Law, under which they had been indicted, was unconstitutional. The law had been enacted in accordance with the U.S.-Japan Security Treaty and the Administrative Agreement. The Japanese Supreme Court, however, reversed this decision of the lower court in December 1959 by clarifying Japan's right of self-defense and by confirming the constitutionality of the stationing of U.S. military forces in Japan. Documents related to this subject are in Department of State, Central File 794.56311.

I said we understand and sympathize with Japan's problem but we, too, have problem because executive branch cannot place itself in position of concluding treaty which might be read to imply that executive branch could interpret our constitution. Furthermore, I did not think Japanese formulation of Article VIII contained in above paper would be acceptable since in effect Japanese were trying to place US in position where it interpreted Japanese constitution. This, I felt certain, we could never accept, although Japanese could always make unilateral statement to this effect, as I had mentioned in our last meeting.

Fujiyama then asked whether we could accept provision which would clearly put it up to judiciary to interpret constitutionality of treaty. I said this would only compound our difficulty as in effect it could be interpreted to mean that our Supreme Court must pass on constitutionality of draft treaties before such treaties were signed or sent to Senate for ratification. Fujiyama said he could see no way out of dilemma for moment except perhaps by including phrase "within their constitutional limitations" in Article III. However, he would study matter further and hoped we would also study possibility of including above phrase in Article III or would propose some other solution.

Yamada then proposed that Article VII should read: "Nothing in present treaty shall impose on either party any obligation not in conformity with its constitution." I said in my judgement this was open to same basic objection as original Article VIII.

At conclusion of meeting with Fujiyama I met privately and alone with Yamada at his request. He said he hoped earnestly we could accept inclusion of "within their constitutional limitations" in Article III. I said I would enquire but doubted seriously our ability to do so.

After some further discussion Yamada asked me if we could accept phrase "subject to their constitutional provisions" in Article III. I told Yamada that if this would solve problem, I felt there was very good prospect we could accept this phrase and I would strongly recommend it to Washington. Yamada said he had not discussed this with Fujiyama but he would immediately start to work on Japanese legal experts in FonOff and PriMin's office to accept this solution.

Request urgently Dept's views on:

A. Inclusion of phrase "within their constitutional limitations" in Article III;

B. Above solution proposed by Yamada which I earnestly hope we can accept if Yamada can sell it to Fujiyama and Kishi, since it parallels, of course, existing language we have in Article V, "in accordance with its constitutional provisions and processes".

MacArthur

68. Telegram 2578 From the Embassy in Japan to the Department of State

Tokyo, June 4, 1959, 5 p.m.

[Source: Department of State, Central Files, 794.5/6-459. Top Secret; Priority; Limit Distribution. 2 pages of source text not declassified.]

69. Telegram From the Department of State to the Embassy in Japan

Washington, June 4, 1959, 7:25 p.m.

1889. Embtel 2498.¹ Following are comments on GOJ reaction to our amendments on Treaty redraft (paras below correspond to para numbers reftel):

1. Preamble clause on security Japan:

Have no objections to deletion of clause "considering that they have a common interest in the security of Japan."

2. Preamble clause and references Articles IV and VI on security Far East and Pacific:

Desire you continue seek GOJ agreement to inclusion reference to "Pacific area" particularly view desirability from Congressional viewpoint.

3. Article III. No comment.

4. Article IV. See comment para 2 above.

5. Article V. GOJ editorial changes acceptable.

6. Article VI.

a. See comment para 2 above.

b. Comments will follow on inclusion introductory phrase "for the purpose of contributing to the security of Japan."

Source: Department of State, Central Files, 794.5/5-2259. Confidential; Limit Distribution. Drafted by Sneider on June 3, cleared with L/FE and OSD/ISA, and approved by Bane. Repeated to CINCPAC exclusive for POLAD and Admiral Felt and to COMUS/Japan for General Burns.

¹Document 65.

- c. Agree deletion "and about" at end of first para.
- d. Agree GOJ language for final clause deleting reference to Governments.

7. Article VIII (GOJ draft). We continue oppose separate article on constitutionality. Urgently considering recommendation Embtel 2577.²

8. In addition, desire for smoothness of language in second para Article XI Japanese draft dealing with 11 year duration deletion "if" and substitution "has" for "had" so final phrase will read "after such notice has been given."

Defense concurs.

Dillon

²Document 67.

70. Telegram From the Embassy in Japan to the Department of State

Tokyo, June 6, 1959, 3 p.m.

2600. CINCPAC for POLAD. Kishi asked me to meet privately with him last evening to give me his general assessment of Japanese political picture in light of recent elections. Only Wada (as interpreter) was present.

Kishi was elated over election results and believed it would greatly strengthen his position. He felt important factors in LDP success in upper house elections were LDP victories in Osaka and Tokyo gubernatorial elections last April. He commented that had Tokyo been lost to Socialists in April, he did not believe he would have been able to remain in office very long.

Kishi was especially happy that principal issue in upper house elections had been foreign policy, particularly Japan's close ties with US in security field. He said election results clearly demonstrated that

Source: Department of State, Central Files, 794.00/6-659. Confidential. Repeated to CINCPAC, COMUS/Japan, Fukuoka, Kobe, Nagoya, Naha, Sapporo, and Yokohama.

preponderant majority of Japanese fully support his policy of increasingly close ties with US and other free world countries and at same time clearly reject neutralism. This he felt would be very helpful when new US-Japan security treaty comes up for ratifications.

Kishi said he is now engaged in study very complex problem of reshuffling cabinet and top party posts. He commented wryly that "this reshuffle is much more difficult than winning an election". He believes there is reasonable chance that both Miki and Ikeda may accept a top party or cabinet post. However in this connection he said his most difficult problem is to try to find slots in cabinet or party that will balance off Ikeda and Kono so that each will feel other has not been given better post. I mentioned reports that Kono might be given secgen-ship of LDP but Kishi shook his head and said this would result in increased factional cleavage within LDP.

I asked Kishi whether in his judgement Socialist defeat would lead to split in Socialist Party. Kishi said he knew on reliable authority that Nishio is deeply disturbed over present leadership of Socialist Party and pro-leftist orientation of its policy and is contemplating splitting if present leftist policies of party are continued. In confidence, Kishi said that should Nishio split away from Socialist Party, he personally would not object if twenty or so of more liberal LDP members of Diet join with Nishio faction. This he said would give Nishio group sufficient members and standing to exercise strong appeal to Socialist voters at expense of left-wing socialists.

I asked whether as result of upper house election victory LDP had any plans to change electoral law for upper house by eliminating provision for national constituencies which gave great advantage to Sohyo and left-wing labor unions. Kishi said LDP wished to eliminate national constituencies and he thought election results would be helpful to LDP in this respect since there was growing doubt and even criticism among public and press as to soundness of a national constituency system which gave advantages to special pressure groups. However, he had no intention of acting precipitously and said there was ample time to consider how best to attack problem of revising upper house electoral law since next upper house elections would not take place for three years.

Kishi was in extremely mellow mood and at end of our talks reminisced over great progress which had been made in Japan-American relations since new era was established two years ago in his meeting with President Eisenhower. He recalled many papers he had submitted to us before his Washington visit proposing adjustments in US-Japan relations, including such matters as reduction of US Armed Forces in Japan, Okinawa, Bonins, treaty revision, war criminals, trade relations, etc., and expressed great happiness that while complete solutions had not yet been found to all problems, great progress had been made. Japanese-

American relations in his judgement have never been better than at present. He explained that as result of cooperation and understanding which had developed between his government and our government there were no burning or envenomed issues which could be exploited by leftists or neutralists and there were also no issues where Japanese had feeling US was being unreasonable or unresponsive to legitimate Japanese desires. This he said had been an important factor in conservative successes in recent elections.

MacArthur

71. Telegram From the Department of State to the Embassy in Japan

Washington, June 8, 1959, 7:30 p.m.

1911. State-Defense message. Re Secnogs 11 and 12.¹ GOJ position Acheson-Yoshida notes of September 8, 1951 very carefully considered. Continue believe status of notes should be considered as undisturbed by revision of bilateral US-Japanese security arrangements.

In connection points made Fujiyama Tokyo's 2344, it may be pointed out:

(1) In US, notes were published as integral part document with Peace Treaty (Treaties and Other International Acts Series 2490);

(2) As notes constituted exchange between Acheson and Yoshida, would have been inappropriate have all plenipotentiaries signing Peace Treaty sign note also;

(3) Undertaking originally proposed as addendum to Security Treaty was different in substance and form from notes as finally exchanged. Notes also refer specifically to treaty of peace. Notes have independent status from Security Treaty and are not affected by its revision or abrogation.

Source: Department of State, Central Files, 794.5/5-859. Confidential; Limit Distribution. Drafted by Sneider on June 5, cleared with L/FE and OSD/ISA, and approved by Robertson. Repeated to CINCPAC exclusive for POLAD and Admiral Felt and to COMUS/Japan exclusive for General Burns.

¹ Document 55 and footnote 3 thereto.

Apart from legal question there are important substantive reasons making it highly desirable to preserve notes particularly with respect renewal Korean hostilities. There is also strong Congressional interest in this problem. In addition we could not accede to GOJ position without full consultations with signers of UN SOF and countries contributing forces to UN Command in view specific provisions UN SOF, although they are technically only third party beneficiaries of notes.

While appreciate political considerations facing Kishi, we would hope you can nevertheless convince GOJ of desirability of not affecting legal status of notes in view 1) Congressional interest this matter; 2) common US and Japanese concern in not taking any action which would reflect decreased interest in UN position Korea; 3) desirability of avoiding actions which could have adverse effect on our continuing efforts deter renewal Communist aggression there and elsewhere in Far East, and 4) Japan's membership in UN, particularly present position on Security Council.

We are thus not prepared accept or acknowledge in any way unilateral GOJ interpretation in Secnog 11.

For foregoing reasons notes contained Secnog 12 not acceptable and you should continue urge GOJ accept our position.

Dillon

72. Telegram From the Embassy in Japan to the Department of State

Tokyo, June 10, 1959, 7 p.m.

2643. CINCPAC exclusive for POLAD and Admiral Felt. COMUS/J exclusive for General Burns. For Acting Secretary and Robertson. Deptel 1911. ¹I am not certain I fully understand exactly what Dept has in mind re instructions in reftel. Situation re Acheson-Yoshida notes is as follows:

1. Unanimous and strong view of GOJ, legal experts, Diet specialists, and cabinet including PriMin, is that Acheson-Yoshida notes

Source: Department of State, Central Files, 794.5/6-1059. Confidential; Niact; Limit Distribution. Repeated to CINCPAC and COMUS/Japan.

¹Document 71.

themselves will, unless otherwise kept alive, lapse under Japanese law when new security treaty comes into effect. Embtel 2344 (Secnog 11)² sets forth reasons.

2. As result of very strong urging on my part, Japanese have agreed to keep Acheson-Yoshida notes alive through exchange of notes proposed in Embtel 2345 (Secnog 12).³ In my argumentation I used same four considerations Deptel 1911 cites in third from last paragraph and Japanese finally agreed to continue validity of notes by new exchange in order to meet our view of political considerations involved. At same time both Kishi and Fujiyama have made it forcefully and unequivocally clear that if hostilities were to break out in Korea whether or not security treaty and related agreements are revised, their interpretation of their commitment under Acheson-Yoshida notes would be as set forth in Secnog 11. I must emphasize once again two points: (1) Their interpretation has nothing to do with entry into force of new security treaty since they have made clear that it applies to situation now; (2) no GOJ will take any more favorable position on this issue than foregoing, and Kishi himself holds strongest possible views on this matter.

3. In light of above, there are two alternatives open to us:

A. To keep Acheson-Yoshida notes themselves alive, in a public reaffirmation of their validity, as Japanese are willing to do under Secnog 12. At same time we would not give Japanese any positive indication of acceptance of Japanese interpretation in Secnog 11, which Japanese have not requested.

B. Alternatively, we can inform Kishi and Fujiyama that: (i) under our interpretation, which we can not change, Acheson-Yoshida notes remain in effect for reasons set forth in paras 1-3 Deptel 1911 despite signing of new treaty. Therefore no exchange of notes or other action is required. Kishi and Fujiyama on their part will then inform us that under Japanese law these notes themselves do not remain in effect without exchange of notes but that their substance remains in effect under UN SOF; (ii) in keeping with penultimate para Deptel 1911 we would also tell Kishi we are not prepared to accept or acknowledge GOJ interpretation in Secnog 11. Kishi will then ask if in event of renewal of hostilities in Korea or UN hostilities elsewhere, we are in fact telling him that we will deliberately commit Japan to an act of belligerency without consultation. If we replied that we could not accept Japanese interpretation and reserved right to launch direct combat operations from Japanese bases without consultation, I believe we would shortly be told that our position flatly contradicted spirit of new era of equal partnership and

² Document 55.

³ See footnote 3, Document 55.

letter of new consultation formula and that we could either agree to consult or get out. Kishi could do no less because GOJ will be very closely questioned in Diet re status of Acheson-Yoshida notes; it seems to me that under what I understand to be proposal in Deptel 1911 we get worst of all worlds. At very best we will end up in disagreement with Japanese on whether Acheson-Yoshida notes themselves are alive, and with different Japanese and US interpretations and understandings of their meaning. At worst we could face a request to withdraw our forces if we refused to accept and acknowledge Japanese interpretation in Secnog 11. This uncertainty and confusion would produce hopeless basis for our own military planning, and when differences between US and GOJ became publicly known, as they would be sure to in Diet debate, UN Korean position would be gravely damaged and Communists might well be tragically emboldened. I am reluctant to proceed on this course unless there is full understanding in Washington of major disaster which could befall our entire position in Japan and western Pacific.

4. In conclusion I must emphasize once again that under Secnogs 11 and 12, as practical matter we are losing nothing that we now have. I can assure you that if hostilities broke out in Korea under present treaty and we did not act in accordance with Kishi's interpretation of what Acheson-Yoshida agreements mean (which Kishi and Fujiyama have made crystal clear apply to present) and if we deliberately committed Japan to an act of belligerency without even consultation, we would be out of business here within a matter of hours. No Japanese Government or Prime Minister can ever again, under Japan's new and restored position in world, voluntarily acquiesce that Japanese territory be used without consultation as base for launching active combat operations in hostilities in which we, but not Japan, are engaged thus committing Japan to acts of belligerency which could involve her in war, without even consultation.

5. In light of above I urgently request reconsideration of this matter. It is one of such fundamental importance in our whole relationship with Japan that I think it imperative that we be clear on it. I must strongly urge that it be taken to President if necessary. This is a case where we now have and can continue to have everything we can reasonably expect from this or any other Japanese Government. If we attempt to stand rigidly on past positions drawn up when Japan was under occupational status and totally subservient to and dependent on us, we will certainly end up not only by losing what we now have but alienating Japan from us in process.

MacArthur

73. Telegram From the Embassy in Japan to the Department of State

Tokyo, June 10, 1959, 10 p.m.

2644. CINCPAC exclusive for Admiral Felt and POLAD. COMUS/J exclusive for General Burns. Deptel 1889¹ and Embtel 2577.² At meeting with Fujiyama yesterday we confirmed agreed points listed Deptel 1889 and reviewed remaining outstanding questions re security treaty.

1. With respect to words "and in the Pacific area" in Preamble and Articles IV and VI, I again urged Fujiyama most strongly to accept this phrase emphasizing that it would have most favorable effect on Congressional and public opinion in US. Fujiyama said he had discussed phrase with Kishi. They recognized this language would not represent substantive undertaking on the part of Japan but such provision would be subject to misrepresentation by opposition and by hostile press as constituting undefined and indefinite broadening of Japan's commitments; would confuse public opinion; and would be troublesome to GOJ out of all proportion to any benefit that could be gained by ourselves. Accordingly, he regretted GOJ could not agree to inclusion of words "and in the Pacific area".

2. Re Article VI, I told Fujiyama Washington still considering his proposal to revert to "for the purpose of contributing to the security of Japan". Fujiyama expressed concern that we seemed unable to accept this phrase since it did not ask us to ensure the security of Japan but only made the obvious point that facilities and areas were being granted to the US for the purpose of contributing to Japan's security and in consideration of the common concern . . . etc.³

3. Re Article XI, Fujiyama accepted substitution "has" for "had". Second paragraph that article would thus read: "However, after the treaty has been in force for ten years, either party may give notice to the other party of its intention to terminate their treaty, in which case the treaty shall terminate one year after such notice has been given". (In view possible garble re deletion "if", paragraph 8 Deptel 1889, I told Fujiyama we may have additional minor editorial change to propose for this article. Please confirm text of paragraph and advise soonest.)

Source: Department of State, Central Files, 794.5/6-1059. Confidential; Priority; Limit Distribution. Repeated to CINCPAC and COMUS/Japan.

¹ Document 69.

² Document 67.

³ Ellipsis in the source text.

4. Fujiyama then inquired as to Washington reaction to paper he had given to us, prepared by FonOff and PriMin's office, regarding constitutional issue. He expressed earnest hope that we would be able to accept Japanese-proposed Article VIII. I replied that this matter had received most careful and sympathetic consideration in Washington but that it was absolutely impossible for us to accept Japanese proposal for reasons which I had already made clear to him. Fujiyama then asked me again to explain the reasons, which I did in great detail saying that in all frankness Japanese should abandon Article VIII and seek solution through introduction of appropriate phrase into Article III.

Fujiyama asked me if this was our final view on Japanese-proposed Article VIII and I said it was. He then said that he had discussed this matter at length with the Prime Minister and if we could accept Japanese proposal to include phrase "within their constitutional limitations" (Embtel 2577) he felt that this would be a solution which would be generally accepted in Japan although it was not as good as Japanese-proposed Article VIII.

He then explained in detail how important it was to handle this constitutional issue in the new treaty in a way which would be accepted by the majority of Japanese opinion.

If issue were not adequately handled in language of new treaty there was grave risk of most serious trouble, not excluding rejection of new treaty. Therefore he and Kishi both felt it was in our strong interest to work out a compromise solution which would wash in Japan. I said I would enquire most urgently re Washington's views on above phrase. Fujiyama then said that if these proposals were unacceptable he did not see any way out of impasse and asked me if I had any other thoughts. I replied that Yamada had mentioned informally to me a possibility which might be worthy of consideration (Embtel 2577). Fujiyama said Yamada had discussed it with him but that tentatively he, Kishi, and legislative experts did not think it would satisfactorily meet Japanese problem. I urged him strongly to reconsider Yamada proposal: "Subject to their constitutional provisions" rather than: "within their constitutional limitations", since I thought we would find great difficulty in accepting latter. If we can persuade Japanese to accept Yamada formula, I think we can lay to rest once and for all Japanese proposal for a separate Article VIII.

MacArthur

74. **Telegram 2649 From the Embassy in Japan to the Department of State**

Tokyo, June 11, 1959, 10 p.m.

[Source: Department of State, Central Files, 794.5/6-1159. Confidential. 2 pages of source text not declassified.]

75. **Telegram 2675 From the Embassy in Japan to the Department of State**

Tokyo, June 12, 1959, 10 p.m.

[Source: Department of State, Central Files, 794.5/6-1259. Confidential; Niact; Limit Distribution. 5 pages of source text not declassified.]

76. **Telegram From the Embassy in Japan to the Department of State**

Tokyo, June 12, 1959, 10 p.m.

2676. CINCPAC exclusive for POLAD and Adm Felt. COMUS/Japan exclusive for Gen Burns. Embtel 2644¹ and Embtel 2675.² Fujiyama informs me that with great difficulty he has managed to obtain GOJ acceptance of "Yamada formula" to solve constitutionality problem.

Source: Department of State, Central Files, 794.5/6-1259. Confidential; Priority; Limit Distribution. Repeated to CINCPAC and COMUS/Japan.

¹ Document 73.

² Document 75.

Accordingly Japanese are now prepared to drop their insistence on a separate article on constitutionality and are prepared to accept insertion of "subject to their constitutional provisions" in Article III, which would thus read:

"The parties, individually and in cooperation with each other, by means of continuous and effective self-help and mutual aid will maintain and develop, subject to their constitutional provisions, their capacities to resist armed attack."

Fujiyama said this language represented minimum of what Japanese would need to be able to meet charges that obligations assumed under treaty exceeded what Japan can legally assume under Article IX of its constitution. He said that opposition has already singled out Vandenberg resolution language for special questioning and attack, and in order to prove that Japan has not exceeded limits set by its constitution, very least that would be necessary was clause to effect that action taken (in this case, "maintaining and developing capacity to resist armed attack") would be subject to constitutional provisions. Fujiyama stressed that GOJ would have very much preferred and still wanted to have separate article or at least language referring to limitations of their constitution, but in view of my repeated explanations that such language was absolutely impossible for us to accept, GOJ was now prepared insert Yamada phrase in Article III which parallels agreed language on constitutional provisions in Article V. He said this was "utmost" Kishi and he could do to meet us.

I strongly recommend that we accept "Yamada formula".

MacArthur

77. Telegram From the Embassy in Japan to the Department of State

Tokyo, June 13, 1959, 4 p.m.

2678. CINCPAC exclusive for Adm Felt and POLAD. COMUS/Japan exclusive for Gen Burns. For Robertson and Parsons. I have not reported in detail on some very difficult conversations I have had with

Fujiyama on the new security treaty and related documents during the course of which I have had to be very tough with him.

There is now agreement between the US and Japan on the exchange of notes regarding the validity of decisions and agreements under the joint committee, etc. but all other matters remain open.

With respect to the treaty, the formula, the Rusk-Okazaki official minutes and the Acheson-Yoshida notes it is now clear I have pushed the Japanese to the limit of their "give" and have in effect squeezed the lemon dry. It seems to us that the proposals which are now pending Washington's decision on these questions protect us with respect to all basic matters of substance. I therefore trust that we will be able to close on the basis of these proposals.

Also would appreciate receiving most urgently Department's views on most recent Japanese proposals re Administrative Agreement.¹

I informed Fujiyama of Washington agreement re timing of signature of new treaty as per Deptels 1914² and 1915.³ Fujiyama and Kishi are most anxious to meet June 22 deadline but to do so we will have to wrap up pending matters during coming week. Let me emphasize again that Japanese desire to conclude negotiations and sign treaty at end of June or early July is working strongly in our favor. If we miss the boat we will not be able to conclude negotiations until after Kishi's return in mid-August.⁴ In such event the pressure will be off and we must inevitably expect a number of important substantive matters to be opened up by Japanese.

MacArthur

¹ Negotiations of the security treaty, treaty-related issues, and the revision of the Administrative Agreement took place concurrently. Regarding the Administrative Agreement, items discussed in May and June included the settlement of damages and claims, importation of duty-free goods for the use of U.S. armed forces in Japan, and the words "rights, power and authority" in Article III, paragraph 1, to which the Japanese objected. Documents concerning these negotiations are *ibid.*, 611.94.

² Telegram 1914 to Tokyo, June 8, reported that the Department saw no objection to meeting Kishi's wish to sign the treaty in Washington before July 1. In fact the Department was pleased that the signing would take place in Washington. (*Ibid.*, 794.5/6-659)

³ Telegram 1915 to Tokyo, June 8, discussed the schedule for translating the treaty texts into Japanese. (*Ibid.*, 794.5/6-859)

⁴ Kishi traveled to Europe and South America July 11-August 11.

78. Telegram 2687 From the Embassy in Japan to the Department of State

Tokyo, June 15, 1959, 8 p.m.

[Source: Department of State, Central Files, 794.5/6-1559. Confidential; Priority; Limit Distribution. 2 pages of source text not declassified.]

79. Telegram From the Department of State to the Embassy in Japan

Washington, June 16, 1959, 7:30 p.m.

1972. CINCPAC exclusive for Admiral Felt and POLAD. COMUS/J exclusive for General Burns. Ref: Embtels 2644, 2676, 2577.¹ Following comments relate to numbered paragraphs Embtel 2644:

1. We are most reluctant to drop reference to Pacific area. As you have noted, its inclusion would have most favorable impact on Congress and public here. However, in view strong stand GOJ on this issue, we are willing to drop this language at point during negotiations where in your discretion it would be helpful in gaining concessions we want, especially with respect to Articles III and VI.

2. See comments paragraph 4 below.

3. Text received here reads "terminate their treaty". This should read "terminate the treaty." Otherwise, text confirmed.

4. Concur in and greatly appreciate strong position you have taken against separate article on constitutionality. In light firm position expressed by Kishi and Fujiyama, we will accept addition in Article III of the following phrase: "in accordance with its constitutional provisions and processes." You should point out that this language identical with phrase used in Article V. Difference of language in Articles III and

Source: Department of State, Central Files, 794.5/6-1259. Confidential; Niact; Limit Distribution. Drafted by Sneider; cleared with OSD/ISA, L/FE, and by Robertson in substance; and approved by Bane. Repeated to CINCPAC and COMUS/Japan.

¹ Documents 73, 76, and 67.

V could give rise during Diet presentation to question as to difference in interpretation or meaning. We strongly prefer our language as opposed to that proposed by GOJ since latter emphasizes, too strongly for purposes of mutuality, that there may be limitations on assistance to be rendered by either party. While we recognize this is true in case of Japan, believe Japanese interests are fully protected under our proposal. If GOJ insists on "Subject to their constitutional provisions," attempt to ascertain basis for GOJ preference this language over "in accordance with its constitutional provisions and processes." If there is no substantive difference in GOJ interpretation of both phrases and GOJ insistence based on phrase which least likely cause political difficulties, you may accept GOJ language.

Our agreement to accept additional language in Article III was reached after long and careful study. One major concern with regard to separate article on constitutionality is that inclusion of reference to constitutional limitations could impair our use of bases in Japan in cases other than direct attack against Japan. Our concern stemmed primarily from Article 9 of Constitution. This could be construed as precluding Japan granting permission to establish bases as well its permission to use bases in circumstances which might be considered as involving Japan in "belligerency." In this regard Defense not reassured by legal paper submitted by Japanese (Embtel 2577).

You should urge upon GOJ introductory phrase Article VI as follows: "For the purpose of contributing to the security of Japan and the maintenance of international peace and security in the Far East, etc." You should stress our strong feeling on this, pointing out that language gives flavor of mutuality which has been greatly reduced in other provisions of treaty and that in fact this language consistent with purposes expressed in present security treaty. However, if GOJ rejects our language and they assure us that their language would not have different effect than our language on possible use of bases in Far East action, you may accept their proposal as contained in Embtel 2498.²

Dillon

² Document 65.

80. Telegram 1975 From the Department of State to the Embassy in Japan

Washington, June 17, 1959, 4 p.m.

[Source: Department of State, Central Files, 794.5/6-1259. Top Secret; Niact; Limit Distribution. 2 pages of source text not declassified.]

81. Telegram From the Embassy in Japan to the Department of State

Tokyo, June 18, 1959, 8 p.m.

2733. CINCPAC exclusive for POLAD and Admiral Felt. COMUS/J exclusive for General Burns. Deptels 1972 and 1975¹ and Embtel 2715.² Treaty and formula.

1. I met with Fujiyama again today to get considered Japanese reaction to the three points re treaty that we had discussed yesterday (Embtel 2715).

A. Re inclusion of "Pacific area", Fujiyama said Japanese still believe inclusion would be seized on by opposition to distort new treaty and would create great confusion, thus not serving interests of either Japan or U.S., particularly since there is no substantive question involved. Accordingly Japanese felt they could not agree that "Pacific area" should be included.

B. Re constitutional problem in Article III, he said Japanese had done utmost to meet our position. They had dropped their proposal for separate Article VIII which from their point of view would have been most desirable and important for both Diet and public discussions. They had also, with greatest reluctance, dropped insistence on phraseology referring to constitutional limitations. However, acceptance of words "in accordance with their constitutional provisions and processes" in Article III would simply not meet their problem and they could therefore not accept it.

Source: Department of State, Central Files, 794.5/6-1859. Top Secret; Priority; Limit Distribution. Repeated to CINCPAC and COMUS/Japan.

¹ Documents 79 and 80.

² In telegram 2715 from Tokyo, June 17, MacArthur reported that he and Fujiyama had had that afternoon inconclusive discussions on some aspects of the Administrative Agreement and the treaty. (Department of State, Central Files, 794.5/6-1759)

What troubles Japanese, Fujiyama emphasized, is handling of words "maintain and develop . . .³ capacities to resist armed attack". These words had already been singled out in Diet debates as possibly implying obligation for Japan to expand its defense establishment beyond what would be necessary for exercise of inherent right of self-defense. In this connection Socialists would certainly charge that under treaty, US would require Japan to build up its war potential in excess of defense needs. Difficulty in accepting language we propose ("in accordance with constitutional provisions, etc.") stems from absence of any provision in constitution relating to self-defense capacity. On contrary there is an absolute prohibition in Article 9 of constitution against Japan maintaining land, sea, and air forces as well as other war potential. While Japanese constitution is interpreted as not denying inherent right of self-defense, and hence necessity for self-defense forces, it is legally impossible to say that such capacity would be maintained and developed "in accordance with constitutional provisions" because there is no relevant provision in constitution. Socialists and others in and out of Diet would seize on this phrase to make major political issue. It would be difficult enough with "subject to" but that would at least minimize political problem.

Fujiyama went on to say that he could give me most categorical and absolute assurance that use of phrase "subject to their constitutional provisions" in Article III would not have different substantive meaning from phrase "in accordance with their constitutional provisions and processes" in Article V and that it does not in any way negate or limit undertakings contained in treaty other than fact that Japan cannot build up its forces beyond what is necessary for its self-defense.

C. With respect to Article VI, Fujiyama said that after reflection he personally felt that if we could not accept Japanese proposed language "for the purpose of contributing, etc." then he would prefer to go back to our earlier proposal, "in consideration of the common interest that the two parties have in the security of Japan and in consideration of the common concern, etc." (Deptel 1673 para 7(a)).⁴ However, he could not give a final answer until he conferred further with Kishi.

2. In accordance with authorization in Deptels 1972 and 1975 and since all points made in Embtel 2476⁵ are still as valid as ever, I then put a definite proposal to Fujiyama re treaty and formula.

³ Ellipsis in the source text.

⁴ Document 56.

⁵ Document 63.

I said following proposals re security treaty and consultation formula must be considered together in light of assurances which he had given me yesterday re Article III which I had transmitted to Washington; in sincere desire to help Japanese meet their public opinion problems in Japan; and to meet deadline for signing treaty and related documents before Kishi's departure in July, I was now authorized to make one comprehensive proposal re treaty and consultation formula. In making following proposal I thought Washington had gone very far to meet every important point raised by Japanese. Our proposal is:

A. We agree to drop reference to "Pacific area" in preamble, Article IV, and Article VI of treaty;

B. We reluctantly accept "subject to their constitutional provisions" in Article III;

C. We understand Japanese will agree to new formulation in final para of Deptel 1972, or formulation which we previously had proposed (Deptel 1673 para 7(a)).

[3 paragraphs (8-1/2 lines of source text) not declassified]

3. In conclusion I said to Fujiyama again that I wanted him and Kishi both to know that I considered above proposal a package which I felt they should consider as such. I reiterated that I felt we had met them on all important points and if they could not accept above proposal I was quite pessimistic over our being able to reach agreement in near future.

Fujiyama expressed appreciation for our effort to meet essential points of Japanese concern. He could not give any "official reaction" as he must put this whole problem to Kishi. One point that gave him immediate concern was whether inclusion in public formula of "in the light of circumstances prevailing at the time" would be interpreted in Japan as qualifying fact that there would be consultation. He said Kishi would be busy with formation and swearing-in of new cabinet this afternoon and evening but he would put our package proposal to him and try to obtain official reply for us just as soon as he could thereafter.

In light of Dept's instructions, I purposely omitted any reference to "shuttle bombing," hoping to give impression that if I did not mention it it was obviously not included in package. Fujiyama made no reference to it. Should he do so at next meeting, I shall tell him it is obviously not possible to cover every possible or imaginable contingency in any agreement and that if he insists on pursuing this matter, then it will reopen entire question of treaty and formula.

MacArthur

82. Telegram 2014 From the Department of State to the Embassy in Japan

Washington, June 19, 1959, 7:29 p.m.

[Source: Department of State, Central Files, 794.5/6-1959. Secret; Niact; Limit Distribution. 2 pages of source text not declassified.]

83. Telegram 2022 From the Department of State to the Embassy in Japan

Washington, June 20, 1959, 1:31 p.m.

[Source: Department of State, Central Files, 794.5/6-2059. Secret; Niact; No Distribution. 1 page of source text not declassified.]

84. Telegram From the Embassy in Japan to the Department of State

Tokyo, June 20, 1959, 7 p.m.

2745. CINCPAC exclusive for Admiral Felt and POLAD; COMUS/Japan exclusive for General Burns. Embassy telegram 2733.¹ I saw Fujiyama last night to obtain his reaction to the package proposal I had presented previous day. Fujiyama said he had discussed this matter with Kishi. Since I had indicated that proposal was single package which should be accepted or rejected in toto and not dealt with piece-

Source: Department of State, Central Files, 794.5/6-2059. Confidential; Limit Distribution. Repeated to CINCPAC and COMUS/Japan.

¹ Document 81.

meal item by item, he was authorized to inform me that Kishi accepted all points of substance in the package. There was, however, one point on form which Kishi felt it was not possible to accept. This was addition of words "in the light of circumstances prevailing at the time" at end of public formula.

Fujiyama said Prime Minister feels strongly that addition of that phrase would render the entire public formula ambiguous. It would be immediately claimed that we had not really undertaken to consult, and that claim would have some plausibility not only with Socialists but with general public. Fujiyama said Kishi and he understood that we had not intended that our proposal take away in last clause what had been given in earlier part of sentence, but such impression would inevitably be created and would greatly impair public acceptability of treaty and consultation formula, creating major trouble for Kishi government. Since phrase "in the light of circumstances prevailing at the time" is not really matter of substance, Kishi wished me to know that if we would agree to withdraw it we could settle on basis of my package proposal.

Re Article VI, Fujiyama said Kishi and he would accept our latest proposal, to have the article begin "For the purpose of contributing to the security of Japan and the maintenance of international peace and security in the Far East."

Since I had strongly urged inclusion of phrase "in the light of circumstances prevailing at the time" in consultation formula, I told Fujiyama I would make Kishi's views known immediately to Washington and hoped to let him know Washington's reaction today. This morning, as authorized first paragraph Department telegram 1975,² I told Fujiyama that we agree to delete the above clause, thus completing agreement on treaty, consultation formula and record of discussion.

[1 paragraph (7 lines of source text) not declassified]

Fujiyama explained that while there is agreement between us on above matters, before there can be final agreement of GOJ these matters will have to be discussed and approved by the new party leadership and cabinet, but he and Kishi anticipate no great difficulties.

MacArthur

² Document 80.

85. **Telegram 2751 From the Department of State to the Embassy in Japan**

Washington, June 21, 1959, 5 p.m.

[Source: Department of State, Central Files, 794.5/6-2159. Confidential; Limit Distribution. 7 pages of source text not declassified.]

86. **Telegram 2059 From the Department of State to the Embassy in Japan**

Washington, June 24, 1959, 8:37 p.m.

[Source: Department of State, Central Files, 794.5/6-2459. Secret; Niact. 2 pages of source text not declassified.]

87. **Telegram 2824 From the Embassy in Japan to the Department of State**

Tokyo, June 26, 1959, 7 p.m.

[Source: Department of State, Central Files, 794.5/6-2659. Confidential; Priority; Limit Distribution. 1 page of source text not declassified.]

88. **Telegram 43 From the Embassy in Japan to the Department of State**

Tokyo, July 6, 1959, 7 p.m.

[Source: Department of State, Central Files, 794.5/7-659. Secret; Priority. 3 pages of source text not declassified.]

89. Telegram From the Embassy in Japan to the Department of State

Tokyo, July 14, 1959, 8 p.m.

117. CINCPAC exclusive for POLAD and Adm Felt. COMUS/Japan exclusive for Gen Burns. Embtel 42.¹ As follow up to my talk with Kishi and Fujiyama July 6, Fujiyama asked to see me yesterday afternoon in order to give detailed report of meeting of key party and cabinet leaders last week, especially with respect to timing of signature and ratification of new Mutual Security Treaty and related documents.

Fujiyama said he had made report at meeting with cabinet and party leaders on treaty and Admin Agreement and PriMin had thereupon asked Naka Funada, Chairman of LDP Policy Research Committee and former Chairman of Foreign Policy Research Committee, whether negotiations reflected guidelines drawn up by party May 2. (Embdes 1292.)² Funada replied in affirmative. Deputy PriMin Masutani, who had been Chairman of General Affairs Committee when LDP guidelines were adopted, also endorsed results of negotiations. Kishi stated that Fujiyama had also raised with me questions in which other cabinet ministries had an interest thus carrying out his responsibilities to the cabinet. Meeting then turned to discuss question of timing.

Consensus of meeting, Fujiyama said, was that while it was most important that no announcement re timing should be made at this time (since it would only give aid and comfort to Socialists), new treaty and related documents should be introduced not into extraordinary Diet session but into subsequent regular Diet session which will be convened in December. This is necessary for reasons of parliamentary tactics and time schedule necessitated by constitutional provisions. Fujiyama said Vietnamese reparations agreement, which was signed May 13, must

Source: Department of State, Central Files, 794.5/7-1459. Confidential; Limit Distribution. Repeated to CINCPAC and COMUS/Japan.

¹ Telegram 42, July 6, reported on MacArthur's discussion with Kishi and Fujiyama on the timing of signature and ratification of the new mutual security treaty. Kishi reported that he planned to have the ratification debate during the regular Diet session, which would start in December, and that his government favored signing the treaty in the fall. MacArthur concluded that the United States would try to accommodate the time favored by the Japanese. (*Ibid.*, 794.5/7-659)

² Despatch 1292 from Tokyo, May 13, enclosed a translation of a report published on May 2 by the LDP subcommittee on the security treaty revision. The covering memorandum summarized the report and commented that it was rather general in nature. The most important portion of the report, according to the cover memorandum, dealt with the constitutionality of the present and the new security treaties and the status of the Ryukyus. The memorandum concluded that the report was "noteworthy for its forthright call for close relations with the United States not only in the military but also in the political and economic fields." (*Ibid.*, 794.5/5-1359)

take precedence in ratification process over new security treaty. Cabinet and party leaders have decided that it would be most unwise for GOJ to sign treaty or introduce it into Diet while Vietnamese agreement is being debated. In view strong Socialist opposition to any agreement with South Vietnam, extraordinary Diet session in autumn will inevitably spend considerable time on that agreement and GOJ wishes that issue to be safely out of the way before engaging final battle over security treaty.

In terms of parliamentary calendar, Fujiyama said, GOJ strategy has in mind article 61 of constitution which provides that a treaty becomes effective 30 days after passage by lower house, regardless whether it has been approved by upper house. GOJ is calculating that for Vietnamese reparations agreement to become effective it must allow 40 days for lower house debate, followed by period of 30 days during which it can be debated in upper house. Since extraordinary Diet must close by December 10 or December 15 at the very latest, Vietnamese reparations agreement must therefore be introduced toward end of September at the latest. In light of fact that ratification of Vietnamese agreement will thus take about 70 days if the US-Japan security treaty were to be introduced into extraordinary Diet, session would have had to be convoked very shortly after Kishi's return and even then might not complete action on both Vietnamese accord and security treaty by mid-December. Furthermore, party leaders have judged that such extended extraordinary session would be unwise and that such tight schedule might have involved excessive risk of being upset by opposition maneuvers. It would be better, Fujiyama reported, to introduce new treaty and Admin Agreement into regular Diet session which will be convoked latter half Dec, which will then recess for one month and get down to business in latter half of January.

Under this time schedule, Fujiyama said, it is envisioned that new treaty and related agreements could be signed some time between end of extraordinary Diet in early or mid-December and convocation of regular Diet later that month or possibly during Diet recess from late December to late January. Signature during extraordinary session would risk entangling new treaty with acrimonious debate over Vietnamese reparations. Japanese still believed signature in Washington preferable. Fujiyama said he was personally considering possibility of our initialing all the agreed documents at an earlier time if this seemed indicated but he had not discussed such a possibility with either cabinet or party.

Fujiyama said he greatly regretted inability to sign new treaty in July as he had hoped, and apologized for heavy pressure of work that had been placed on Washington and Embassy in hope of completing ne-

gotiations prior to Kishi's departure. He said he hoped we could continue negotiations on the few remaining issues at steady pace in next few weeks.

I urged Fujiyama to use delay of signature to initiate major positive campaign of public enlightenment to counter Socialist and Communist misrepresentations about the new treaty and to marshal public opinion in favor of ratification. I said Communists and Communist-influenced groups were prepared to make treaty revision a battleground which would determine Japan's future for many years and that GOJ exertions must be adequate to this challenge. Fujiyama said he fully agreed and intended make every effort in weeks ahead to rally public support behind new treaty.

MacArthur

90. Telegram 144 From the Embassy in Japan to the Department of State

Tokyo, July 16, 1959, 7 p.m.

[Source: Department of State, Central Files, 794.5/7-1659. Secret; Limit Distribution. 1 page of source text not declassified.]

91. Memorandum of Conversation

Tokyo, July 17, 1959.

PARTICIPANTS

Eisaku Sato, Finance Minister
Ambassador MacArthur
Albert L. Seligmann, Second Secretary of Embassy

Source: Department of State, Central Files, 611.94/8-1159. Confidential. Sent as enclosure 1 to despatch 184, August 11. See Supplement.

SUBJECT

Japanese restrictions on United States imports, technological agreements and automobiles; Japanese development in Latin America and Southeast Asia; support for revision of the Security Treaty; plans of Mr. Kono to travel abroad

The Ambassador had told Minister Sato he would like to call on him following the reorganization of the Cabinet, but at the Minister's request the meeting was held at the Residence in order to avoid the press. At the outset Minister Sato indicated that he would like to speak confidentially, as always, to the Ambassador and he dismissed his interpreter.

The Ambassador told Mr. Sato that he would like to talk to him as a friend regarding a number of problems which were troubling him. He then discussed Japanese restrictions against 1) imports of American capital, 2) technological agreements and 3) imports of automobiles for American businessmen. The Ambassador stressed that it was not just simply a matter of protecting American interests, which it was his duty to do, but that the restrictionist attitudes of Japanese bureaucrats on these matters made it difficult for the United States to cooperate in fighting the proponents of protectionism in the United States.

Mr. Sato replied that while he understood the Ambassador's viewpoint, one of the problems that he faced was the large imbalance between imports from the United States and exports to the United States. The Minister said that he would be going to Washington on September 24 to attend the IMF meeting and he had a number of problems that he would discuss at that time. One of them was this problem. It was not his intention to see imports and exports with the United States in balance, since they had never been so from Meiji times on, but he wished to see a closer balance achieved, especially since Japan must think in the long term when it might not have large special dollar earnings from United States military sources etc. In respect to restrictions on cars, the amount involved was small, the Minister noted, but he hoped that Japan would move in the direction of free convertibility when its foreign exchange position improved. Japan now has \$1,100,000,000 in foreign exchange but cannot convert it at will. Recently there have been moves to unblock some of the earnings of foreign motion picture companies as well as to relax restrictions on remittances from Japanese emigrants abroad. He hoped the day would soon come when Japan would be able to have a freer foreign exchange as exists in Western Europe. The Ambassador explained that the dollars for the import of cars by the American business community were not Japanese dollars but dollars held in the United States by the American businessmen.

The Ambassador told Mr. Sato that the United States is doing its best to help Japan expand its markets abroad to carry on the trade that is the nation's life blood. But cooperation must be a two-way street. If the

problems the Ambassador had raised seemed minor, they nonetheless were aggravating some of Japan's best friends in America and in the American business community in Japan.

The Minister said that he was grateful for the assistance the United States had given Japan through its financing of the World Bank and in helping Japan to float its dollar bond issue in the United States. However, a limit was being approached in the amount of capital available for investment in Southeast Asia and Latin America. Leaving aside Southeast Asia, the problem is particularly acute in Latin America. Mr. Sato inquired as to what policies the United States had in mind to extend credit in Latin America and hoped that Japan could take advantage of such credit. He said that he would make this point when he visited Washington.

Mr. Sato thoroughly agreed with the Ambassador that cooperation with the United States must be a two-way street. He said that as a result of the reorganization of the Cabinet the United States could rely 100% on Japan and that especially he and Mr. Ikeda were of the same opinion as his "boss," former Prime Minister Yoshida, that the United States should regard Japan as its "follower" and should lead Japan.

For example, before his departure Prime Minister Kishi had talked to the Cabinet about the Korean repatriation problem. He pointed out in clear-cut terms that without the cooperation of the United States and the Ambassador, Japan would never be able to solve its problems with the ROK. From time to time, Japan's policies might seem to change somewhat, but the Ambassador should understand that Japan will never deviate from its basic alignment with the United States.

The Ambassador said that the United States needs Japan and Japan needs the United States. He was glad to see that exports from Japan to the United States had increased 50% over last year in the first five months of 1959, but he hoped that the increase would not proceed at too swift a rate lest it invite restrictionist measures by United States industries. Japan should be thinking about protecting the 30% of Japan's total exports that now go to the United States and work for a gradual rather than spectacular and immediate increase in exports to the United States. Moreover these exports were consumer goods, many of them in the luxury class, that would find no ready market in Southeast Asia or the Communist Bloc. The important thing was not to let small matters stand in the way of cooperation on big problems. It was with this thought in mind that the Ambassador had spoken so frankly on the question of restrictions.

The Ambassador said that he would look into the question of financing in Latin America and Southeast Asia. He said he understood the United States would contribute to Latin American economic development through the Inter-American Bank. The United States will put

money into the bank but it will not control it. The United States Export-Import Bank in turn is limited in scope and intended to finance United States exports.

The Ambassador said that in Southeast Asia the United States cannot just give Japan capital but is prepared to assist when a good project is presented for consideration such as the Orissa Iron ore project in India or give sympathetic consideration as in the case of the Bailadila project. For the next few years the best thing for Japan and another Asian country or countries to do will be to propose specific sound projects in which case the United States will sympathetically consider the possibility of assisting in the financing, perhaps from the Development Loan Fund. The United States does not look favorably on a blanket loan to Japan or an Asian country simply to finance the export of Japanese capital goods and equipment.

Minister Sato said that in Indonesia the Japanese are able to take advantage of the reparations agreement as a means of facilitating investment. In Brazil, however, where \$200,000,000 has already been committed, a limit has been reached in available capital. Japan is already involved in the Minas Gerais steel mill project and a dockyard, but is trying to enter into an electric power development project. He hoped that the Second World Bank would set up with Latin America in mind but was convinced that the bank would not be of much help in Southeast Asia where Japan must think of another system.

The Ambassador thought that the reparations agreements which now call for about \$1,200,000,000 in direct aid and sympathetic consideration for another \$700 million in loans would be of great help. There is no conflict between Japan and the United States, but rather it is in the interests of each country to work with the other.

Minister Sato then mentioned the Security Treaty negotiations and expressed concern over the lack of progress with the Treaty despite the Ambassador's good will and hard work. Before Prime Minister Kishi had left on his trip the latter had made it clear that the Treaty was to be put through. Starting next week there will be full discussions regarding the Treaty under the guidance of Fujiyama among the Cabinet ministers in Tokyo. Moreover, thought will be given to the countermeasures that must be taken to overcome the opposition campaign by Sohyo.

Because the fall Emergency Diet Session will be concerned with the Vietnamese reparations question, Sato said it will be difficult to present the Security Treaty for ratification at that time. Therefore, the Regular Diet Session will concentrate on the budget and the Security Treaty. The government is firmly resolved to put the Treaty through, if necessary taking advantage of the provision for automatic ratification once the Treaty is approved by the Lower House. In the meantime, an extensive public relations campaign will be undertaken to explain the Treaty. The

Ambassador should have confidence that his efforts on behalf of the Treaty will not be undermined.

The Ambassador said that it was not the United States that had proposed the revision of the Treaty and now that Japan had entered into negotiations the issue was much more than the contents of the Treaty itself. The communists were determined to make the Treaty a basic issue as to Japan's future policy and to use it to push neutralism and shake Japan's basic Western alignment. Recently, Ambassador Fedorenko¹ had told the Ambassador that he had given up his plans to leave on vacation in early July and return in September. Now he was going to go home for a few weeks in August and come back quickly because "he had work to do". By this, of course, he means to help those who are opposing the Treaty. Thus, the question of approval of the Treaty is a test of the future international course that Japan plans to take.

Minister Sato said that some people thought that the movement against the Treaty would reach greater proportions than that against the Police Bill. He did not agree and was convinced that it would not go beyond the communists and their friends. There was no chance that it would develop into a genuine "people's movement." He realized, however, that a public relations campaign was necessary and the GOJ and LDP were thinking in these terms. Minister Sato pointed out that however hard the left-wingers worked on the theme of neutralism it has no appeal to the Japanese people. This would be clear in any general election. For one thing, the question of the Security Treaty is not related by the average Japanese to his daily life. For this very reason, however, a positive approach is necessary to explain the Treaty.

The Ambassador added that he thoroughly agreed in the need for adequate explanation of the Treaty to the public.

In response to a question by the Ambassador regarding Mr. Kono's plans to go abroad, the Minister said that he does not know whether or not he is going to the United States but that he would probably not go to the USSR. Just before coming to the Residence, Minister Sato said he heard that Mr. and Mrs. Kono, together with about 30 persons have been invited to Hawaii by the Hawaiian Dredging Company. He said that the Finance Ministry was concerned over the number of people invited who all had asked for substantial dollar exchange and was debating whether or not to give them the dollars. The Minister had recently talked to a commentator about Mr. Kono's attitude toward the United States. The commentator thought that he is lacking in moral courage, and that his attitude toward the United States was shaped during the Occupation when he was held as a war criminal and when he was purged and lost

¹ Soviet Ambassador to Japan.

his job. The Minister added that he did not see much of Mr. Kono these days.

The Ambassador said that he was aware that there was a general impression that he was unfriendly to Mr. Kono. When Mr. Kono had gone to the United States two years ago, he had simply warned him that he would not be able to negotiate foreign policy problems outside of the usual channels. Mr. Sato said that this was the "Kono method" of working outside the usual channels.

According to Mr. Sato, Mr. Yoshida had originally thought that the Security Treaty should receive long and careful study. Now he felt that if it is a Treaty that will deepen friendship with the United States then it is a good Treaty. If it is not such a Treaty, it will be a bad Treaty. The Ambassador mentioned that recently a Japanese friend had suggested that perhaps it had been wrong for the Japanese Government to have asked for a change in the Treaty. The Ambassador replied that even if this were the case, if he did not support the Treaty now, he would be supporting the communists whose objective is to defeat the Treaty. His friend acknowledged that he had not thought of the matter in this way.

The Ambassador pointed out the great change that has taken place in the power ratio in the Pacific area compared to before the war when the United States and Japan were the only two major powers in the area. Now, both Japan and Germany had disappeared from the scene as powers to check the USSR. Moreover, Communist China had developed as a Pacific Power. Japan by itself lacks the resources to combat these two great powers. This is an argument for the Security Treaty that many Japanese have made to the Ambassador. If those who would use force to achieve their ends know that they will face the deterrent force, not only of Japan, but of the United States, they will hesitate to attack Japan. Moreover the other Free World nations in Asia will thereby benefit.

Minister Sato said he would like to speak briefly about the political situation, which is quiet at the moment. He is personally friendly with Messrs. Kono and Ohno but their ideology is totally different from that of himself and Mr. Ikeda. A cold war consequently exists between the two sides. Kono and Ohno have indicated that they believe that the new Security Treaty is necessary for Japan and have said that they will cooperate to see that it is approved. What form their cooperation will take is a dubious question.

Sato said the press has noted the plans of the ultra-rightists to counter the attacks on the Treaty of the left wing. He added that the ultra-rightists have no ideals of their own and hope only to upset law and order. In so doing the onus will be placed on the Government. He is doing his best to discourage such efforts but suspects that they are inspired behind the scenes by Kono and Kodama.

Returning to the question of the import of automobiles, Mr. Sato pointed out that even Prime Minister Yoshida had been unable to purchase a Benz from Germany as he said he had intended to do when he visited there. Since that time MITI has refused to give him permission. (Mr. Sato said there is now talk that he will receive one as a present from Mr. Adenauer.) He was, however, under the impression that there was no problem for American businessmen.

The Ambassador reiterated that the cars in question were for responsible American businessmen and would be imported with American dollars, thereby incurring no drain on Japanese foreign exchange, and that the businessmen would abide by any reasonable rules regarding their resale. It was now impossible to bring in a car because the Japanese Government requires that the owner have had previous possession for one year and has attached other unreasonable conditions. Obviously an American in Japan has no opportunity to exercise such ownership. Minister Sato said that he did not realize that this was the situation and did not know that the dollars were not Japanese dollars. He would look into the matter and hoped that the regulations would be changed.

The Ambassador said that he hoped to be able to have another friendly exchange of views with Mr. Sato, perhaps at the end of August.

92. Despatch From the Embassy in Japan to the Department of State

No. 191

Tokyo, August 11, 1959.

REF

Embassy Despatches 1460¹ and 164² of June 22 and August 4, 1959

SUBJECT

Diet Discussions of the Security Treaty Issue in June and July

1. Conclusions

The Diet debates so far have disclosed not only the fundamental positions of Government and opposition but also some detailed elements of the new Mutual Security Treaty and related documents and the precise lines of attack against them.

The principal issues at present concern the consultation formula (whether consultation means agreement and, if so, why it is not so stated); the duration of the treaty (whether a shorter duration than ten years would not be preferable); the Vandenberg Resolution article (whether a constitutional safeguard phrase can overcome the doubts about constitutionality of the entire treaty); attacks against American bases in Japan (whether it is reasonable to bring the treaty into operation in such a case even if, hypothetically, Japan was not an intended victim); the phrase "peace and security in the Far East" (whether this would tend to justify American military operations outside the treaty area, and would call for Japanese acquiescence in such operations by virtue of such language); and the provisions of the Administrative Agreement dealing with customs, labor and rights outside of military facilities and areas.

As regards the present relations between Government and opposition, the above catalogue probably lists the principal issues in order of their importance, but that order may well have changed by the time the

Source: Department of State, Central Files, 794.5/8-1159. Confidential. Drafted by Martin F. Herz, First Secretary of Embassy. Copies were sent to POLAD CINCPAC and to the American Consular Unit at Naha.

¹In despatch 1460 from Tokyo, "Diet interpellations on the Security Treaty negotiations," June 22, the Embassy reported that Socialist members in the Diet strongly attacked the provisions for prior consultation as inadequate to avert the danger of having Japan drawn into a conflict through uncontrolled actions of the United States. The Socialists also attacked the mutuality provisions of the draft treaty. (*Ibid.*, 794.5/6-2259)

²Despatch 164 from Tokyo, August 4, contains an English translation as well as a summary of a pamphlet on security treaty revision published by the LDP in its effort to explain and defend current negotiations. (*Ibid.*, 794.5/8-459)

ratification debate actually begins. Both the relative rankings and the principal arguments concerning each issue may still undergo considerable change, particularly if the opposition is encouraged by dissension within the Liberal Democratic Party concerning any of these issues.

[Here follows the remainder of the despatch; see Supplement.]

93. **Telegram 509 From the Embassy in Japan to the Department of State**

Tokyo, August 24, 1959, 7 p.m.

[Source: Department of State, Central Files, 794.5/8-2459. Secret; Priority; Limit Distribution. 6 pages of source text not declassified.]

94. **Telegram From the Embassy in Japan to the Department of State**

Tokyo, August 27, 1959, 3 p.m.

548. I had long talk with Fujiyama August 25 during which I stressed seriousness of certain recent alarming trends in Japanese-American economic and trade relations.¹ I urged him to bring subject up with cabinet on most urgent basis because this is matter that goes to very heart of Japan-US relationship and if serious disputes develop over trade between us, all our other relationships will suffer. I told Fujiyama I

Source: Department of State, Central Files, 411.9441/8-2759. Confidential; Limit Distribution. Transmitted in two sections.

¹MacArthur had a conversation concerning Japanese restrictions on U.S. investment and imports with Hayato Ikeda, Minister of International Trade and Industry, on July 9. (Memorandum of conversation by Seligmann as enclosure to July 17 letter from Leonhart to Bane; *ibid.*, FE/EA Files: Lot 63 D 168, U.S.-Japan Trade Relations) See Supplement.

would also take up matter with Kishi and with Finance Minister Sato, MITI Minister Ikeda and Agriculture Minister Fukuda. Following is summary of my talk with Fujiyama. (On August 26 I made same presentation to FinMin Sato and today to MITI Minister Ikeda):

I pointed out to Fujiyama that USG under personal leadership of President has worked very hard to resist restrictionist tendencies and that we have welcomed orderly expansion of Japanese exports to US because we appreciate that Japan must trade to live and that entire future of Japan is bound up with future of its trade with free world. I recalled how precipitate expansion in certain lines undercut ability of administration to counter restrictionist pressures, as in case of cotton textile crisis in 1956.² During last six months, I said, Japanese merchandise exports to US have increased 51 percent over same period last year which was previous all-time high of Japanese exports to US. At same time total of Japanese exports to other countries had slightly declined by about one half percent. I said on some items Japanese exports to US last year increased so sharply that they would invite restrictionist reaction.

While Japanese exports to US had thus sharply increased during first half of 1959, I continued, Japanese merchandise imports from US declined by 2.5 percent but at same time total Japanese imports from other countries increased by 17 percent. Furthermore, during first six months of this year the United States has for first time in post-war history had an adverse balance in its trade with Japan. In addition US military spending and off-shore procurement in Japan is running thus far this year at rate of over \$400 million which greatly aids Japan.

The over-all situation is giving me grave concern, I told Fujiyama, for a number of reasons. In first place US Congress will be strongly impressed by figures I had given him and by industry charges that Japan is flooding the US market, unless Japan urgently takes measures to improve situation. In addition to charges by US industry, there is growing concern on the part of US labor. AFL-CIO, which traditionally has supported liberal US trade policy, is now reported giving serious consideration for first time to reversal of US policy, demanding tariff protection and imposition of quotas against low-priced imports. Such shift in position of organized labor will add great strength to efforts of individual industries to secure tariff protection. Problem is made still more threatening for Japan, I continued, by fact that nobody can deny that Japan itself is practicing discrimination and restrictionism with

²This crisis was resolved when the United States accepted a Japanese decision to initiate a 5-year program to control textile exports. (*Current Economic Developments*, January 22, 1957, pp. 13-16) Documents concerning discussions during 1958-1960 on textile issues are in Department of State, Central Files 411.9412, 411.9441, 411.946, and 411.949.

respect to certain US commodities and also with respect to investment and licensing arrangements which US firms would like to have in Japan.

Situation must be viewed as extremely serious and decisive steps must be taken by Japan, and taken quickly to counter the rapidly growing sentiment in US favoring restrictions on Japanese imports by adopting orderly marketing procedures and abandoning restrictive practices against US industry. Among measures which Japan would urgently consider are following:

1. There must be concerted steps to avoid flooding of US market through orderly marketing of Japanese exports, with slow and steady increase and variety of such exports.

2. Japan should make it possible for import trade with US to flow more freely. Liberalization should be undertaken in (A) Japan's import licensing and foreign exchange allocation system, which serves to restrict trade. This warranted by Japan's improved balance of payments position. (B) Japan's discrimination against American goods, which though small quantitatively, is an irritant to sound trade relations. Discrimination exists in certain products (e.g., hides and skins, beef, tallow, lard, soybeans, scrap iron and steel, copper scrap). Discrimination also exists by virtue of bilateral trade agreements with certain other countries.

I said that in past restrictions upon US imports may have been justified on basis balance of payments situation but Japan now has built up greatest foreign reserves in its history. Removal of discrimination and loosening of restrictions may not result in large quantitative increase imports from US, but it would have disproportionately good effect in terms of over-all picture and also by way of improving Japan's position in forthcoming GATT meeting with respect to restrictions applied by other countries. I said system of directed allocations of foreign exchange for certain imports involves direct discrimination against US. Also unwillingness to permit importation of US automobiles by American businessmen in Japan who are prepared to use their own foreign exchange holdings, pay Japanese customs duties and abide by restrictions on re-sale, was setting against Japan the very elements who could be most active in defending Japanese exports to US. Restriction upon import of such small quantity of US cars, particularly at time when Japan is planning to sell large quantity Japanese cars in US, seemed to me be extreme folly.

3. Relaxation of restrictions on US investment and technical tie ups with Japanese firms. We know that certain steps have already been taken which if properly applied, could bring such relaxation. However situation where until recently 200 applicants were pending without action for two years is leading to unnecessary and justified resentment, again on part of very US interests which should be Japan's allies

against restrictionists in US. Since Japan has made such remarkable economic progress in recent years there should no longer be fear that US capital entering Japanese economy could dominate any industry. In conclusion I said I had spoken with great frankness because I could not think of anything more important to relations between our countries than solid trading relationship based on good faith, and it would not be fair to conceal it is heading for very dangerous crisis, if necessary steps are not taken. If there is liberalization on Japanese side and if steps are taken to put marketing in US on more orderly basis, GOJ would have much better arguments than a present to answer charges of American industry and would have more allies within US in resisting efforts to place restrictions on Japanese imports. Moreover USG itself cannot effectively resist restrictionist tendencies unless GOJ shows that it is earnestly willing to remove unfair obstacles and modify practices which have given rise to legitimate complaints. In other words liberal trade policies are and must be a two way street.

Fujiyama said he appreciated frankness of my presentation and attached greatest importance to information I had given him about increasingly acute restrictionist pressures in US. Question of trade liberalization he said is most important economic policy problem. Unprecedented "jimmu" prosperity of two years ago, he said, had produced severe dislocations within Japanese economy and although foreign exchange position has greatly improved there is fear in certain governmental circles that this only temporary and that situation would rapidly deteriorate if restrictions were lifted. He said there is important body of opinion that liberalization would severely reduce dollar availabilities and that Japan must continue very "cautious" policy. As for himself, Fujiyama said, he did not necessarily share such opinions and he would take matter up on most urgent basis with Ikeda, Sato, Fukuda and top party officials and he welcomed my talking to them also as I had told him I intended to do.

As regards "directed" dollar allocations, Fujiyama said, they had been regarded as inevitable because there are countries which will not buy from Japan unless Japan also buys from them, and importers often will not buy from such countries unless forced to do so because their prices are too high. In case of US, Canada, and Australia, Japan is already importing very substantial amounts so that similar channeling of imports had been necessary. If foreign exchange situation improves, GOJ might resort to extension of credits and other means to improve situation for countries whose trade positions are not too strong. Up to now it has not been felt safe to extend such credits on a large scale. As for automobile situation, restrictions had doubtless been largely based on protectionist policy, but now that Japanese car exports are increasing time has come to re-examine situation. As for capital imports, there has

been fear that introduction US capital would lead to "collapse" or take-over of Japanese industries, but such feelings have become less widespread and less intense and Fujiyama personally felt time has come to open doors although this may have to be on a selective basis.

Fujiyama concluded by saying he would discuss entire range of questions I had raised on most urgent basis with his colleagues and he hoped be able talk with me in near future about measures that might be taken to avoid US restrictionist moves.

Both Sato and Ikeda indicated separately that while they had not realized situation was so serious they had themselves been contemplating possibility of certain steps toward liberalization. These might take time and would create difficulties but in view of my presentation they agreed the matter would be discussed within GOJ on urgent basis. Ikeda said he hoped but could not promise that Japan would be able to announce before GATT meeting that it would carry out certain liberalization measures as he agreed this would have favorable effect.

I put the problem very strongly to above ministers and believe that we can induce GOJ to take at least some liberalization steps although a bit of time may be required. It would be very helpful if Department would call in Asakai and stress to him along above lines graveness of present situation and absolute necessity for Japan to make liberalization steps and modify restrictionist policies if we are expected to be able to hold the line against restrictionist pressures in US. Similarly I hope that points in my presentation to Fujiyuma will be strongly put to both Fujiyama³ and Sato when they visit Washington in September.

MacArthur

³ See Document 97.

95. Telegram From the Embassy in Japan to the Department of State

Tokyo, September 9, 1959, 7 p.m.

703. For Secretary. In strictest confidence Fujiyama tells me he has been discussing privately with Kishi desirability of Kishi coming to Washington to sign new security treaty and related documents with him about Dec 20 if that time convenient from our viewpoint. Fujiyama said he did not contemplate visit being "State visit" with all trappings and ceremonies but that in addition to signing treaty it would afford PriMin Kishi opportunity to meet with President to get President's views on world situation. This, Fujiyama thought, was particularly important because with exchange of visits with Khrushchev, activities of ChiComs and developments in SEA (Laos), first-hand knowledge of President's views would be of inestimable value to Kishi and him. Furthermore he intimated that a meeting with the President would also bolster Kishi's position. I gather Fujiyama feels that if Kishi signs treaty in Washington and meets with President it will not only consolidate different factions of Conservative Party behind Kishi prior to introduction of new treaty into Diet in January but will also consolidate substantial majority of over-all Japanese opinion in support of Kishi's treaty revision and over-all policy of close cooperation with U.S. Fujiyama said that while Kishi has not reached decision on whether to come to Washington to sign treaty, he is seriously considering it.

It is of course up to the Japanese to decide who will sign the treaty for them. My own view is that if Kishi decides to come it is very strongly in our own interest that we should welcome such move. As you know, Kishi admires and respects President Eisenhower more than any other statesman in world and the President's views have a real impact on him. At same time, Kishi has been staunch and loyal friend and despite outcries and vicious attacks from Moscow, Peking, Japanese Socialist Party and all leftist elements in Japan designed to pressure Kishi into loosening the close ties between Japan and U.S., Kishi has stood firmly on his policy that closest possible cooperation with U.S. in all fields is essential to Japan. Kishi, of course, has had to deal not only with the left but also with opportunistic elements within his own party. It would certainly be to our great advantage to do anything we reasonably can to strengthen his position within and outside his party and at same time encourage his policy of firmness towards the Communists.

But perhaps most important immediate effect of such a visit in December would be to strengthen his hand with respect to treaty revision. Now that Communists have made treaty revision basic issue of Japan's alignment and are using every weapon in their well-stocked arsenal to force GOJ to abandon treaty revision or to defeat treaty if it submitted to Diet, it is important that we give Kishi all the support we reasonably can to help him get treaty through. He and his govt of course are determined to push treaty through Diet, but if they should fail, all our present security relationships and arrangements with Japan would be undermined and threatened.

At present there are no really major controversial issues between GOJ and ourselves and the few but important remaining issues in connection with security treaty and related documents will be cleared up before signature. Therefore Kishi would not be coming to Washington to raise new issues which would involve substantial preparatory work for President and yourself but would be coming simply to sign treaty and use that occasion for a very good and useful discussion with President on the world situation. Burdens of entertainment need not be great and I believe that one meal at White House, which could be luncheon, and a formal dinner by you or the Vice President for Japanese signatories would be all that would be required.

Japan is of course only positive element of free world strength we have in this vitally important part of world and in Kishi we have staunch friend and ally who will need badly whatever support and help we can give him in critical debates which will open in Diet latter part of January. Our cooperation is particularly important with Ishibashi, Matsumura, Miki and Kono making pilgrimages to Peking and Moscow, etc. For all above reasons I hope most earnestly that you and President will give this matter favorable consideration.¹

MacArthur

¹The Department replied on September 24 in telegram 697, that the Secretary had been authorized to inform Fujiyama that day that "barring unforeseen developments the President would welcome opportunity to meet with Prime Minister Kishi if Kishi decides to come to Washington in late December for Treaty signing." The Ambassador was authorized to inform Kishi. (*Ibid.*, 033.9411/9-2159)

96. Telegram 656 From the Department of State to the Embassy in Japan

Washington, September 19, 1959, 4:42 p.m.

[Source: Department of State, Central Files, 794.5/8-2459. Secret; Priority; Limit Distribution. 3 pages of source text not declassified.]

97. Editorial Note

On September 24 Secretary Herter and Under Secretary Dillon met with Foreign Minister Fujiyama and Ambassador Asakai in Washington. Assistant Secretary of Defense Irwin also participated in the meeting, at which there was general discussion of the security treaty negotiations, the current international situation, GARIOA, trade issues, and the Algerian situation. Text of the memorandum of conversation by Richard L. Sneider, Officer in Charge of Japanese Affairs, is in the Supplement.

98. Telegram From the Department of State to the Embassy in Japan

Washington, October 3, 1959, 7:10 p.m.

799. CINCPAC for Admiral Felt and POLAD. Following substance September 30 discussion between Secretary Herter and Finance Minister Sato re security treaty negotiations.

Source: Department of State, Central Files, 033.9411/10-359. Confidential; Limit Distribution. Drafted by Bane, cleared with S/S, and approved by Herter. Repeated to COMUS/Japan and CINCPAC.

Sato said Kishi Government going all-out conclude Security Treaty negotiations. Said Finance Ministry had particular interest Administrative Agreement since certain provisions such as customs treatment are of immediate concern to that Ministry. Pointed out provisions Administrative Agreement affect directly Japanese people and necessary for Government obtain latter's support. Stated certain aspects new Administrative Agreement called for less favorable treatment for Japan than that accorded Germany in new supplementary SOF agreement with Germany.¹ GOJ wants work out agreement which corresponds with German supplementary agreement. Emphasized critical importance Diet ratification and need therefore for new US-Japanese Administrative Agreement to be brought up to level German agreement. Secretary Herter said he had been most surprised when earlier informed of this disparity and stressed that we would do everything possible to adjust this situation. Expressed hope we would reach agreement on remaining treaty issues soon. Said he wanted tell Sato that in speaking to President on treaty negotiations President had expressed hope negotiations were nearing happy end. Secretary said he had told President he thought we were and that Prime Minister Kishi considering coming to Washington for treaty signing in December. Secretary said President delighted with prospect Kishi coming to Washington and recalled with pleasure Kishi's visit 1957. Sato expressed gratification these remarks and said before leaving Tokyo Prime Minister had told him he hoped come US for treaty signing. While not within province Finance Minister, Sato said he wishes stress importance US and GOJ agreeing on explanations and interpretations to be placed Security Treaty documents particularly since latter would be presented respective legislatures at about same time. Secretary Herter said he agreed fully and pointed out nothing worse than having words with differing interpretations attached to them.

Herter

¹ A reference to the supplementary agreement to the NATO status of forces agreement with respect to forces stationed in the Federal Republic of Germany, signed at Bonn August 3, 1959, and entered into force July 1, 1963. For text, see 14 UST 531.

99. Letter From the Ambassador to Japan (MacArthur) to Secretary of State Herter

Tokyo, October 8, 1959.

DEAR MR. SECRETARY: I read with great interest the Eyes-Only telegram No. 782 of October 2¹ which was sent me on your talk with Finance Minister Sato about the possibility of a visit to Japan by President Eisenhower next year to commemorate the 100th anniversary of U.S.-Japanese diplomatic relations.

While I, of course, fully realize from my days in the Department when I personally worked with the White House staff in making arrangements for two of the President's trips abroad, the many problems visits to foreign countries raise for the President, it would be a splendid and indeed superb thing if the President could visit Japan. I have in mind that following his visit to Moscow he might return to the United States via Japan and the Pacific. If time were a factor he would not have to stay in Japan more than two days and indeed in a pinch 36 hours would probably do the trick. Since it is the 100th anniversary of U.S.-Japanese relations and in view of the tremendous importance of Japan as the only real element of positive free world strength in all of Asia it would be, it seems to me, most appropriate for him to stop over here. If it were treated as a stop-over visit on the occasion of the 100th anniversary of U.S.-Japanese relations following the Moscow trip, it seems to me we would have a good argument to rebut any other friendly Asian country that might also wish to have the President visit their country.

I do hope that the President will be able to consider at least the possibility of such a stop-over in Japan. Next year will be the most critical year for U.S.-Japanese relations since the end of the war, and depending on what happens we will either move forward into even closer association or the links which we have forged will begin to loosen. A visit by the President would of course help greatly to bolster those Japanese leaders who are our friends, who believe that the closest possible cooperative relations with the United States are of basic importance to Japan's future, and who are struggling to counter the accelerating Sino-Soviet campaign to neutralize and isolate Japan.

To the extent that we succeed in creating a public image here that United States interests in the Far East are not secondary to United States interests in Europe and that the United States attaches equal importance to its alliance with Japan as it does to West Germany or other NATO

Source: Department of State, Central Files, 711.11-EI/10-859. Personal and Confidential.

¹ Not printed. (*Ibid.*, 711.11-EI/10-259) See Supplement.

countries, the more we shall strengthen our friends here and ensure the stability and the strengthening of U.S.-Japanese relations. In this respect, you might wish to tell the President that in my judgment no single thing the United States could do would have as great an impact on the Japanese nation and people as a visit by him.

With every good with and warm regards,
Sincerely,

Doug

100. Telegram 1103 From the Embassy in Japan to the Department of State

Tokyo, October 10, 1959, 3 p.m.

[Source: Department of State, Central Files, 794.5/10-1059. Confidential; Limit Distribution. 5 pages of source text not declassified.]

101. Telegram From the Embassy in Japan to the Department of State

Tokyo, October 22, 1959, 8 p.m.

1241. CINCPAC exclusive for POLAD and Admiral Felt. COMUS Japan exclusive for General Burns. Naha exclusive for Blankinship and General Booth. Embassy despatch 482.¹ At meeting with Fujiyama yesterday he said that in course of gaining LDP approval for report of party subcommittee on the security treaty, some points of clarification had arisen and he had been charged with discussing them with me.

Source: Department of State, Central Files, 794.5/10-2259. Confidential; Limit Distribution. Repeated to CINCPAC, COMUS/Japan, and Naha.

¹Despatch 482, October 19, reported on the recent deliberations by the LDP subcommittee on the revision of the security treaty. A minority of the membership, largely inspired by Kono, the despatch reported, caused a succession of stormy meetings. A translation of the LDP security treaty subcommittee report is enclosed with the despatch. (*Ibid.*, 794.5/10-1959)

(1) Re consultation formula Fujiyama said that as we are aware there had been considerable discussion within party whether "consultation" means that there must be "agreement". Fujiyama recalled my strong representations that the word "agreement" should not appear in consultation formula and said LDP security treaty subcommittee (see paragraph 23 of enclosure to Embassy despatch 482) has now rejected minority view that GOJ should seek to substitute word "agreement" for "consultation" but at same time recommended that GOJ obtain some understanding from US to make sure that public interpretations given by US and Japan do not differ. Fujiyama said he was not looking for any written understanding but wanted us to know that if GOJ is asked whether US would be able to take actions (introduction of nuclear weapons or direct launching of combat operations from Japan) without Japanese agreement, GOJ would reply that such eventuality is inconceivable; that US and Japan are like-minded free nations and would be consulting in order to arrive at common agreed view; and that therefore US would clearly not act in opposition to Japanese views in cases covered by consultation formula.

(2) Re Ryukyus and Bonins, the party had asked GOJ to obtain some understanding that even though those islands are not in treaty area, Japan would not be barred from contributing to safety of islanders in event of an emergency although any such contribution would of course have to be made only after consultation with US which has defense responsibility. Fujiyama said here again he did not have in mind any new agreement but he may propose to us that a statement by GOJ, expressing its interest in safety of people of Ryukyus and Bonins, be recorded in a negotiating minute to satisfy this requirement placed upon him by the party.

(3) Re Far East, Fujiyama said party was concerned over haziness in term "Far East" which appears in three places in our treaty draft. He said it was not necessary in his view that we formalize any agreed interpretation of that term but he had to give assurances that there would be no divergence in definition or public interpretation of word "Far East" as given by GOJ in Japanese Diet and by USG in our Congress. Accordingly he said he would appreciate if we could let him know how we would propose to answer questions about precise geographical extent of "Far East" if such questions were to arise in our Congress. Request Department views on how questions about extent of "Far East" would be answered.

(4) Finally Fujiyama said there is still some concern on part of Kaya and others over possibility of indirect aggression against Japan and perhaps he would want to suggest a minute on this subject.

102. Memorandum of Conversation

Tokyo, October 28, 1959, 8:45 a.m.

UNDER SECRETARY'S VISIT TO TOKYO
October 25–November 2, 1959

PARTICIPANTS

United States

Douglas Dillon, Under Secretary
Ambassador MacArthur
Arthur F. Blaser, Jr., Financial
Attaché

Japan

Eisaku Sato, Minister of Finance
Toshihiko Sakai, Chief, Foreign
Exchange Bureau, Ministry of
Finance
Naokado Nishihara, Chief, Financial
Bureau
Yoshisuke Isoda, Financial
Commissioner
Michiya Matsukawa, Secretary to
the Minister of Finance

SUBJECT

Trade Liberalization and Dollar Discrimination

In opening the conference, Minister Sato stated that today the Japanese Government would be presenting to the Diet its supplementary program for typhoon disaster relief. The Minister expressed his appreciation on behalf of the Japanese Government and the Japanese people for the generous assistance given by the United States Government and the American people in alleviating the suffering and damage caused by this national disaster. In responding, Mr. Dillon expressed his appreciation to the Minister for making time available for the conference, since it was obvious that the pressure of the Minister's official responsibilities were very great at this time. Mr. Dillon said that he had been looking forward to his visit in Japan for a long time. He continued that he had two matters on which he would like to continue discussion with the Minister. The first of these was trade liberalization.

Mr. Dillon stated that in his calls on the Prime Minister and the Foreign Minister, and in his speech at the Ministerial Conference of GATT,¹

Source: Department of State, Conference Files: Lot 64 D 560, CF 1508. Confidential. Drafted by Blaser and approved by Dillon on October 31. The meeting was held in the office of the Minister of Finance. A memorandum of conversation on GARIOA, held the same time, is in the Supplement.

¹For text of "Strengthening the Economic Foundation of an Interdependent World," an address given by Dillon on October 27 at the Ministerial Meeting of the 15th Session of GATT in Tokyo, see Department of State *Bulletin*, November 16, 1959, pp. 703–707.

he had discussed trade liberalization, which was, of course, the main business issue of his current visit to Japan. Mr. Dillon continued that everyone had been pleased and happy about the general theme of the recent policy announcements that the Government of Japan would do its best to eliminate dollar discrimination and try also to liberalize its overall trade policy by beginning to reduce trade restrictions. As a policy announcement of intention, this was fine. However, the Government of the United States is concerned about the timing and the extent of the liberalization steps which may be taken.

Minister Sato responded at this point by saying that with regard to timing he had found, upon his return from the United States, that preparations had been lagging somewhat. He had discussed the matter with Mr. Sakai, Chief of the Ministry's Foreign Exchange Bureau, and indicated to Mr. Sakai his belief that things were moving a little more slowly than he had expected. The Minister left the implication that he had asked the Ministry's staff to speed up the work. With respect to the extent of liberalization which the US Government has in mind, he inquired whether the Under Secretary had any concrete ideas.

In responding to this question, Mr. Dillon outlined what he termed a basic problem of the US Government. He reminded the Minister that at the tariff negotiations under GATT auspices at Geneva, Torquay and Annecy, the United States Government had made substantial tariff concessions. The reciprocal concessions which had been received from other GATT members were, in many areas, actually nullified because of quotas imposed for balance of payments reasons. In those earlier days it was not too difficult for the Administration to explain to the U.S. Congress and the people that although a number of the concessions received were not immediately effective, when the entire transitional process was finished the United States would have the full benefit of the concessions granted. In the past year or one and one-half years, conditions have changed substantially. The International Monetary Fund has now reached a decision that there are no longer any justifiable balance-of-payments reasons for currency discrimination, particularly discrimination against the dollar. The generally improved economic situation throughout the world has coincided with a very large increase in imports into the United States, and these factors have resulted in a substantial balance-of-payments deficit for the United States. There has, therefore, developed among members of the public in the United States and the Congress the feeling that trade restrictions, particularly discrimination against the dollar, must be removed very quickly. Unless this is done, Mr. Dillon stated, the Congress would probably take action on its own to cut back imports into the United States.

Minister Sato responded that Ambassador MacArthur had already made these points very clearly in earlier talks on the same subject.² The Government of Japan agrees with the views expressed by the Under Secretary.

Mr. Dillon continued that the pressure of public opinion in the United States is such that, in his judgment, discrimination against the dollar must be removed by next spring. The United States Government had understood from the Japanese announcements that the complete removal of discrimination against the dollar might not be effected until the spring of 1961. Mr. Dillon stated that in his opinion such a target date was too far away, and that action to eliminate dollar discrimination must be completed by early next spring. Next year is an election year in the United States. If the Congress takes action in this area, it is likely that such action would be stronger than either the Japanese Government or the United States Government would wish to see, but once taken it would be extremely difficult to reverse. In the absence of positive action by the Government of Japan, the Administration would have no effective means with which to withstand pressures for congressional action. Mr. Dillon noted that in the area of removal of over-all trade restrictions, as contrasted with discrimination against the dollar, it might take a little longer to work out an effective program. However, in this area it is important that Japan not lag too far behind other countries. The United States has been highly gratified in its talks on general liberalization with other countries. Many of these countries are taking significant action to free their trade from restrictions and further significant improvement is expected to take place within the next six months.

Minister Sato then inquired what kind of announcement with regard to liberalization would be significant enough to impress the U.S. Congress. Would such an announcement have to include, for example, soybeans and scrap iron? Mr. Dillon said effective action would mean that dollar discrimination would be eliminated for the bulk of the commodities against which it is now practiced. Mr. Dillon noted that there might be one or two commodities concerning which there might be particularly difficult or special problems. It might be necessary to put these into a different framework, that is global quotas instead of completely free importation from all sources. The important thing is that Japan eliminate discrimination against dollar goods. In responding, Minister Sato stated that he fully understood the Under Secretary's precaution. He agreed that the timing target date for completion by March 1961 was too late. However, as he had explained to the Ambassador, that particular date had been fixed by taking into consideration all possible factors

² See Document 94.

that might arise. The intention of the Government of Japan is to complete its preparation for making these changes during the remainder of the current fiscal year, so that action could be taken beginning with the commencement of the next fiscal year, April 1, 1960.

Mr. Dillon then referred to his talk with Foreign Minister Fujiyama,³ in which the latter had emphasized that Japan must be cautious and could not afford to dissipate its foreign exchange resources. Mr. Dillon urged that Minister Sato and his Cabinet colleagues think very carefully about this proposition. Although such a policy of slow and careful action might appear to be cautious, in fact it might actually be dangerous or even reckless. The lack of effective action in Japan might result in restrictive action in the United States, the cost of which would be far in excess of any possible cost to the Japanese economy of substantial liberalization measures. Minister Sato acknowledged the point and commented that the same principle applies in the United States Government. Mr. Dillon laughingly agreed and said that that was certainly so, and, in fact, it sometimes happens that way.

³The meeting with Fujiyama is described in telegram 1289 from Tokyo, October 26. (Department of State, Central Files, 110.12-DI/10-2659)

103. Memorandum of Conversation

Tokyo, October 28, 1959, 8:45 a.m.

UNDER SECRETARY'S VISIT TO TOKYO

October 25–November 2, 1959

PARTICIPANTS

[The list is the same as that printed for Document 102.]

SUBJECT

Administrative Agreement

The Finance Minister referred to his discussions with Secretaries Dillon and Herter¹ about the Administrative Agreement and made the

Source: Department of State, Conference Files: Lot 64 D 560, CF 1508. Confidential. Drafted by Blaser and approved by Dillon on October 31.

¹ See Document 98 and telegram 801 from Tokyo, October 3, in the Supplement. (Department of State, Central Files, 794.5-MSP/10-359)

point that, from the Japanese point of view, the Administrative Agreement must be parallel in its terms to that between the United States and Germany. In this connection, there has been some difficulty with regard to the furnishing of facilities by Japan to the U.S. Armed Forces. Specifically, the method of computing claims and how much cost the Government of Japan is actually bearing is a problem which remains unsolved. Mr. Dillon said that he thought that the U.S. efforts to solve the still unagreed items in accordance with the German formula had been successful. The Ambassador pointed out that when Secretary McElroy had visited Japan, further attention had been given to the problem and that our understanding had been that the suggestions put forward at that time had been successful in meeting the problem.

The Minister then stated that he had discussed with Secretary Herter the basic idea to make the customs arrangements strictly parallel with those prevailing in Germany. However, it appears that some problems remain to be solved. The Minister, therefore, suggested that he hoped it would be possible to work these out by means of setting up some special conversations to deal with them. At this point the Ambassador pointed out that there seemed to be some confusion about this. In his opinion, the matters raised by Mr. Sato should not be injected into the Ambassador's discussion with Foreign Minister Fujiyama on the Administrative Agreement. The problems of claims to which the Minister had referred involved interpretation under the Agreement, rather than basic policies involved in the Agreement itself. These matters are under study at the Joint Committee and this is the proper channel for their resolution. If the Joint Committee is unable to reach a mutually satisfactory solution of the problems, the proper step would be for the Foreign Office to bring them to the attention of the Ambassador. The Ambassador indicated that he is quite ready at any time to discuss these problems with the Foreign Ministry. Minister Sato did not press the matter and agreed with the views expressed by the Ambassador.

[Here follows discussion of GARIOA, included in the Supplement.]

104. Telegram From Department of State to the Embassy in Japan

Washington, November 17, 1959, 6:57 p.m.

1217. Embtel 1241.¹ We recognize desirability of clarifying publicly to maximum extent possible treaty arrangements and avoiding different interpretations. Points raised by Fujiyama in reftel however pose problems for us and desire you explore them further with GOJ on following basis:

(1) Consultation Formula: In interpreting formula, we prepared state: a) US intends live up to commitment to consult fully with GOJ on introduction of nuclear and direct launching combat operations from Japan; b) Consultation would be for purpose of developing common agreed views of US and Japan, and US would expect to handle matter in light thereof. If you feel it advantageous, you may also point out that in effect consultation formula involves procedure for seeking GOJ agreement to certain US actions in Japan.

FYI: We recognize that failure to respect GOJ views on introduction nuclear and direct launching of combat operations likely make continuation our base rights politically untenable. Our efforts define very carefully terms of consultation formula further evidence our willingness respect views of GOJ when consultation takes place. End FYI.

(2) Article III Islands. For reasons set forth Deptel 1734 (May 16, 1959),² we continue desire avoid formal note or minute referring to Article III Islands. Believe GOJ interest in area preferably reflected in less formal manner. GOJ for example might point out possibility that consultation formula will provide opportunity for it to reflect and even act upon Japanese concern for safety Article III inhabitants in event Article III Islands attacked.

(3) Far East. You will recall term "Far East" used in treaty at request GOJ on grounds "Far East" used in present Security Treaty. (We had preferred term "Pacific" which more common to our treaty language.) Under these circumstances, we assumed "Far East" was acceptable from Japanese standpoint. From our viewpoint desire avoid any precise definition "Far East" and do not anticipate Congressional inquiries on this point. Therefore desire you query GOJ on their past interpretation this term.

Source: Department of State, Central Files, 794.5/10-2259. Confidential. Drafted by Sneider, cleared with L/FE and OSD/ISA, and approved by Steeves. Repeated to CINCPAC exclusive for Admiral Felt and POLAD, to COMUS/Japan exclusive for General Burns, and to Naha exclusive for Blankinship and General Booth.

¹ Document 101.

² Document 61.

FYI. According National Geographic Society, Far East has no precise definition but used loosely cover Asian Arc from Japan thru Burma, excluding Siberia, Australia-New Zealand, and smaller Pacific Islands as Marianas normally included in Oceania. There are clear disadvantages to such definitions, particularly exclusion our Pacific islands. You will recall also instance in 1950 when geographical description of US defense perimeter may have emboldened Commie attack on South Korea. End FYI.

(4) Indirect Aggression. Plan take no action on this unless Fujiyama submits proposal on this matter.

Defense concurs.

Herter

105. Telegram 1603 From the Embassy in Japan to the Department of State

Tokyo, November 20, 1959, 5 p.m.

[Source: Department of State, Central Files, 794.5/11-2059. Secret; Priority; Limit Distribution. 1 page of source text not declassified.]

106. Telegram From the Embassy in Japan to the Department of State

Tokyo, November 20, 1959, 5 p.m.

1607. CINCPAC exclusive for Admiral Felt and POLAD. COMUS/Japan exclusive for General Burns. Naha exclusive for General Booth. Deptel 1217.¹ On instruction from Kishi and Fujiyama who were tied up

Source: Department of State, Central Files, 794.5/11-2059. Secret; Priority; Limit Distribution. Transmitted in two sections and repeated to CINCPAC, COMUS/Japan, and Naha.

¹ Document 104.

in Diet, Vice Foreign Minister Yamada met with me yesterday to discuss (1) Article III islands (Okinawa) and (2) indirect aggression.

1. *Okinawa*. Yamada made very strong pitch for a draft agreed minute which would confirm that Ryukyus would come within purview of Article V of new treaty as they are restored to administrative control of Japan. He proposed following language for agreed minutes to be made public:

(A) *"Japanese plenipotentiary:*

It is my understanding that those territories of Japan presently not under its administration would as a matter of course come within the purview of Article V as they are restored to the administrative control of Japan.

United States plenipotentiary:

It is also my understanding."

I told Yamada I would be obliged strongly to oppose any such formulation and urged him to reconsider and drop this matter. I said if Japan wished to issue a unilateral statement that was their business but we could not agree to any minute along lines he had proposed. After some discussion Yamada agreed to recommend withdrawal of above proposal but said it was essential that there be an agreed minute which could be made public indicating the concern of GOJ for safety of Ryukyans if these islands were "attacked" and desire of GOJ to be helpful to them. After considerable further discussion he then proposed that we accept the following agreed minute dealing with this aspect:

(B) *"Japanese plenipotentiary:*

While the question of the status of the Ryukyu and Bonin Islands and other islands mentioned in Article III of the Treaty of Peace with Japan (excluding the Amami Islands) has not been made a subject of discussion in the course of treaty negotiations, I would like to emphasize the strong concern of the Government and people of Japan for the safety of the people of these islands since Japan possesses residual sovereignty over these islands and the islanders are Japanese. If an armed attack occurs or is threatened against these islands, the two countries will of course consult together closely under Article IV. In the event of an armed attack, it is the intention of the Government of Japan to explore with the United States measures which it might be able to take for the welfare of the islanders.

United States plenipotentiary:

In the event of an armed attack against these islands, the United States Government will consult at once with the GOJ and will take the necessary measures for the defense of these islands, and will do its utmost to secure the welfare of the islanders."

I saw Yamada again last night and he said Kishi and Fujiyama agree to withdrawal or proposal 1 (A) re return of administration to Japan.

Comment: While I believe I have killed Japanese efforts to have an agreed minute regarding inclusion of Ryukyus in treaty area after the restoration of administrative control, I also recognize they must show some interest in the security of the Ryukyans since latter are Japanese nationals. In my judgement agree minute proposed by Yamada which makes clear Article III islands were not a subject of discussion in course of treaty negotiation is minimum Japanese need with respect to this problem and I recommend, unless General Booth has cogent reasons to contrary, that we accept this formulation (which does not seem to impair our basic interests) thus disposing of this problem.

2. *Indirect Aggression.* Yamada said GOJ feels it is extremely important also to have an agreed minute to be made public with respect to indirect aggression. Japanese leaders feel that such a minute will serve as a real deterrent to Communists if they are tempted at some future date to try to instigate a massive Communist insurrection in Japan since knowledge that US stood ready to aid Japan in event of such aggression would be powerful deterrent. Kishi and Fujiyama have carefully considered this matter and propose following agreed minute which would also be made public:

(A) *“Japanese Plenipotentiary:*

The phrase ‘an armed attack’ in Article V of the treaty is taken out of Article 51 of the Charter of the United Nations. Obviously, purely internal disorders or revolutions would not be considered armed attacks. However, if a revolution were aided and abetted by an outside power such assistance might possibly be considered an armed attack. It is understood that, if so considered by the two governments, the United States will be prepared to assist Japan to meet such indirect aggression by taking such measures as may be practicable at the request of the Japanese Government.

United States Plenipotentiary:

In such a case the United States Government will be prepared to take such measures as may be deemed practicable.”

Comment: Yamada said substance of first sentence of above minute is taken from record of Secretary Acheson’s press conference on day NATO treaty signed. Substance of second and third sentences are from Senate Foreign Relations Committee report on NATO treaty.

Since agreed minute along above lines is extremely important to Kishi and Fujiyama and since our judgement is that it would also be a deterrent to Communist insurrection I recommend we accept since it does not commit us to take any action unless we consider insurrection

"an armed attack" and even then we are only committed "to take such necessary measures as may be deemed practicable".²

MacArthur

²In telegram 1623 from Tokyo, November 22, MacArthur reported that the Japanese Foreign Office wished to make two changes in the draft concerning indirect aggression: (1) to delete from the final sentence in the statement of the Japanese plenipotentiary the phrase "by taking such measures as may be practicable"; and (2) to amend the statement of the U.S. plenipotentiary to read: "In such a case, the United States Government will be prepared to do so by taking such measures as may be deemed practicable." MacArthur recommended acceptance of both changes. (Department of State, Central Files, 794.5/11-2259)

107. Telegram 1263 From the Department of State to the Embassy in Japan

Washington, November 23, 1959, 7:02 p.m.

[Source: Department of State, Central Files, 794.5/11-2059. Confidential; Limit Distribution. 1 page of source text not declassified.]

108. Telegram 1683 From the Embassy in Japan to the Department of State

Tokyo, November 29, 1959, 2 p.m.

[Source: Department of State, Central Files, 794.5/11-2959. Secret; Priority; Limit Distribution. 4 pages of source text not declassified.]

109. Telegram 1686 From the Embassy in Japan to the Department of State

Tokyo, November 30, 1959, 1 p.m.

[Source: Department of State, Central Files, 794.5/11-3059. Confidential; Priority; Limit Distribution. 1 page of source text not declassified.]

110. Telegram From the Embassy in Japan to the Department of State

Tokyo, November 30, 1959, 8 p.m.

1699. CINCPAC exclusive for Admiral Felt and POLAD. COMUS/Japan exclusive for General Burns. When I met privately with Fujiyama on November 28 he said Kishi had asked him to propose to me a provision for reviewing the treaty. He said that in addition to necessity of being able to defend new treaty against criticism that not even possibility of review existed [garble] years, many Diet members were aware there was a review provision in Article 12 of the NATO Treaty. Kishi was not of course suggesting that the treaty draft which we have agreed can be changed, but he did feel a provision, in the form of an agreed minute re treaty review, which could be made public if necessary in Diet debates, was extremely important. In particular it would enable him to deal with Kono or any other anti-mainstreamers who wanted to make difficulties over the duration or other elements of the treaty. Originally, Kishi had contemplated that agreed minute should specifically mention reviewing the duration of treaty itself but after reflection he felt that a more generalized statement referring only to "aspects" of the treaty and incorporating some language from Article 12 of NATO Treaty would be adequate and probably preferable from our viewpoint. Following is text of proposed agreed minute:

Begin verbatim text:

"Japanese plenipotentiary:

"While the Treaty of Mutual Cooperation and Security is of indefinite duration the period after which either party may give notice for termination has been fixed at ten years. No explicit provision was made for reviewing the treaty because in the agreed opinion of the two governments stability is a very important factor in the security relationship between the two countries. Obviously, if either party should so request at any time while the treaty is in force, the two parties would consult together for the purpose of reviewing any aspect of the treaty or its related arrangements having regard for the factors then affecting peace and security in the Far East.

"United States plenipotentiary:

"The United States Government is of the same opinion."

End verbatim text.

Comment: Foregoing proposed minute will unquestionably greatly strengthen Kishi's position, and permit government to deal with criticism which has potentially most damaging appeal inside LDP and with public. I urge its acceptance since it seems entirely consistent with position we have taken re our European Allies in NATO and also since it merely reflects fact that if either party at any time wishes to review any aspect of the treaty the two parties would be obliged to consult together.

MacArthur

111. Telegram From the Department of State to the Embassy in Japan

Washington, December 1, 1959, 7:36 p.m.

1318. Personal from Parsons for Ambassador. Embtel 1699.¹ Japanese proposal for agreed minute on treaty review seriously disturbs me. In light Kono's pressures for cutting back duration of treaty minute will be interpreted as vitiating 11 year duration which essential quid pro quo for US commitment aid in defense Japan area. Our principal objective in current treaty negotiations has been achieve basis for long term association with GOJ and strengthen our ties through treaty which has permanent character in contrast to transitional character present Security Treaty. Proposed minute on treaty review casts considerable doubt on permanence new relationship. Furthermore proposed minute represents open invitation for reopening treaty to every new Japanese government taking office or in event difficulties arise between US and Japan. We also confident Commie bloc would seek exploit minute to maneuver Japanese government into commitments for treaty review. We anticipate serious Congressional objections to proposed minute on treaty review for above reasons as well as reluctance ratify new treaty which highly susceptible to early review and revision.

GOJ proposal furthermore goes beyond NATO commitment in Article 12 which provides for review only after 10 years. Mutual security

Source: Department of State, Central Files, 794.5/11-3059. Confidential; Limit Distribution; No Distribution Outside Department. Drafted by Sneider and approved by Parsons.

¹ Document 110.

treaties in Far East have no comparable provision. Would anticipate serious Congressional objections to even NATO formulation. In view above I am personally not inclined press for GOJ proposal although Kishi's desires satisfy Kono and other anti-mainstream elements understandable. Desire your views soonest.

Herter

112. Telegram From the Department of State to the Embassy in Japan

Washington, December 2, 1959, 7:56 p.m.

1328. Embtels 1607, 1623.¹

I. You may inform GOJ we prepared agree to minute of understanding regarding Indirect Aggression on following basis:

In view of fact that words "armed attack" occur in other security treaties (e.g. SEATO, Rio Pact,² NATO, ANZUS, US-Phil, US-Korea) Dept would prefer not tie minute on "indirect aggression" to those words in Article V. Japanese proposal would also equate "indirect aggression" with "armed attack" as used in UN Charter. It would therefore raise serious complications. Furthermore, despite reference in Senate Report, US Govt has never defined armed attack in terms of indirect aggression in any formal agreement or minute with another government. Believe Japanese point might be covered by Minute along following lines:

Japanese Plenipotentiary:

"It seems obvious that any internal disorder or revolution aided and abetted by an outside power might constitute a threat to the security

Source: Department of State, Central Files, 794.5/11-2259. Secret; Limit Distribution. Drafted by Sneider; cleared with L/FE and OSD/ISA, and with L in substance; approved by Steeves. Repeated to CINCPAC exclusive for POLAD and Admiral Felt, COMUS/Japan exclusive for General Burns, and Naha exclusive for General Booth and Blankinship.

¹ Document 106 and footnote 2 thereto.

² Inter-American treaty of reciprocal assistance, opened for signature at Rio de Janeiro September 2, 1947, and entered into force for the United States December 3, 1948. For text, see 4 Bevans 559.

of Japan. If such an internal disorder or revolution is considered by the two Governments to be of this character, it is understood that the United States would be prepared upon the request of the Japanese Government to assist Japan to meet this threat by taking such measures as may be deemed appropriate by both Governments."

Statement by United States Plenipotentiary would be as follows:

"Under the circumstances you have set forth, it is understood that the United States would be prepared upon the request of the Japanese Government to assist Japan to meet this threat by taking such measures as may be deemed appropriate by both Governments."

You may point out to FonOff that in no treaty has United States undertaken to do more than consult in case of "indirect aggression" and that we consider Japanese proposal as well as our redraft in effect amount to commitment to consult.

If necessary above proposal could refer in text to Article IV or VI of the Treaty.

II. Minute of understanding on Article III islands still under consideration.

Defense concurs.

Herter

113. Telegram From the Embassy in Japan to the Department of State

Tokyo, December 3, 1959, 8 p.m.

1736. Personal for Assistant Secretary Parsons from MacArthur. Embtel 1699 and Deptel 1318.¹ Before recommending that we accept minute on treaty review, we had of course carefully considered the background and all aspects of this problem including the points raised in your message. You will recall that when I discussed treaty duration with Secretary Dulles in September 1958 the original idea was that the

Source: Department of State, Central Files, 794.5/12-359. Confidential; Limit Distribution; No Distribution Outside Department.

¹Documents 110 and 111.

treaty duration should be the same as in our other security treaties in the Pacific. That is, the treaty would remain in force indefinitely but any party might withdraw at any time after one year's notice. Subsequently when I discussed this with members of the JCS and their representatives they strongly urged that we seek a minimum ten-year duration so that they could have a long-term plan and also be able to budget in an orderly manner for our important bases in Japan. Secretary Dulles concurred in this. However, in our discussions of this matter it was understood that if the Japanese should insist on the same duration provision as in all our other Pacific treaties and make an issue of it we would have no course but to agree to a one-year notification period. At no time was a 10-year duration considered essential quid pro quo for US commitment. I was able actually however to obtain an 11-year duration period in course our negotiations here. Furthermore as I discussed duration with Kishi, Fujiyama and other LDP leaders and explained to them the desirability from Japan's viewpoint for a longer period than provided in our other Pacific treaties they came to agree that the 11-year period was appropriate.

In the absence of unpredictable developments our considered and best judgment is that once the treaty is ratified there is no conservative government in sight which would challenge the duration provision of the treaty. Furthermore and in the absence of unpredictable developments it seems doubtful that any conservative leader would be able to muster a majority of the conservative party behind such a proposal for Kishi, Fujiyama, Ikeda, Sato, Kaya, Yoshida, Funada and others with whom I have talked strongly favor the ten and one provision in the treaty. With respect to Kono we must recognize that whether or not there is a minute he is always capable of trying to reopen the duration question if he saw prospect of making a quick buck.

In our judgment points made reference telegram will not be persuasive to GOJ. The point that our other security treaties in the Far East have no comparable provision is not relevant because those treaties may be denounced at any time on one year's notice. If we were willing to have a one-year duration period with the Japanese there would be no purpose in a treaty review at the request of either party. With respect to the NATO treaty Article XII provides a review in the last ten years of the treaty or at any time from 1959 on within next ten years. Since new treaty is for ten years it is the view of Kishi that a minute re review is appropriate in comparison with the provision in the NATO treaty. With respect to the comment that a minute providing for review represents an open invitation for reopening the treaty to every new Japanese Government in the event differences arise between US and Japan, it goes without saying that if serious major difficulties arise between us, or if kind of Japanese Government which will compromise with Communists gains

office, our security relationship will indeed be in jeopardy. This would be true whether or not there is a minute providing for reviewing the treaty and its related arrangements, and it is equally true under Article IV of treaty with the wrong kind of Japanese Government. Panama is an example of what can happen despite texts or provisions of treaties.

I disagree that we will encounter serious Congressional objection to a minute providing for review of the treaty, for as the Senate Foreign Relations Committee has been the first to recognize, any party to an international treaty can ask for consultations for the purpose of reviewing any of its pertinent aspects whenever it so desires. In its June 6, 1949 report on NATO, Article 12, Senate Committee Foreign Relations noted, as you will recall, that even before ten years earlier review would be possible by unanimous consent of signatories, and observed that interest of US would be amply protected by requirement for Senatorial advice and consent on any proposed amendments.

I would like to emphasize that Kishi is going to have a major battle on his hands to get the treaty ratified and to rally support of all his factions and public opinion. He may or may not be obliged to fight an election on treaty issue. We can help him or make his task much more difficult. He has taken over the handling of our talks from Fujiyama and all proposals are now coming directly from Kishi. It is wholly in keeping with era of partnership and equality and greatly in our own interest to do what we can to make treaty ratification smoother because if the treaty fails of ratification we cannot simply go back to the status-quo ante for then our entire present security relationship with Japan will be in great jeopardy. We can of course tell Kishi we refuse to join in an agreed minute with him. In such event I believe he would feel he must make some unilateral statement in the Diet on the subject.

I again urge that we agree to a minute with Kishi. If the minute which he proposed to us does not seem satisfactory we could initially try out an alternative which would be based on so-called Bohlen-Serrano formula of October 13.² Kishi might not find such alternative acceptable in which event we could try combining it with Kishi's original proposal.

Following is draft alternative.

² During U.S.-Philippine base negotiations, the formula agreed to Ambassador Bohlen and Philippine Foreign Minister Serrano was: "that nothing in the agreement prejudices the inherent right of either Government to raise with the other in appropriate circumstances any question of particular interest to it." See the memorandum by Mein, January 27, 1960, in vol. XV, pp. 946-957.

“Japanese Plenipotentiary: While the treaty of mutual cooperation and security is of indefinite duration, no provision was made for reviewing the treaty and its related arrangements. Nothing in these agreements would prejudice the inherent right of either government to raise with the other in appropriate circumstances any questions of particular interest to it.

United States Plenipotentiary: The United States Government is of the same opinion.”

MacArthur

114. Telegram From the Department of State to the Embassy in Japan

Washington, December 9, 1959, 10:02 p.m.

1402. From the Secretary for MacArthur. I have thoroughly considered Japanese proposed minute on treaty review in light of strong case you have made for its acceptance. I readily recognize desirability of giving Kishi maximum assistance in securing treaty ratification and according Japan fully equal treatment to our other allies. I also am confident Kishi would not personally use treaty review provision. Nevertheless, it would in my judgment be a mistake to sign formal treaty review agreement with Japanese Government.

There is no exact precedent in our post-war security treaty system for Japanese proposal. NATO Article 12 was provision, coinciding with ten year review of UN Charter, designed to take into account need for flexibility and processes of peaceful change but only after treaty had ten years to become stable and source of confidence. While Senate recognized possibility of review prior to 10 years, review under these circumstances by “unanimous consent” rather than request of a party. Bohlen Serrano agreement also not precedent since it relates to 25 year base agreement rather than treaty and Japan Administrative Agreement already has comparable provision for review.

Source: Department of State, Central Files, 794.5/12–959. Secret; Limit Distribution. Drafted by Sneider on December 5; cleared with S/S, H, M, and L; and approved by Herter.

Lack of precedent however is not impossible barrier to overcome were it not for political considerations arguing against Japanese proposal. Basically, we fear treaty review provision would create impression both here and in Japan that GOJ actually wishes reopen treaty even though we are confident this is not Kishi's intention. It would confuse public opinion which would feel some special meaning behind provision and would invite continuing agitation from some elements now opposing treaty. I am most anxious, on contrary, to create impression in US as well as Japan of long-term durable ties between us. We had always considered this was major underlying objective of both Kishi and ourselves in new treaty and that Kishi was prepared to fight for treaty on issue of whether Japan should align itself with US. At best, treaty review provision will comfort those arguing for a less permanent commitment to us. I fear that in future years its intent as gesture to secure ratification could become increasingly clouded and provision will encourage opportunist elements to undercut our treaty ties whereas clear cut duration provision will discourage such future efforts.

Clearly, if new treaty should become no longer viable—although I trust this will not occur, GOJ not only has inherent right to request treaty review but can resort to provisions for consultation in Article IV as well as UN aspect of termination provisions in Article X.

I hope that Prime Minister Kishi could perhaps answer criticism of the treaty on this basis and recognize advantages in avoiding a specific agreement on treaty review which would confuse our public and could tempt mischievous elements in both countries to undermine the firm long-term friendship we both desire.

I would appreciate your speaking personally to Kishi of our objections to his proposal on treaty review on such grounds as you consider will be most convincing to him. You should affirm at same time our continued desire to strengthen his prospects for securing ratification wherever prudently feasible.

Herter

115. **Telegram 45 From the Embassy in the United Kingdom to the Embassy in Japan**

London, December 12, 1959, 1 p.m.

[Source: Department of State, Central Files. 794.5/12-1259. Secret; Niact; Limit Distribution. 3 pages of source text not declassified.]

116. Telegram From the Embassy in Japan to the Department of State

Tokyo, December 13, 1959, 1 p.m.

1863. CINCPAC exclusive for POLAD and Admiral Felt for information. COMUS/Japan exclusive for General Burns for information. Embassy telegram 1857; repeated for information CINCPAC 267 and COMUS/Japan 184.¹ All papers today, both Japanese and English language, prominently feature Acheson–Yoshida problem and FonMin Fujiyama's testimony at upper house of Diet yesterday replying to questioning on published reports from Washington that there would be no need for US–Japan consultation if US troops based in Japan were used for operations in Korea. Socialists and pro-Communist elements have eagerly taken up issue, and will obviously do their utmost to exploit it. Socialist Party has called extraordinary meeting for today (Sunday), charging government with secret diplomacy and granting US right to use its troops in Japan freely anywhere in Far East under name UN forces. More serious, of course, is effect of issue on LDP and its factional rivalries which below surface are ever ready to erupt.

Fujiyama tried yesterday to quiet storm at upper house but his efforts were neither particularly effective nor persuasive owing to: 1) his limited skill in Diet debate; 2) nature of unresolved confidential discussions with US; and 3) fact that no govt can admit publicly that without even consultation, let alone agreement, it will permit use of its territory for combat operations in which a third state but not itself may be involved. Questions to which he was subjected have already opened up: 1) "definition of Far East", 2) "consultation and agreement", and 3) command relationships involved in difference between "US forces in Japan" and "US forces acting as UN forces". With Diet session extended to December 27 such interpellations will extend over next two weeks.

Meanwhile, new and unbelievably inept news stories from Washington² have served to stoke these fires with reports that "US officials still do not discount completely last minute obstacles" or "late-developing problem which could call for further negotiation on a high diplomatic level." Particularly unhelpful AP story continued that "one

Source: Department of State, Central Files, 794.5/12–1359. Confidential; Priority; Limit Distribution. Repeated to CINCPAC and COMUS/Japan.

¹ Telegram 1857 from Tokyo, December 12, described the effect of an AP story dated in Washington, December 10, on the Acheson–Yoshida notes problem. (*Ibid.*, 794.5/12–1259)

² The Department replied, in telegram 1439 to Tokyo, December 14, that the source of press reports was not the Department, but might have been the Japanese Embassy in Washington. (*Ibid.*, 794.5/12–1459)

official in close touch with the matter" said that "if traditional pattern is followed, signing will be accomplished by exchange of notes between the two powers. This might include a special protocol providing that there would be no need for consultation in case flare-up in Korea should require the use of US troops there."

[1 paragraph (7 lines of source text) not declassified]

MacArthur

117. **Telegram From the Embassy in Japan to the Department of State**

Tokyo, December 14, 1959, 6 p.m.

1864. CINCPAC exclusive for Admiral Felt and POLAD. COMUS/Japan exclusive for General Burns. Deptel 1402.¹ Treaty Review.

I put very hard to Fujiyama and Yamada reasons why we felt it extremely unwise to have an agreed minute on Treaty Review. I said I would be asking to see Kishi on this problem to explain my own strong personal apprehension re agreed minute. In the meantime I hoped he would inform Kishi promptly of my view.

Last evening Yamada asked to see me urgently. He had just come from long meeting with Kishi and said Kishi will agree to dropping proposal for agreed minute. Also Kishi will agree not to volunteer a public statement on this problem. However when this question is raised in intra-LDP discussions he will take following line which he would also take if he is pressed publicly on matter:

"While the Treaty of mutual cooperation and security is of indefinite duration the period after which either party may give notice for termination has been fixed at ten years. No explicit provision was made for reviewing the Treaty because in the agreed opinion of the two governments stability is a very important factor in the security relationship between the two countries. Obviously, the two parties would consult

Source: Department of State, Central Files, 794.5/12-1459. Secret; Limit Distribution; Repeated to CINCPAC and COMUS/Japan.

¹ Document 114.

together for the purpose of reviewing any aspect of the Treaty in case there have developed important changes in the factors affecting peace and security in the Far East.”

I asked Yamada to express our appreciation to Kishi and said I would inform Washington that Kishi’s constructive attitude would seem to have disposed of this problem. I consider this matter as now closed unless Department has other views.

MacArthur

118. Telegram From the Embassy in Japan to the Department of State

Tokyo, December 14, 1959, 7 p.m.

1865. CINCPAC exclusive for Admiral Felt and POLAD. COMUS/Japan exclusive for General Burns. Embtels 1241,¹ 1777,² and 1864;³ Dep-tel 1217, para 1.⁴ Consultation formula.

In my talk with Yamada last evening (Embtel 1864) he said in strictest confidence that in view of my strong opposition to any formula on “consultation” which contained the word “agreement” Japanese are having extremely difficult time to come up with language for an agreed minute. He said this problem is at the very heart of the revision of the treaty for if public impression in Japan is created that we would without Japanese consent introduce nuclear weapons into Japan or use our forces and bases here to initiate combat operations in hostilities in which we but not Japan are engaged there will be immediate defections in LDP, collapse of Kishi government and treaty will be defeated in Diet on

Source: Department of State, Central Files, 794.5/12–1459. Secret; Limit Distribution. Repeated to CINCPAC and COMUS/Japan.

¹ Document 101.

² Telegram 1777 from Tokyo, December 6, discussed Article XI of the Administrative Agreement and reported that Kishi had taken personal charge of the remaining unagreed items in the Administrative Agreement as well as other matters related to the treaty. (Department of State, Central Files, 611.94/12–659)

³ Document 117.

⁴ Document 104.

this issue with all the consequences to Japanese-American relations that would obviously stem therefrom.

With this in mind some elements within GOJ are now thinking that this is a problem which Kishi should discuss with the President. (There have been a number of suggestions to this effect in press.) Their view is that Kishi would then be in a position publicly to take line that he had discussed the consultation matter with the President and latter had assured him that US Govt had no intention of acting with respect to matters covered in the consultation formula against the will of the Japanese Govt. I gathered Yamada believes the President's prestige is so great that this would enable Kishi to keep Miki and other leaders of LDP in line and at the same time such a procedure would not involve an agreed minute or use of word "agreement" which he understood from me would create serious difficulties for us in some of our security arrangements with other countries. I told Yamada I would pass foregoing on to Dept making clear it was not yet a formal proposal, but had been told me informally and personally in strictest confidence.

There is no question whatsoever that consultation formula, as Yamada says, is at very heart of treaty revision problem for Kishi. Furthermore, there is no way to prevent Kishi from discussing it with the President if he wishes to do so. However, if Kishi puts above proposal formally to us, it seems to me that if we can develop some appropriate language for Kishi to use after his meeting with the President, we might have acceptable solution to this very difficult problem. If we are able to respond affirmatively it would seem preferable to proceed to reach agreement on some appropriate language with the Japanese before Kishi departs for Washington. The alternative which to me seems less desirable would be to wait until Kishi sees the President and then try to work out agreed language.

MacArthur

119. Telegram 1880 From the Embassy in Japan to the Department of State

Tokyo, December 15, 1959, 8 p.m.

[Source: Department of State, Central Files, 794.5/12-1559. Secret; Priority; Limit Distribution. 2 pages of source text not declassified.]

120. Telegram From the Department of State to the Embassy in Japan

Washington, December 18, 1959, 7:46 p.m.

1480. Tokyo's 1865.¹ Appreciate your efforts avoid agreed minute on consultation formula. Unilateral statement by Kishi following talk with President as proposed in reftel appears best approach, providing text Kishi statement worked out before Kishi departs.

Along lines set forth reftel we would propose brief statement as follows:

"Prime Minister Kishi stated that he had discussed the problem of consultation with the President under the new treaty arrangements. The President had assured him that the US Govt had no intention of acting with respect to the matters involving consultation in a manner contrary to the wishes of the Japanese Government."

Above intended to be generally consistent with our interpretation of consultation formula as set forth Deptel 1217² but avoids direct reference to "agreement."

If above approach acceptable to GOJ, we will seek approval here. Defense concurs.

Dillon

Source: Department of State, Central Files, 794.5/12-1459. Confidential; Priority; Limit Distribution. Drafted by Sneider on December 17; cleared with S/S, L/FE, and OSD/ISA; and approved by Parsons. Repeated to CINCPAC and COMUS/Japan.

¹ Document 118.

² Document 104.

121. Telegram 1945 From the Embassy in Japan to the Department of State

Tokyo, December 19, 1959, 4 p.m.

[Source: Department of State, Central Files, 794.5/12-1959. Confidential; Limit Distribution. 3 pages of source text not declassified.]

122. Telegram 1946 From the Embassy in Japan to the Department of State

Tokyo, December 19, 1959, 4 p.m.

[Source: Department of State, Central Files, 794.5/12-1959. Confidential; Priority; Limit Distribution. 2 pages of source text not declassified.]

123. Telegram From the Department of State to the Embassy in Japan

Washington, December 20, 1959, 1:20 p.m.

1487. Embtel 1607,¹ Secto 31,² Embtel 1956.³ Following draft instructions referred to in Secto 31. Inform GOJ proposed minute (B) on Article III islands acceptable with following changes:

1. Rephrase opening clause of first sentence Japanese statement "While the question of the status of the islands administered by the United States under Article III of the Treaty of Peace with Japan has not been made a subject of discussion . . ." ⁴ *Comment:* Believe this language less awkward than Japanese formulation.

2. In Japanese statement delete "and the islanders are Japanese." *Comment:* This expression not entirely accurate since some residents

Source: Department of State, Central Files, 794.5/12-2059. Secret; Niact; Limit Distribution. Drafted by Sneider on December 10, cleared with L/FE in draft and by the Department of Defense as set forth in Secto 31, and approved by Parsons. Repeated to CINCPAC exclusive for POLAD and Admiral Felt, COMUS/Japan exclusive for General Burns, and Naha exclusive for General Booth and Blankenship.

¹ Document 106.

² Secto 31 from Paris, December 19, contained the view of Herter and Gates that they preferred to have no minute on or any reference to Article III islands, but that if MacArthur believed that "such exchange virtually essential to ratification prospect, then it was agreed that he could accept minute and United States reply as amended in Department's draft cable of instructions of December 10." (Department of State, Central Files, 749C.0221/12-1959)

³ Telegram 1956 from Tokyo, December 20, urged the Department to send the instructions mentioned in Secto 31. (*Ibid.*, 794.5/12-2059) See Supplement.

⁴ All ellipses are in the source text.

these islands not of Japanese ancestry or even Japanese nationals. Furthermore this clause superfluous in light preceding clause expressing Japanese concern re safety "people of these islands."

3. Reword second clause US statement as follows: "intends to take the necessary measures for the defense of these islands and to do . . . etc." *Comment:* This language more closely parallels Japanese statement and is less likely to be construed as US commitment to Japan to defend islands.

Dillon

124. Telegram From the Embassy in Japan to the Department of State

Tokyo, December 22, 1959, 1 p.m.

1976. CINCPAC exclusive for Admiral Felt and POLAD for info. COMUS/Japan exclusive for General Burns for info. For the Secretary. Consultation. Deptel 1480 and Embtel 1865.¹

I met privately with Fujiyama and conveyed to him constructive and very helpful position set forth in reftel re consultation. Fujiyama said he appreciated our efforts to be helpful and would put our proposal to Kishi at once. After seeing Kishi Fujiyama informed me as follows re Kishi's reactions:

Kishi appreciates greatly our efforts to help him with consultation formula which he believes is "key" to successful Diet ratification. He understands why it is not feasible for us to use phrase "agreement" in consultation formula although this would help him greatly with public, press and Conservative party opinion. Also he will not press for an "agreed minute." He feels that language along lines of that in reftel will meet his problem if it could be incorporated in joint communiqué which he and President will issue at conclusion of their meeting on January 19th. He observed that he will be expected to discuss with President

Source: Department of State, Central Files, 794.5/12-2259. Confidential; Priority; Limit Distribution. Repeated to CINCPAC and COMUS/Japan.

¹ Documents 120 and 118.

"consultation" which is a matter of vital importance to Japanese and I gather he feels that his position will be infinitely stronger if proposals in reftel are included in communiqué. He does not believe it will be understood in Japan if nothing is said about it in communiqué. He asked specifically that the President and you be informed as to the great importance he attaches to having language along lines of reftel in communiqué and how much it will help him in his efforts firmly to consolidate Japanese opinion behind new treaty. I told Fujiyama I would transmit Kishi's message to the President and you at once.

In view Kishi's request suggest this message and reftels might be passed to White House. I concur that it would greatly strengthen Kishi to have language along lines of reftel in joint communiqué and I don't think we lose anything of substance by such inclusion.

MacArthur

125. **Telegram From the Embassy in Japan to the Department of State**

Tokyo, December 22, 1959, 6 p.m.

1979. CINCPAC exclusive for Admiral Felt and POLAD. COMUS/Japan exclusive for General Burns. Naha exclusive for General Booth and Blankinship. Embtel 1956 and Deptel 1487.¹ Since Fujiyama has been continuously pressing me for a response to Japanese draft given me on November 19 (Embtel 1607)² saying Kishi feels some expression of Japanese interest in welfare of Ryukyuan is essential in connection with treaty revision, I put proposals contained in Deptel 1487 to him. In so doing I said we preferred no such minute or reference to islands but if Kishi still felt it essential we would be willing to go along on basis of proposal I was putting to him. Fujiyama expressed appreciation and said he would refer our proposal to Kishi at once.

Source: Department of State, Central Files, 794.5/12-2259. Secret; Priority; Limit Distribution. Repeated to CINCPAC, COMUS/Japan, and Naha.

¹ Document 123 and footnote 3 thereto.

² Document 106.

Kishi sent me word this morning that it was essential to GOJ to have some public reference to future well-being of Ryukyuan inhabitants since the Ryukyus were not in treaty area. He appreciated very much our efforts to meet this problem and wanted us to know that the changes we had proposed in draft statement (Deptel 1487) were agreeable. However in view difficulty agreed minute appeared present for us, they were now considering whether or not to propose that substance of statement be included in joint official communiqué for issuance after Kishi's meeting with President. They would inform us of their preferences in next day or so but wished us to know that on their part substance of statement is now agreed. Question they wished to hold open was whether form of statement should be as agreed minute or as part official communiqué.

MacArthur

126. Telegram From the Embassy in Japan to the Department of State

Tokyo, December 22, 1959, 6 p.m.

1982. CINCPAC exclusive for Adm Felt and POLAD. COMUS/Japan exclusive for Gen Burns. Embtels 1607, 1623¹ and Deptel 1328.² Indirect aggression. Following receipt of Deptel 1328 I explained to Fujiyama at length why we would not wish to tie proposed agreed minute on indirect aggression to language of Article V. I gave him language ref tel making point that if Japanese wished, minute could refer to Article IV or VI of new treaty. I said however that we could not accept language referring to Article V, and if this were indispensable in Japanese view, we would perhaps do better not to make any public reference to matter, since even without minute we would be prepared on request of GOJ to assist Japan to meet indirect aggression by such measures as both governments deemed appropriate.

I asked Fujiyama to consult with Kishi and let me know latter's views.

Source: Department of State, Central Files, 794.5/12-2259. Secret; Priority; Limit Distribution. Repeated to CINCPAC and COMUS/Japan.

¹ Document 106 and footnote 2 thereto.

² Document 112.

Fujiyama has just told me that he and Kishi have had long series discussion this problem. Kishi is faced with dilemma. On one hand Kaya and certain other LDP leaders who fear possibility of Communist insurrection strongly want an agreed minute for its deterrent effect on Communists. On other hand unless such agreed minute is tied to Article V it might be construed in Diet discussions as simply re-introducing Article I of present treaty re internal riots and disturbances. Kishi has publicly announced such provisions would not be included in new treaty and his announcement has been well received by press and public.

Fujiyama said with foregoing in mind they had carefully considered our new draft and had on balance concluded that advantages favor some specific statement re indirect aggression. They had concluded they could meet their requirements without reference to Article V, but they would like a somewhat shorter version than we had proposed. They had not completely decided however whether form of such statement should be as agreed minute, or as paragraph in possible joint official communiqué to be issued after Kishi's meeting with the President. In either event, they would wish know whether substance of their proposed statement re indirect aggression as set forth below is agreeable with us. Fujiyama emphasized however that they still had not determined form:

Begin verbatim text.

"Japanese plenipotentiary:

"The security of a country could be jeopardized by indirect aggression as well as by an overt attack. If the two governments considered that such indirect aggression had occurred against Japan, the Japanese Govt understands that the United States would be prepared, upon the request of the Japanese Government, to assist Japan to meet this indirect aggression by taking such measures as might be deemed appropriate by both governments.

"United States plenipotentiary:

"Under the circumstances you have set forth, the United States would be prepared upon the request of the Japanese Government to assist Japan to meet this indirect aggression by taking such measures as may be deemed appropriate by both governments."

End verbatim text

Comment: I told Fujiyama that I would forward their revised draft to Department making clear that question of form was not yet determined. I felt that substance met basic requirements from both US and Japanese points of view and that I would urgently request Washington's views as to form of statement.

127. Telegram From the Department of State to the Embassy in Japan

Washington, December 22, 1959, 8:31 p.m.

1510. For Ambassador from Parsons. Embtels 1976, 1979, 1982.¹ Entirely appreciate Kishi's desire for possible inclusion in communiqué of references to consultation formula, Article III Islands and indirect aggression. We seeking agreement here to this step. However, there is very strong preference here as set forth Deptel 1496 to avoid inclusion in communiqué of any specific provisions relating to treaty arrangements.² Even if above three matters not included in communiqué they will become public at time treaty signing and we foresee that treaty and related arrangements will have equal if not greater publicity than communiqué. Furthermore agreed minutes will have greater status as formally signed government arrangements than communiqué.

I am also particularly concerned with problem obtaining Defense clearance on Article III reference in communiqué, in view past difficulties this matter and necessity to have differences resolved personally by Secretary. In any event we will not be willing include any above specific provisions relating to treaty unless exact language is agreed to well in advance and frozen. We are not prepared to negotiate language of communiqué with respect above matters during Kishi's visit here.

Dillon

Source: Department of State, Central Files, 794.5/12-2259. Confidential; Priority; No Distribution Outside Department; Limit Distribution.

¹ Documents 124–126.

² Telegram 1496 to Tokyo, December 21, expressed the view on the joint communiqué for the Kishi visit that the Department preferred to focus on broad U.S.-Japanese relations and avoid details. (Department of State, Central Files, 033.9411/12-1959)

128. Telegram From the Embassy in Japan to the Department of State

Tokyo, December 24, 1959, 3 p.m.

2019. For Asst Secy Parsons from MacArthur. Communiqué. Deptel 1510.¹ I had a long and good meeting with Fujiyama yesterday and was also in touch with Kishi re possible inclusion in communiqué of references to consultation formula, Article III islands and indirect aggression. I let them know very frankly I thought they would be creating problems which would not be conducive to best atmosphere for their visit to Washington, if they insisted on inclusion these items in communiqué.

As result foregoing, they have informed me this morning as follows:

(1) They agree to have Article III islands in agreed minute as proposed in Deptel 1487² and will not ask for reference to Article III islands to be included in communiqué. This would seem to dispose of this problem on basis of our desires.

(2) Re indirect aggression, they also will not insist on inclusion if such reference in communiqué. Fujiyama inquires whether we will accept formulation in agreed minute set forth in Embtel 1982.³ Kishi now plans to handle this matter either by such an agreed minute, or by a unilateral statement or by simply saying nothing, although he has not yet decided which course to follow.⁴

(3) Re consultation formula, Kishi feels he must insist that this be included in the communiqué. For as he has pointed out in the past (Embtel 1976)⁵ he believes this is "key" to successful Diet ratification. While he is still studying proposal we put to him in Deptel 1480⁶ he in principle feels language along these lines will meet problem. He points out that while we will lose nothing by including statement on consultation in communiqué along lines our proposal which authorizes him to attribute remarks to the President, it will be of the greatest possible help to him in his effort to get the treaty ratified.

Source: Department of State, Central Files, 749.5/12-2459. Confidential; Priority; Limit Distribution.

¹ Document 127.

² Document 123. The final text of the agreed minute on Article III territories is in an unnumbered telegram to the High Commissioner in Okinawa, January 15, 1960. (Department of State, Central Files, 611.947/1-1560) It is printed in 11 UST (p. 2) 1645-1646.

³ Document 126.

⁴ The Japanese Government decided to make no mention of indirect aggression. (Telegram 2145 from Tokyo, January 6, 1960; Department of State, Central Files, 611.947/1-660)

⁵ Document 124.

⁶ Document 120.

Comment: It seems to me that the above undertaking by Kishi meets our requirements in every material respect and I hope most earnestly that we can agree to inclusion of reference to consultation in communiqué⁷ as this more than anything else will strengthen hand of Kishi and all our friends in Japan, whereas it literally costs us nothing.

I have also made clear to both Kishi and Fujiyama that all matters involving security treaty and related agreements, including references to them in communiqué, must be tidied up and fully agreed before my departure January 9 and preferably by end of year. They are both in full accord. Merry Christmas.

MacArthur

⁷ After further discussion, it was agreed that consultation would be mentioned in the joint communiqué. Its final text was agreed to on January 15, 1960, just before Kishi's departure for the United States. (Telegram 1709 to Tokyo, January 15, 1960; Department of State, Central Files, 611.947/1-1560)

129. Memorandum From the Deputy Assistant Secretary of State for Far Eastern Affairs (Steeves) to Secretary of State Herter

Washington, December 26, 1959.

SUBJECT

Status of US-Japan Treaty Negotiations

The treaty negotiations have made considerable progress over the past few weeks but there remain a few issues to resolve. As a result of your conversations with Secretary Gates, both the Korea problem and the agreed minute on the Ryukyu and Bonin Islands have been resolved. The Japanese agreed to the deletion of two of the three crucial words objected to by the Defense Department in the Security Consultative Committee action on Korea, including the one point you and Secretary Gates insisted upon having deleted. They also accepted our language on the Ryukyu minute. In addition, almost all the Administrative Agreement problems have been worked out.

Source: Department of State, Central Files, 794.5/12-2659. Confidential. Drafted by Sneider.

The remaining outstanding issues are:

1. *Consultation Interpretation*

The Japanese have long considered crucial a public indication that under the new consultation agreement, we will not ignore the views of the Japanese Government. While we have resisted any specific public reference to the need for Japanese "agreement", we had agreed to a proposal that Prime Minister Kishi state after his meeting with the President that: "Prime Minister Kishi stated that he had discussed the problem of consultation with the President under the new treaty arrangements. The President had assured him that the U.S. Government had no intention of acting with respect to the matters involving consultation in a manner contrary to the wishes of the Japanese Government." This language has been accepted by the Japanese. Prime Minister Kishi considers it essential to Diet ratification that this language be included in the communiqué to be issued after his meeting with the President. The questions of U.S. introduction of nuclear weapons and use of Japanese bases in the event of hostilities elsewhere in the Far East have been the subject of prolonged Diet debate for some years. From a political viewpoint, we would agree that it is most important for Kishi to have included in the communiqué, rather than as a unilateral statement by him, the President's assurances that our agreement to consult on these matters is not a pro-forma exercise. (The reference messages are attached.)¹

2. *Indirect Aggression*

The Japanese have proposed an agreed minute indicating that we would consult together for the purpose of considering appropriate assistance to Japan in the event of "indirect aggression" against Japan. We have agreed to this proposal but our proposed language has not yet been accepted by Japan.²

3. *Customs Examination*

The Japanese have proposed that they be given the right to inspect PX goods and other imports brought in by our forces for the personal, rather than official, use of our forces. We have agreed to a public note granting Japan this right on the condition that they agree privately to exercise the right only in exceptional cases of suspicion. Our counter-proposal disappointed the Japanese who hoped to receive exactly the same treatment given the Germans on customs examination but they are examining it.

¹ Not found attached to the source text.

² See footnote 4, Document 128.

4. *Labor Problems*

After indicating that it appeared impossible to resolve several outstanding labor difficulties in the current negotiations, the Japanese have made a last minute proposal for certain revisions in the Administrative Agreement which would solve the two labor questions still outstanding—the handling of security discharges and the status of Japanese employees of our non-appropriated fund activities. Their proposals follow generally along the lines of our proposed handling of these matters several months ago. However, there is strong opposition to the Japanese proposals from CINCPAC and Comus/Japan who have never agreed with the State–Defense position on labor questions. While the Japanese proposal is belated, it is generally a reasonable proposal and one that will permit us to avoid serious labor difficulties in subsequent years.³

³See Document 130.

130. Editorial Note

Agreements on customs examination, labor problems, and other issues relating to the administrative agreement were reached by January 13, 1960. (Telegram 1680 to Tokyo, January 13; Department of State, Central Files, 611.94/1–1060) Final texts of the security treaty, administrative agreement, agreed minutes, and notes were ready on January 14, 1960. (Telegram 1691 to Tokyo, January 14; *ibid.*, 611.947/1–1460)

The Treaty of Mutual Cooperation and Security, the Agreement under Article VI of the Treaty of Mutual Cooperation and Security on Facilities and Areas and the Status of United States Armed Forces in Japan, the agreed minute on Article III islands, and the interpretive minutes on the administrative agreement were signed at the White House on January 19, 1960. An exchange of notes on the consultation formula, and notes on the continued validity of the Acheson–Yoshida Exchange of Notes were signed in advance but exchanged during the White House ceremony the same day. For texts, see 11 UST (pt. 2) 1632.

[*text not declassified*]

131. Record of Discussion Prepared by the Embassy in Japan

Tokyo, January 6, 1960.

[Source: Department of State, Files of the Office of the Legal Adviser. Confidential. 4 pages of source text including a 2-page attachment not declassified.]

132. Memorandum of Conversation

Washington, January 19, 1960, 10-11:40 a.m.

SUBJECT

U.S.-Japanese Relations

PARTICIPANTS

The President
Prime Minister Kishi

ALSO PRESENT

Foreign Minister Fujiyama
Ambassador Koichiro Asakai
Mr. Haruki Mori
Mr. Toshiro Shimanouchi

The Secretary
Ambassador MacArthur
Assistant Secretary Parsons
Mr. James J. Wickel, Interpreter

The President and the Prime Minister briefly discussed the progress that had been made in U.S.-Japanese relations since the Prime Minister's visit in 1957. The President expressed pleasure that many of the problems discussed during the 1957 visit had been solved or at least progress made towards their solution. The Prime Minister agreed and

Source: Eisenhower Library, Whitman File, DDE Diaries. Secret; Limit Distribution. Drafted by Parsons. The meeting was held at the White House. Herter met with Eisenhower on January 18 to discuss potential topics in this conversation. (Memorandum of conference with the President by Goodpaster; *ibid.*) See Supplement. See also Documents 133-138.

expressed pleasure at the increasingly close cooperation between the two countries and the energetic efforts to settle differences to the mutual benefit of both countries.

The President and the Prime Minister also discussed Japanese-American trade relations. The Prime Minister noted the rapid increase in trade between the two countries and said that his administration was developing a program to relax dollar restrictions in order to have a more healthy economic development. The President expressed appreciation for the Prime Minister's understanding of the difficulties in the United States on such trade problems as textiles and stainless steel flatware.¹ He said that Japanese control of exports to the U.S. in these areas was very helpful in reducing demands for high protective tariffs. He hoped that future problems, which might be unavoidable, could be worked out in the same spirit of cooperation.

The President raised the question of the settlement of the GARIOA claims and indicated that any settlement between the United States proposal of \$643 million and the Japanese proposal of \$550 million would be acceptable to him. He urged an early settlement so that the issue could not be exploited by politicians in either country to the detriment of U.S.-Japanese relations. The Prime Minister said he would discuss GARIOA with Secretary Herter.

The President finally assured the Prime Minister that the United States intends to consult with Japan under the new treaty fully, completely, and as equals. [1 line of source text not declassified]

¹ See footnote 2, Document 94.

133. Memorandum of Conversation

Washington, January 19, 1960, 10-11:40 a.m.

SUBJECT

Japanese Domestic Political Situation

PARTICIPANTS

[Here follows the same list as Document 132.]

The Prime Minister briefly reviewed the domestic political situation in Japan. He said that his party had the full support from the

Source: Eisenhower Library, Whitman File, DDE Diaries. Secret; Limit Distribution. Drafted by Parsons. See also Documents 132 and 134-138.

Japanese public during the recent elections. However, leftists and Communist subversive elements in Japan and the Sino-Soviet bloc are attempting to neutralize Japan and separate it from the United States. The President inquired as to the strength of the left-wing opposition. The Prime Minister replied that his Liberal Democratic Party holds almost two-thirds of the Diet seats and the opposition is not a dominant or even great element. He noted that the Sino-Soviet propaganda is currently based on two themes, the dominant theme pointing to the "thaw" in East-West relations particularly since Khrushchev's visit to Washington and claiming that the new treaty puts Japan in opposition to this trend. The Prime Minister felt that the Japanese people approve this new treaty despite the left-wing opposition. The President noted the importance of the treaty. He also mentioned that the so-called "spirit of Camp David" was a term devised by Communist propagandists for their own purposes.

134. Memorandum of Conversation

Washington, January 19, 1960, 10-11:40 a.m.

SUBJECT

The President's Visit to Japan¹

PARTICIPANTS

[Here follows the same list as Document 132.]

The President informed Prime Minister Kishi that he had just learned of Soviet approval for travel arrangements on his forthcoming trip to the Soviet Union. These arrangements will permit him to visit Japan on his return from the Soviet Union. He said that he was delighted to be able to accept the Prime Minister's previous invitation to visit Japan.

Source: Eisenhower Library, Whitman File, DDE Diaries. Secret; Limit Distribution. Drafted by Parsons. See also Documents 132, 133, and 135-138.

¹ The President's visit to Japan scheduled for June 20 was announced on January 20. For text of the press release, see Department of State *Bulletin*, February 8, 1960, p. 181.

135. Memorandum of Conversation

Washington, January 19, 1960, 10-11:40 p.m.

SUBJECT

Summit Prospects and East-West Relations

PARTICIPANTS

[Here follows the same list as Document 132.]

Prime Minister Kishi said that the Japanese fully appreciated the President's effort to create an atmosphere conducive to the relaxation of world tensions. He expressed an interest in hearing the President's estimate of the prospects for the forthcoming Summit meeting. He pointed out that other problems in Asia, for example Communist China, would remain even if the European problems are settled. The President reviewed the main issues to be discussed at the Summit meeting. He said that the Soviet Union is still stubborn on German reunification. He said that Berlin is a very delicate issue since it is a show window of freedom deep inside East Germany. Khrushchev faces two alternatives in dealing with the Berlin question, eliminating West Berlin or making East Germany and East Berlin equally prosperous which is impractical. The President concluded that Berlin, therefore, is the greatest possible danger spot.

The President then explained that all efforts to reach agreement on a nuclear test ban had been thwarted by the Soviet Union which is determined to prevent effective inspection of its country. He reviewed for the Prime Minister the various western proposals for a nuclear test agreement which have not been accepted by the Soviet Union. The President also expressed doubts on the possibility for concluding an over-all disarmament agreement with the Soviet Union although he believes that the Soviet Union, due to the high cost of armaments, does want an agreement if it can be reached without harming its own interests.

The President mentioned several areas where there had been improvement in relations with the Soviet Union, the exchange of visits between American and Soviet groups and abandonment of jamming of the Voice of America. He recounted for the Prime Minister various instances demonstrating that the Soviet leaders, however, do not understand freedom as it is known in the west. The President concluded that Khrushchev's recent deportment provides grounds for being a little bit

more hopeful but the President was cautious regarding the prospect for any real progress at the first Summit meeting, although he felt that this meeting in itself should improve the atmosphere. In this connection, the President noted that Khrushchev must consider his own allies such as Communist China and indicated that Khrushchev might fear a strong Red China would challenge the U.S.S.R.

136. Memorandum of Conversation

Washington, January 19, 1960, 10-11:40 a.m.

SUBJECT

Communist China and Other Asian Problems

PARTICIPANTS

[Here follows the same list as Document 132.]

The President and Prime Minister discussed Communist China and other Asian problems. The President reaffirmed that there would be no change in United States policy toward Communist China as long as the Communist Chinese continued their present conduct. Furthermore, Communist China's entry into the UN would lead to such a strong public reaction in the United States that the UN might well be forced to leave the United States. The President said that, if the Chinese Communists changed their ways and took such actions as renouncing the use of force, releasing American prisoners and living up to their promises, then we would face a different problem. However, they have not indicated any intention of taking such actions at the present time and there is no need to consider a change in United States policy. The President also indicated that he realized Japan faced an even more difficult problem in Red China due to its geographical proximity to China. He assured the Prime Minister of his willingness to consult with Japan at any time on the question of Communist China.

The Prime Minister expressed appreciation for the President's assurances and declared that his administration and party have no inten-

tion of changing their policy on non-recognition of Communist China. He thought, however, that it was necessary to recognize that the Communists do exercise effective control over China, that we should not expect the collapse of Communist China and that Communist China is industrializing and making progress. The Prime Minister said that Japan also assumes the Sino-Soviet alliance will hold together despite reported differences between these two Communist powers.

The Prime Minister felt that these facts must be faced, particularly by Japan, because of its proximity and historical affinity to China. The Prime Minister also mentioned the neutralist pressures on his government for recognition. Nevertheless, he emphasized, the cornerstone of his policy is the relationship with the U.S. and this is why the government had entered into the new treaty. He concluded that, while Japan would not recognize Communist China, there might be contact with Communist China in non-political technical fields as well as a possible resumption of trade. The Prime Minister expressed a desire for the closest consultation with the United States on all Asian problems, such as Communist China and Korea, as well as on security matters.

The President agreed with the need for such close consultation. He referred, in this connection, to our efforts to keep the differences between Japan and the Republic of Korea from becoming unmanageable. He also expressed concern with the repercussions from a failure to consult closely, as was the case with the Japanese decision to repatriate Koreans in Japan to north Korea.¹

In the discussion of Asian problems, the Prime Minister referred to the difficulties faced by Indonesia due to its political instability and Sino-Soviet activities in that country. He mentioned Japanese reparation payments and other economic efforts to help develop Indonesia and hoped the United States and Japan would cooperate to prevent this country falling under the Communists. The President indicated the United States wished to consult on this area too, since we share the Japanese view.

¹ Under the terms of the Calcutta Agreement, signed on August 13, 1959, between the Red Cross Societies of Japan and the Democratic People's Republic of Korea, Korean residents in Japan who desired to go to North Korea were enabled to do so. Applicants were screened by the International Committee of the Red Cross. The first group of repatriates departed from Japan on December 14, 1959. The Republic of Korea objected to the agreement as well as to the repatriation activities. Documentation on this subject is in Department of States, Central File 294.9522. See also Document 142.

137. Memorandum of Conversation

Washington, January 19, 1960, 10-11:40 a.m.

SUBJECT

President Eisenhower's December Trip to the Near East, South Asia, Africa and Europe

PARTICIPANTS

[Here follows the same list as Document 132.]

At the request of Prime Minister Kishi, the President described his trip in December to South Asia and other countries.¹ He explained that the purpose of his trip was not to negotiate any agreement or treaty but to seek an improvement in the international atmosphere and convey to the peoples of the countries visited the deep desire of the United States for peace and our readiness to work and sacrifice for this objective. He hoped that the improved economic condition of the industrialized nations would permit them to work for improved conditions and a better living standard in those nations where it was obviously low.

The President said that nothing of great importance took place in Italy but he noted Italy's strong desire to participate in the top international councils. He found the new Pope² to be a very engaging personality. Regarding Turkey, the President particularly mentioned the great improvement in conditions there since his previous visit in 1952, the intense hatred of communism among the Turks and their desire for U.S. assistance.

The President said that he found the Pakistan leader, President Ayub Khan, an enlightened and intelligent person who is leading Pakistan toward freedom gradually, although democracy as it is known in the United States does not yet exist there. He also mentioned Ayub's desire to strengthen ties with India in order to face up to the Communist threat from the north rather than to continue their dispute over Kashmir. The President commented to the Prime Minister that Afghanistan is unbelievably poor and has received a tremendous amount of Soviet aid

Source: Eisenhower Library, Whitman File, DDE Diaries. Secret; Limit Distribution. Drafted by Parsons. See also Documents 132-136 and 138.

¹ From December 4 to 22, 1959, the President visited Italy, Turkey, Pakistan, Afghanistan, India, Iran, Greece, Tunisia, France, Spain, and Morocco. December 19-21, he was in Paris attending the meeting of heads of state and government with Prime Minister Macmillan of Great Britain, President de Gaulle of France, and Chancellor Adenauer of Germany, during which the upcoming summit meeting of May 15-19, 1960, was discussed.

² John XXIII, Pope from October 1958 to June 1963.

which, if continued at present levels, could result in this country becoming an economic dependent of the Soviet Union if not, indeed, a political dependent.

The President said that India faces great problems, the most important of which is to educate its 40,000,000 people in the techniques necessary to permit industrialization and improved agriculture. Prime Minister Nehru is not pessimistic regarding India's prospects but needs help, not only investment capital but technical assistance. In this connection, the President said that Prime Minister Nehru is most interested in Japanese industrial techniques with their relatively great utilization of manpower. The President discussed Mr. Nehru's concern, shared by Pakistan, regarding recent Chinese Communist incursions into Tibet and Indian border areas, whose objective Nehru feels is seeking to recover Chinese Communist prestige rather than threaten India directly. The President thought this was wishful thinking. The President thought that Iran was making progress, although there remains a great disparity between the wealthy few and the low standard of living of most Iranians. Discussing his visit to Tunisia, the President described President Bourguiba as the most dynamic and vocal Moslem leader and an excellent friend of the Free World.

The President also touched briefly on his visits to Greece, Spain and Morocco. Finally, he told the Prime Minister that, during his visit to France arrangements were made for the Summit meeting.

In summing up his trip, the President said the strongest impression he received was the great need in all the countries visited, except Italy, for investment capital and technical aid. The poverty of the countries visited stood out in bold relief, impressing him completely with the need for assistance. The President felt that all the industrialized nations must find a way to assist these countries and particularly a means to prevent duplication of aid which would be completely wasteful. He also mentioned that he was most encouraged by the fact that the peoples of the countries he visited, despite exposure to intensive Soviet propaganda, strongly desire freedom and do not wish to become slaves in a state where their every activity would be directed.

The Prime Minister thanked the President for the description of his trip which the Prime Minister felt had definitely contributed to an improvement in the international atmosphere.

138. Memorandum of Conversation

Washington, January 19, 1960, 10-11:40 a.m.

SUBJECT

Economic Development

PARTICIPANTS

[Here follows the same list as Document 132.]

Following the President's discussion of his December trip, the Prime Minister discussed the need for aid to under-developed areas. The Prime Minister agreed with the President that such aid was most important and significant and expressed the hope that Japan could cooperate with the United States in providing such aid as would promote peace and the welfare of the peoples of the Free World. The President agreed that the two countries should maintain periodic and constant consultation regarding aid to areas where they have special and common interests.

The President then discussed the particular need for assistance to Africa. He mentioned the concern of President de Gaulle regarding the proliferation of many new independent states in Africa which were not ready for independence. The President said that, if the Communists succeed in attracting these countries and other under-developed countries either by propaganda based on glittering promises or with a possibility of progress under a controlled economy, he feared that we might find ourselves faced with a hostile bloc of sixty nations in the UN. However, the spirit of nationalism cannot be stopped and this trend magnifies the importance of the problem facing Japan and the U.S. A common understanding and determination on the part of all nations, not just one or two, is, therefore, necessary. The President mentioned that he had discussed this problem with the top Western European leaders who, while professing to recognize the need for assistance, may not all be prepared to move ahead as progressively as necessary. He said that he was certain that the Prime Minister viewed this problem as seriously as did the United States. He noted, however, that the United States must spread its aid throughout the world.

The Prime Minister mentioned his conversations on the need for assistance to under-developed areas with European leaders on his visit to Europe last summer. He said that, at that time he had emphasized the

need for haste, otherwise the Communists would be given every opportunity to move in and exploit the situation. He was, therefore, completely in agreement with the views of the President and desired to cooperate with the United States in the provision of assistance to underdeveloped nations. The President noted that the United States is not only ready to consult on all matters of economic cooperation but is prepared to make any arrangements to expedite exchanges of people and experts between Japan and the United States.¹

¹ For text of the joint communiqué dated January 19, see Department of State *Bulletin*, February 8, 1960, pp. 179–181. Kishi paid a farewell call on Eisenhower on the afternoon of January 20, during which the two leaders discussed the timing of Eisenhower's visit to Japan. (Memorandum of conversation by Parsons; Eisenhower Library, Whitman File, DDE Diaries) See Supplement.

139. Memorandum of Conversation

Washington, January 19, 1960, 3:30–5:30 p.m.

SUBJECT

U.S.-Japanese Economic Problems

PARTICIPANTS

Prime Minister Minister Nobusuke Kishi
Foreign Minister Aichiro Fujiyama
Ambassador Koichiro Asakai
Mr. Haruki Mori, Director, American Affairs Bureau, Foreign Ministry
Mr. Takeshi Yasukawa, Counselor, Japanese Embassy
Mr. Toshiro Shimanouchi, Counselor, Japanese Embassy
Secretary of State Christian A. Herter
Assistant Secretary of State for Far Eastern Affairs, J. Graham Parsons
Assistant Secretary of Defense John Irwin II
Ambassador Douglas MacArthur II
Mr. David M. Bane, Director, Office of Northeast Asian Affairs
Mr. Richard L. Sneider, Officer-in-Charge, Japanese Affairs

1. U.S.-Japan Trade

Prime Minister Kishi opened the discussion of U.S.-Japan trade problems. He said that last year there had been a rapid improvement in

Source: Department of State, Conference Files: Lot 64 D 559, CF 1584. Confidential. Drafted by Sneider on January 20 and approved in S on January 29. The meeting was held at the Department of State. See also Documents 140–146.

Japan's balance of payments with the United States. Japan was doing everything possible to assure orderly marketing and to exercise self-restraint and control in its exports to the United States, although it recognized that in some respects its efforts might not be sufficient. He hoped that the United States would appreciate the efforts made by Japan to contribute to a healthy growth of bilateral trade with the U.S. The Prime Minister said that Japan was also making every effort on trade liberalization at the IMF meeting in Washington and later at the GATT meeting in Tokyo. The Prime Minister then referred to the positive measures in January to remove discriminatory measures against imports from dollar sources. He stressed that Japan would continue to make as much haste as possible to remove such discriminatory measures. The Prime Minister said that, together with trade liberalization, the Government also intends to liberalize foreign exchange controls to permit more foreign capital, particularly from the United States, to enter Japan as equity investments and thereby to contribute to stronger economic ties with the United States.

Secretary Herter said that both countries viewed with the utmost seriousness the problem of trade between them. He wished to point out that several developments have made the position of the Executive Branch on trade problems more difficult. He mentioned that, first, there had been a meeting of the Governors of the Southern States recently which had supported trade restrictions—a reversal of the traditional Southern policy supporting free trade. Secondly, there had been a sudden shift in the attitude of trade unions indicating support for trade restrictionism where required to protect American labor. The Secretary said that the Executive Branch intends to fight for a continuation of a liberal trade policy. The Japanese could be of most assistance in this fight by their efforts to continue orderly marketing practices so that a given segment of American industry is not wiped out. He pointed out that diversification of Japanese imports is desirable so that the impact on one industry is not too great and there is not a consequent increase in restrictionist pressures. The Secretary said that the cooperation of the Japanese in this respect would be most helpful.

Prime Minister Kishi replied that the Japanese Government recognized the difficulties in the United States and appreciated the sympathetic understanding of the United States Government with regard to trade problems. He mentioned that, as a result of Japanese recognition of the problems faced by the United States, Japan is prepared to make certain sacrifices with respect to Japanese industries. He hoped, however, that the United States would also understand Japan has its own internal problems but that it desires not to permit the trade situation to get out of hand and hurt relations between the United States and Japan.

Secretary Herter replied that the U.S. fully appreciated the problems faced by Japan and its efforts in the trade field.

Subsequently, Prime Minister Kishi referred to the importance attached by Japan to close consultation with the United States on economic matters not only on the diplomatic level but also through private channels. He said that it is important that the common economic problems of the United States and Japan be understood at the private level in order to avoid difficulties. He thought that it would be in the spirit of the Communiqué to be issued today¹ to stimulate opportunities for private business contacts between the United States and Japan. Secretary Herter commented that, since the United States has its domestic problems, he agreed that it would be helpful if trade issues could be isolated at an early stage rather than waiting until the problems develop to the point where legislative action is demanded. However, the stimulation of private activity is not always easy. He mentioned that there are organizations such as the Chamber of Commerce that provide channels for exchanges and the fruitful development of new ideas. In addition, the America-Japan Centennial this year and the forthcoming exchange of official visits should stimulate other private exchanges. He pointed out that the private exchanges proposed by Prime Minister Kishi were consistent with the United States view that the primary role in trade should be played by private groups and that the Government should intervene only when private efforts fail.

Ambassador MacArthur mentioned that Mr. Adachi² plans to discuss with private American businessmen the establishment of a non-governmental U.S.-Japan committee. He pointed out that such a committee could be productive only if it were clear that they would not discuss price fixing and if the committee would deal with both Japanese trade problems in the United States and American trade problems in Japan. Secretary Herter mentioned that American antitrust laws are difficult and give the Attorney General very little discretion, so that we cannot become involved in any committee appearing to regulate prices. However, he thought that, if a private U.S.-Japanese committee were to consider trade problems in both countries, real progress seemed possible in resolving these trade problems.

2. GARIOA

Prime Minister Kishi said now that the reparation agreements with Southeast Asia had been completed and the Japanese Government can foresee its requirements for these programs, it intends to move ahead rapidly with a GARIOA settlement. He proposed that on his return to

¹ See footnote 1, Document 138.

² Tadashi Adachi, Chairman of Japan Chamber of Commerce and Industry.

Tokyo, working level talks commence between the Foreign Ministry and the American Embassy there. After treaty ratification is completed, he proposed that there be formal talks based on the working level talks. Secretary Herter said that this arrangement was agreeable since we did not wish to injure treaty ratification by the negotiations for a GARIOA settlement. He reiterated the President's remarks on the need for a GARIOA settlement within the figures set forth by the President and expressed the hope that an agreement could be reached as soon as feasible since delay could make the issue more difficult. Ambassador MacArthur commented that the working level talks would, of course, be completely confidential.

140. Memorandum of Conversation

Washington, January 19, 1960, 3:30-5:30 p.m.

SUBJECT

Security Problems; Military Assistance for Japan; the F-104 Program; and Pending Claims Under the Administrative Agreement

PARTICIPANTS

[Here follows the same list as Document 139.]

1. *Japan's Defense Buildup and U.S. Military Assistance*

The Prime Minister said that Japan's initial defense plan ends this year. A second defense plan is now being developed and this new plan will be based upon the new treaty. He said that in the course of the defense buildup by Japan, the Japanese Government hopes that the U.S. will continue to assist Japan in every way possible. He said that the Japanese understand that there are differing American views on the continuation of military assistance to Japan and that it is also important for Japan to take the initiative in setting forth its defense plans. At the same time, while Japan must do its part, it is hoped that the U.S. will continue to assist the defense buildup.

At the invitation of Secretary Herter, Assistant Secretary Irwin commented. He said that the U.S. hopes to play a part in the Japanese defense buildup by continuing some form of military assistance. He stressed that the U.S. has two main problems in this respect. First, Congress has reduced the appropriations for military assistance and, second, there is the problem of Congressional attitudes toward assistance to countries who have improved their economic position in recent years, such as Japan. Nevertheless, Mr. Irwin said, the U.S. hopes to continue its assistance at approximately the 1960 level but as part of a cost-sharing program in which both countries play cooperating roles.

2. F-104 Program

Mr. Irwin next discussed the problems involved in the F-104 program.¹ He emphasized that U.S. assistance in this area is limited and that the U.S. will not be able to go above \$75 million as its share of the cost of the program. The U.S. realizes that the costs of the program have increased but pressures in the U.S., particularly as a result of the reduction in Congressional appropriations, make it impossible to increase the U.S. share. Mr. Irwin concluded that the U.S. is generally pleased with the Japanese defense effort.

Prime Minister Kishi expressed the hope that U.S. assistance to the F-104 program would be in "kind" as well as through direct financial grants. Assistance in "kind", such as was done in the P2V production program,² would be very helpful to Japan particularly at this time when the budget has already been formulated. The Prime Minister pointed out that he only wished to mention this problem briefly since he recognized that there was a U.S. mission in Japan now negotiating on the F-104 program and the problem is being handled through diplomatic channels. The Prime Minister said that he did, however, wish to note the desires of the Japanese Government on this matter. Mr. Irwin replied that he personally had just learned of the technical difficulties facing the Japanese Government as a result of the different handling of the P2V program and the F-104 program. He said that he was not sure why the Air Force is not providing assistance in kind to the F-104 program. However, the U.S. understands the difficulties faced by the Japanese Government in having the Japanese Government budget for the whole

¹ Negotiations for a cost-sharing program for the production of F-104 series aircraft in Japan were going on in Tokyo. Documents relating to the subject are in Department of State, Central Files 794.5-MSP and 794.5622. An agreement was reached through an exchange of notes signed at Tokyo, April 15, which entered into force the same day. For text, see 11 UST (pt. 2) 1361.

² Agreement relating to a cost-sharing program for the production and development in Japan of P2V anti-submarine and sea patrol aircraft was effected through an exchange of notes signed in Tokyo, January 25, 1958, which entered into force the same day. For text, see 9 UST 124.

program and then having the U.S. reimburse the Japanese Government for the U.S. share. Mr. Irwin said that the U.S. would try to work out some form of mutually accommodating arrangement on this matter.

3. *Pending Claims Under the Administrative Agreement*

Assistant Secretary Parsons commented on the problem of the pending claims under the Administrative Agreement. He said that since this was a highly complicated question, he did not wish to get involved in the details. The problems involved go back some years and relate to claims arising under the old Administrative Agreement which in their total amount are a fairly sizeable sum. He mentioned that there are three main issues involved: 1) the status of the Japanese National Railway, the Nippon Telegraph and Telephone Public Corporation and the Japan Monopoly Corporation as governmental or non-governmental entities; 2) movable property claims; and 3) the rates charged the U.S. for use of leased long-distance telephone facilities. The U.S. has proposed a package deal which has balancing provisions. Mr. Parsons stressed that the key element to the U.S. in this package deal is the question of the rates charged us for use of leased long distance telephone lines. Over the years, we have paid rates which are quite high, in fact higher than those paid in other countries, while the telephone corporation has made considerable profits. At the same time, Japanese police agencies have paid very much lower rates. Mr. Parsons said that as part of the U.S. package it is proposed that the U.S. armed forces pay rates equal to those paid by the Japanese police. He said that he considered this a reasonable and equitable settlement particularly since the U.S. forces were in Japan for the purpose of providing Japanese security. Mr. Parsons pointed out that the major importance of this issue is that, if it became public during the Diet debate on the new treaty, opponents could exploit the issue of pointing to U.S. and Japanese failure to agree on this matter. He mentioned that it is also the type of issue which opponents in the U.S. could exploit by pointing out that, while Japan receives military assistance from us, it still charges us high telephone rates. He concluded that the U.S. hopes that the whole package proposed by Ambassador MacArthur will commend itself to the Japanese Government after study. He stressed that the package had been worked out with great care here in Washington.

Mr. Kishi commented that he was not familiar with the problem of pending claims under the Administrative Agreement. In his view, however, it was important to settle this issue as soon as possible. He said that, when he returned to Japan, he intended to study the question and urge a reasonable and early settlement. Secretary Herter expressed gratification since this was an issue that could make trouble for both Governments.

141. Memorandum of Conversation

Washington, January 19, 1960, 3:30-5:30 p.m.

SUBJECT

The Ryukyu and Bonin Islands

PARTICIPANTS

[Here follows the same list as Document 139.]

1. *The Ryukyu Islands*

Prime Minister Kishi briefly mentioned the Ryukyu problem. He said that on the occasion of his previous visit, he had discussed with the President the need for promoting the general welfare of residents of the Ryukyus.¹ He said that, since then, the United States had taken steps to promote the welfare of the Ryukyans and Japan was grateful for these measures. The Prime Minister commented that he feels that recent Japanese efforts to promote economic welfare in the Ryukyus have also been helpful. However, there remain areas where the welfare of the Ryukyans can be furthered by United States-Japanese cooperation, such as the Iriomote Project.² The Japanese Government, which wishes to help American efforts in the Ryukyus, is prepared to work out other cooperative arrangements with the United States. He said that the Japanese Government would continue to explore through diplomatic channels the other areas where United States-Japanese cooperation in these islands can be expanded. The Prime Minister subsequently asked whether there would be any objection if he told the press merely that there was discussion with the Secretary of the Ryukyus and Outer Space cooperation. The Secretary said that there would be no objection.

2. *The Bonin Islands*

Mr. Parsons briefly mentioned the Executive Branch's efforts to obtain legislation providing compensation to the former residents of the Bonin Islands. He said that, during the White House luncheon, he had asked the Chairman of the House Foreign Affairs Committee whether his committee would act soon on the proposed legislation. The Chairman said that the Committee would take up the matter on the afternoon

Source: Department of State, Conference Files: Lot 64 D 559, CF 1584. Confidential. Drafted by Sneider and approved in S. See also Documents 139, 140, and 142-146.

¹ See the memorandum of conversation, June 19, 1957, in *Foreign Relations, 1955-1957*, vol. XXIII, Part 1, pp. 369-375.

² Documents relating to U.S.-Japanese cooperation in the land reclamation and resettlement project at Iriomote are in Department of State, Central Files 794C.022, 794C.0221, and 894C.16.

of January 20. Mr. Parsons expressed hope that the Committee would act favorably. He pointed out that Committee action at such an early stage in the Congressional session was most unusual but it reflects the interest of the Committee in the Bonin's compensation problem as a result of the State Department's initiative. He wished the Prime Minister to know that the United States had not forgotten the Bonin Islands compensation problem³ and was attempting to move ahead on this problem as quickly as possible. Prime Minister Kishi replied that there was continued interest in this problem in Japan and he was most appreciative of the information given him by Mr. Parsons.

³ See footnote 2, Document 26.

142. Memorandum of Conversation

Washington, January 19, 1960, 3:30-5:30 p.m.

SUBJECT

Problems Relating to the Republic of Korea

PARTICIPANTS

[Here follows the same list as Document 139.]

The Prime Minister expressed the appreciation of the Japanese Government for the understanding and efforts on the part of the U.S. in the course of its very difficult talks with the Republic of Korea. He also expressed appreciation for the U.S. attitude toward the repatriation of Koreans to north Korea. He said that the Japanese Government recognized that the present state of relations between Japan and the Republic of Korea is unfortunate not only for both countries but for the free world as a whole. As a result, the Japanese Government is continuing its negotiations with the Republic of Korea despite the difficulties involved. The Prime Minister expressed the hope that the U.S. would continue to help and cooperate in steering the talks between Japan and the Republic of Korea to constructive channels. Secretary Herter expressed apprecia-

tion for the restrained manner in which Japan has been handling its negotiations with the Republic of Korea, particularly in view of the difficulties involved. He mentioned that the Department had received a telegram from Seoul¹ setting forth a request of the Korean Government that we ask the Prime Minister to stop further repatriation to north Korea. The U.S., however, intends to maintain its past position on the repatriation issue. The Secretary stressed that the U.S. continues to support the principle of voluntary repatriation to any part of Korea.

Foreign Minister Fujiyama mentioned that in past sessions of the UN General Assembly the U.S. has advocated admission to the UN of the Republic of Korea and of Viet Nam. He inquired regarding the reasons for not requesting the admission of these countries at the 1959 session of the UN General Assembly. Secretary Herter replied that our reasons were in the main pragmatic. He said that we considered that there was no prospect for the UN admitting those countries last year and that another rebuff would hurt the prestige of both countries. Mr. Parsons added that we had taken care in the speeches made by U.S. representatives at the Assembly to point out that the Republic of Korea and Viet Nam are both qualified for membership. However, at the 1959 Assembly, we did not have a situation parallel to the one faced at previous sessions where opportunities were afforded to seek the admission of both countries. He said that the U.S. had decided that fruitless debate on this issue would do more harm than good and therefore we would wait until an appropriate occasion arose. The Secretary said that the application of the Cameroons for early admission to the UN might afford such an occasion to raise the question of the admission of the Republic of Korea and Viet Nam to the UN and we were now studying this possibility. In any event, there would be other, and perhaps more appropriate, occasions this year in connection with prospective membership applications.

¹Telegram 515 from Seoul, January 18, in which Ambassador McConaughy reported that the Korean Foreign Ministry asked him to urge the U.S. Government to prevail upon the Japanese Government during Kishi's visit to Washington "to suspend further shipment Korean nationals to North Korea." (Department of State, Central Files, 294.9522/1-1860)

143. Memorandum of Conversation

Washington, January 19, 1960, 3:30-5:30 p.m.

SUBJECT

Relations With Communist China

PARTICIPANTS

[Here follows the same list as Document 139.]

Prime Minister Kishi raised the question of relations with Communist China. He mentioned that, at the meeting with the President, there had been quite a bit of discussion of this question but that he wished to add briefly to his remarks at that meeting. He said that the Japanese Government faces difficulties on the Communist China issue not only from the Socialists and other left-wingers but even from such Conservatives as Messrs. Ishibashi and Matsumura. These two Conservative leaders were invited to Communist China and their visits exploited by the Chinese Communists. However, despite Communist China's exploitation of these visits, the very fact that Conservatives went to Peiping can be utilized to the general benefit of the Conservative Party. The Prime Minister expressed the hope that the U.S. would view the visits in that light and emphasized there was no need for concern on the part of the U.S. regarding a change from Japan's policy towards Communist China as he had explained it to the President.

Mr. Kishi pointed out that Japan's relations with Communist China were completely ruptured through no fault of the Japanese. Japan would like to resume trade with Communist China under proper conditions. The Prime Minister said that in the past there had been a tendency among some Japanese to overestimate the benefits to be derived from such trade. However, this feeling was receding and not much trade with Communist China is now expected by Japan. He pointed out that, nevertheless, the pressure of historical ties and geographical propinquity require some trade and other contacts under appropriate circumstances. The Prime Minister said that, therefore, while the basic policy of non-recognition will continue to guide Japanese relations with Communist China, there may be some increased contacts in the future with Peiping depending upon developments and particularly upon Communist Chinese actions. He mentioned possible contacts in the fields of communication, postal services, meteorology, radio, rescue on the high seas and other technical areas. (Assistant Secretary Parsons, with Secre-

tary Herter's approval, subsequently indicated to Ambassador Asakai that two points are important with respect to any steps Japan may take at the technical level with Communist China. First, in any action taken by Japan, the Japanese should make it publicly clear that these are not steps toward recognition. Secondly, the Japanese should—within the framework of partnership and consultation with the U.S.—consult with the U.S. and inform us of the actions they contemplate.)

Secretary Herter inquired whether there had been any trade talks with Communist China since the Communist Chinese trade mission had created difficulties by insisting upon raising a Communist Chinese flag in Japan, which would have been tantamount to recognition.¹ The Prime Minister said that there have been no contacts with the Communist Chinese since they had ruptured trade relations.

Secretary Herter informed the Prime Minister that the U.S. would be very glad to receive a high level Japanese Government official to discuss with him all matters relating to Communist China on whatever basis is agreeable to the Japanese Government. The Prime Minister said that he had been very pleased to receive from the President the basic thinking of the U.S. on Communist China and did not think a further exchange was now necessary. The Secretary mentioned that the U.S. had had fruitful exchanges of views with Britain and France on the impact of Communist China on Southeast Asia. He said that, if such talks would be helpful to the Japanese Government, we would be glad to sit down with a top Japanese Government official.

¹The incident is described in telegram 2728 from Tokyo, April 17, 1958. (Department of State, Central Files, 493.9411/4-1758) See Supplement.

144. Memorandum of Conversation

Washington, January 19, 1960, 3:30–5:30 p.m.

SUBJECT

Outer Space and Other Scientific Cooperation

PARTICIPANTS

[Here follows the same list as Document 139.]

Source: Department of State, Conference Files: Lot 64 D 559, CF 1584. Confidential. Drafted by Sneider and approved in S. See also Documents 139–143, 145, and 146.

Prime Minister Kishi mentioned that among the areas the Japanese desired further cooperation with the United States are such scientific fields as outer space,¹ the exchange of meteorological information, and the study of typhoons and hurricanes. He mentioned that the recent typhoon which had struck the Ise Peninsula had particularly stimulated demands on the Japanese Government to safeguard Japan against typhoons. He understood and appreciated the efforts being made through diplomatic channels to work out cooperation between the United States and Japan in these various fields and hoped the United States would understand Japan's desire for such cooperation.

Secretary Herter said that the United States was prepared to cooperate as closely as possible with Japan in all scientific fields. He expressed his sympathy for the loss of life and damage resulting from the recent typhoon in Japan. He said that the question of typhoons and hurricanes was a difficult problem but that we were working on various projects in an effort to divert them at an early stage.

¹ Documents on the subject are in Department of State, Central File 794.56301.

145. Memorandum of Conversation

Washington, January 19, 1960, 3:30-5:30 p.m.

SUBJECT

European Regional Economic Matters

PARTICIPANTS

[Here follows the same list as Document 139.]

Prime Minister Kishi commented that the Japanese Government feels trade with all countries should develop in the spirit of GATT on a non-discriminatory basis. It recognizes and appreciates United States actions to prevent trade discrimination. He said that Japan does not wish to see itself excluded from discussions of important international problems involving discriminatory actions.

Source: Department of State, Conference Files: Lot 64 D 559, CF 1584. Confidential. Drafted by Sneider and approved in S. See also Documents 139-144 and 146.

Secretary Herter described the steps taken by the United States with respect to the problems posed by European trading blocs. He mentioned that Under Secretary Dillon had been in Paris for the past week as a result of discussions which had taken place on this matter during the President's trip to Europe. During his trip, the President had discussed the problem of the "Sixes" and "Sevens" with Prime Minister Macmillan, President de Gaulle and Chancellor Adenauer. A number of other matters related to trade discrimination were also discussed and, as a result, we had proposed in the Communiqué issued by the Western leaders that a meeting take place in Paris on trade and other economic problems.¹ In addition, the President had mentioned in the State of the Union message the possible formation of a revised OEEC.² The Secretary said that at the Paris meeting on January 12–14 they had agreed to form several committees. One of the committees is to consider a reorganized OEEC in which Canada and the United States could become full members, since we cannot join the present OEEC due to constitutional problems. There is to be a special committee of four to prepare working documents on the OEEC problem by April 19. He pointed out that the United States hoped to arrange for Japan to associate itself with the successor organization to the OEEC although how such an association would be arranged is not certain. In addition, it was agreed at the Paris meeting that everything should be in the spirit of GATT in an effort to insure non-discriminatory trade. The Secretary emphasized that Japan and the United States had a common interest in non-discrimination in trade and that we wish to keep fully in touch with the Japanese Government on this problem.

Mr. Parsons mentioned that on January 15 a departmental officer had met in Paris with Minister Sato of the Japanese Embassy and briefed him fully on the developments at the Paris meeting. The departmental officer had also mentioned that the United States hoped for Japan to be associated not only with the successor organization to OEEC but with a capital exporting group to be set up. Minister Sato had been provided with copies of Mr. Dillon's statement, the original United States resolutions as well as the final resolutions emerging from the meetings. Ambassador Asakai commented that the Japanese Embassy had received word of the discussions in Paris and very much appreciated them.

Prime Minister Kishi mentioned that at the meeting with the President during the morning he had taken up the question of assistance to under-developed areas. He said that during his trip last year to Western

¹ The text of the special communiqué on the economic situation issued at Paris, December 21, 1959, is printed in Department of State *Bulletin*, January 11, 1960, p. 1.

² For text, see *Public Papers of the Presidents of the United States: Dwight D. Eisenhower, 1960–61*, pp. 3–17.

Europe, he had placed considerable importance on discussion of this problem with the European leaders. He found both President de Gaulle and Prime Minister Macmillan particularly interested in development projects in the African areas, in view of the efforts by the Soviet Union to push its projects for assistance to under-developed areas. The Prime Minister said that he found himself in full agreement with the European leaders on this question. Japan, at the same time, is particularly interested in Southeast Asia, since it is close to Japan. He mentioned that Japan is attempting to assist its neighbors in Southeast Asia through reparations and other means such as private investment, the extension of long-term credits, and tripartite arrangements with the U.S. such as the Orissa iron ore project. The Prime Minister felt that, in this area, there is a need for the closest liaison, contact and consultation between the United States and Japan not only at the Government level but at the private level. He hoped that both Governments would work to create an atmosphere conducive to the stimulation of private contributions to the development of under-developed areas.

Secretary Herter inquired whether the Prime Minister had discussed with other Government leaders the new International Development Agency. The Prime Minister said that he had and felt that with the establishment of the International Development Agency there was no need for new organizations or agencies in the field of development. He believed that what is necessary now is to enable the existing agencies to work more effectively by recognizing the need for assistance to under-developed areas and by earnest efforts on the part of all countries. The Secretary agreed that there was no need for new machinery but there was a need for closer consultation to coordinate assistance efforts and establish priorities. He mentioned in this connection that an informal group of capital exporters was set up at the Paris meeting to consider this question and that the United States is proposing to have Japan associated with this group.

146. Memorandum of Conversation

Washington, January 19, 1960, 3:30-5:30 p.m.

SUBJECT

Law of the Sea Conference

PARTICIPANTS

[Here follows the same list as Document 139.]

Secretary Herter discussed the forthcoming Law of the Sea Conference. He recalled that the last Conference on Law of the Sea had broken up without agreement on the question of territorial seas. He said that the United States Defense Department, particularly the Navy, is seriously concerned by efforts to establish a 12-mile limit to the territorial waters. This will create serious difficulties for our Navy. He mentioned that Mr. Dean is now doing preparatory work for the forthcoming Conference. The position that we hope to obtain support for from two-thirds of the countries is for a six-mile limit with an additional six-mile zone in which historic fishing rights would be retained but phased out over a period equivalent to the average time required to amortize a fishing vessel. American fishing interests which are quite strong, would, of course, prefer a twelve-mile limit but they recognize that the security problem is more important.

Secretary Herter expressed the hope that the Japanese Government would give sympathetic consideration to our position. He mentioned that Mr. Takahashi was being fully informed of our position. He said that the United States realizes that its position creates problems but hopes that its friends will support it since it is impossible to obtain sufficient support for a three-mile territorial sea which is most desirable.

Prime Minister Kishi commented that Japan has a very close interest and concern with the problem of the territorial sea. It does not wish to see the territorial sea extended from the standpoint of its security and fishing interests. He thought that perhaps the Japanese position on this matter was even stronger than that of the United States.

147. Telegram From the Embassy in Japan to the Department of State

Tokyo, February 4, 1960, 11 a.m.

2506. CINCPAC exclusive for POLAD and Adm Felt. COMUS/Japan exclusive for Gen Burns. During course of courtesy call by Adm Felt on PriMin Kishi this morning, latter referred to recent Soviet attacks against GOJ re new US-Japan security treaty.¹ Kishi said Soviets failed to understand Japanese "national sentiment." He added that Soviet attacks were resented by overwhelming majority of Japanese and even leftist *Asahi* criticized this Soviet intervention in Japan's internal affairs. Kishi believes Soviet miscalculation of Japanese sentiment stems from fact that Soviets make their estimates of Japanese opinion on basis of advice they receive from Japanese leftists who do not reflect Japanese opinion. In any event, Soviet blunders are helpful to GOJ.

In response to query by Ambassador on rumors of possible Diet dissolution, Kishi said he did not "at this particular moment" have intention of dissolving Diet. Although both Socialist and Democratic Socialist Parties were demanding Diet dissolution, he felt that neither of these parties in their hearts really wished it because in event of Diet dissolution and new elections, LDP would register gains strengthening its present position, and both JSP and DSP would thus be losers.

Comment: From way Kishi handled question of Diet dissolution we had impression he has not made up his mind on this matter.

MacArthur

Source: Department of State, Central Files, 794.00/2-460. Confidential; Limit Distribution. Repeated to CINCPAC and COMUS/Japan.

¹In reply to a Soviet aide-mémoire of January 27, the Japanese protested, in a February 5 memorandum, against the Soviet withdrawal of an international pledge concerning the return of the Habomai and Shikotan Islands. Telegram 2434 from Tokyo, January 28, reported on the initial Japanese reaction to the aide-mémoire. (*Ibid.*, 661.94/1-2860) See Supplement. A text of the aide-mémoire is attached to despatch 415, January 29. (Department of State, Central Files, 611.947/1-2960) There was a further exchange of memoranda on the same subject by the two governments on February 24 and March 1. (Despatch 1052 from Tokyo, March 2; *ibid.*, 794.5/3-260)

148. Telegram From the Department of State to the Embassy in Japan

Washington, February 4, 1960, 7:54 p.m.

1852. For Ambassador from Parsons. Your 2441,¹ 2506.² We recognize number of important considerations must be taken into account by Kishi re decision on early dissolution of Diet mentioned reftels. We particularly concerned, however, by implications of early dissolution on schedule for treaty ratification.

As you know we plan to seek formal Senate ratification of treaty following Diet action although Foreign Relations Committee consideration of treaty in Executive session would precede final Diet action. Given pressure for early Congressional adjournment this year, it would be very risky to schedule full Senate consideration of treaty much later than beginning of June. Diet dissolution would however involve up to 40 day break in Diet's session and would appear to us make Diet ratification of treaty by late May extremely doubtful. Thus there would be distinct risk which we wish to avoid if at all possible of carrying over Senate consideration of treaty to next session.

In addition, we are concerned by possibility of pressure on Kishi developing in course election campaign or as result his formation new government to revise certain aspects treaty arrangements. We have confidence Kishi fully prepared live up to treaty arrangements as signed but our fears stem from political maneuvers which inevitably present in Japan election picture.

Should Kishi discuss Diet dissolution with you, you might wish bring to his attention problem posed by early Congressional adjournment this year although of course recognize decision in last analysis one for Kishi alone make.

Herter

Source: Department of State, Central Files, 794.00/2-460. Confidential; Limit Distribution. Drafted by Sneider, cleared in H and S/S, and approved by Parsons.

¹ Telegram 2441 from Tokyo, January 29, reported that the Kishi faction was giving serious consideration to the possibility of early Diet dissolution. Kishi himself however had not reached any decision. (*Ibid.*, 794.00/1-2960)

² Document 147.

149. Telegram From the Embassy in Japan to the Department of State

Tokyo, February 8, 1960, 11 a.m.

2548. For Assistant Secretary Parsons. Department telegram 1852.¹ I met privately with Kishi night Feb 6 at his request to discuss the domestic political situation, notably the possibility of early Diet dissolution and new elections.

Kishi said he wished the President and the Secretary in strictest confidence to know of his views on this important matter. In first place he is completely confident that the new security treaty and related arrangements are approved by great majority of Japanese people. Therefore, while he has no present intention of dissolving the Diet, present domestic political situation is not entirely stable and if Diet dissolution is necessary to get a mandate from Japanese people, not only for ratification of security treaty but for continuing in the coming years his firm policy of alignment with the US and the free world, he would not hesitate to dissolve the Diet and call for new elections.

As example of development which might lead to Diet dissolution, he said Socialist Party would probably boycott the final Diet deliberations on new treaty. Should Democratic Socialist Party also boycott Diet, he believed mandate from Japanese people through new elections might be desirable to make clear that the treaty is approved by substantial majority of Japanese people and is not just being railroaded through Diet in absence of opposition parties. This is particularly important because of notorious anti-GOJ attitude of Japanese press. He added there might be other unpredictable internal developments which would cause him to dissolve the Diet even earlier in session. However, he would only resort to dissolution if he felt it essential to get strong support for the new treaty and for the continuation of his firm pro-Western policy.

He concluded by saying he felt chances were 60 to 40 against Diet dissolution and in end even Socialists might decide they did not wish force elections on the issue of new treaty and Japan's free world foreign policy which is approved by Japanese people. However, if he should decide Diet dissolution was unavoidable he would "act like lightning" and not give advance notice of Diet dissolution. Kishi concluded by saying again that above information on possible Diet dissolution be conveyed to President and Secretary but otherwise be held in strictest confidence.

Source: Department of State, Central Files, 794.00/2-860. Secret; Priority; Limit Distribution. Repeated to CINCPAC and COMUS/Japan.

¹ Document 148.

Comment: It was clear that Kishi fully understands our Congress will probably adjourn by July 3 and that if Senate is to act on treaty this session, treaty will have to go from Foreign Relations Committee to Senate floor not later than beginning of June. I think we can be quite certain that if Kishi decides to dissolve Diet it will be only because he feels that his own position and pro-Western policies are in jeopardy and that his own position will be substantially strengthened through new elections as suggested in Embtel 1931, Dec 18.²

Re penultimate para reftel, while Kishi was under very strong pressures to revise certain agreed aspects of treaty and related arrangements prior to signature, he resolutely refused to re-open agreed arrangements. Now that treaty has been signed in White House we think he will be even more resolute in opposing changes.

Am sending copies this message by pouch to CINCPAC and COM-USJ under cover of letter for their exclusive info.

MacArthur

² Not printed. (Department of State, Central Files, 794.00/12–1859) See Supplement.

150. National Intelligence Estimate

NIE 41–60

Washington, February 9, 1960.

PROBABLE DEVELOPMENTS IN JAPAN

The Problem

To analyze recent trends and to estimate probable developments in Japan over the next five years, with particular emphasis on Japan's international orientation.

Source: Department of State, INR–NIE Files. Secret. A note on the cover sheet indicates that the CIA and the intelligence organizations of the Departments of State, the Army, the Navy, and the Air Force and the Joint Staff participated in the preparation of this estimate. All members of the USIB concurred with this estimate on February 9 except representatives of the AEC and FBI and the Assistant to the Secretary of Defense for Special Operations, who abstained because the subject was outside their jurisdiction.

Conclusions

1. Japan's critical dependence upon the US for defense and on the non-Communist world for trade will continue to be a powerful deterrent to any significant shift in Japanese foreign policy. Assuming ratification of the US-Japan Treaty of Mutual Cooperation and Security—which we believe to be likely—and no major economic reverses, Japan's foreign policy will probably remain essentially unchanged over the next two or three years. (Paras. 12, 16–17)

2. Under the revised security treaty, the US will probably be able to maintain a substantial military position in Japan. Despite continued left-wing opposition to US forces and bases in Japan, and the dependence of these bases upon Japanese labor for effective operations, we believe that the US will be able to use them for logistical support of security actions in the Far East. The Japanese Government probably would not agree to the launching of combat operations from the bases unless it were convinced that the hostilities involved a critical threat to Japan's security. (Paras. 37–38)

3. It is highly unlikely that Japan will consent to the introduction of nuclear weapons into Japan during the period of this estimate. Except in an extreme emergency such as a direct threat of attack on Japan itself or, possibly, as a last resort to keep South Korea from falling before a Communist invasion, it is virtually certain that Japan would not agree to permit the launching of nuclear strikes from bases in Japan. (Para. 39)

4. A key factor in Japan's international orientation is the state of the economy. The economic outlook for Japan is good, assuming continued high levels of foreign trade, particularly with the US. A prolonged economic recession would probably create strong pressures within Japan for expanded relations with the Bloc, particularly Communist China. (Paras. 13, 28–30)

5. Under any government an important Japanese foreign policy objective will be the improvement and, eventually, the normalization of relations with Communist China. Japan will probably make no significant overtures in that direction so long as Communist China continues its hostility toward the Kishi government or insists upon the loosening of US-Japanese ties and the acceptance of Peiping's claim to Taiwan as the price for improved relations. However, if Peiping were to reduce its demands and adopt a conciliatory approach, Japan would probably agree to Chinese Communist offers to expand trade and other relations. If Communist China were admitted to the UN, or if other major nations were to recognize Peiping, Japan would probably feel a strong compulsion to recognize Peiping, although it would probably seek US acquiescence. (Para. 18)

6. There is widespread, but at present quiescent, neutralist sentiment in Japan. This sentiment could increase rapidly if the Japanese came to believe that US deterrent power could not prevent Communist aggression. Soviet rocket and space achievements have already raised some doubts on this score where none existed two years ago. (Para. 20)

[Here follow the Discussion portion of the estimate, Annex, and five charts on Japan's economy. See Supplement.]

151. Telegram From the Embassy in Japan to the Department of State

Tokyo, March 27, 1960, noon.

3108. CINCPAC and HICOM for POLADs. Embtel 2879.¹ Deterioration of intra-LDP situation which followed outburst of factionalism early this month centering around treaty issue (reftel) has been noticeably arrested in past few days.

Improvement began when Ishibashi, under pressure from LDP leadership and business leaders, decided to adopt "wait and see" attitude on treaty (G-459).² Yoshida-Sato-Ikeda meeting (Embtel 2994)³ was substantial help toward unifying party ranks. Miki's statements on return to Japan introduced welcome air of common sense into party's handling of treaty issue (Embteles 2994, 3012).⁴ While Kono's motives do not bear scrutiny, his support of treaty following meeting with Kishi (Embtel 3097)⁵ has at any rate removed this source of worry to govern-

Source: Department of State, Central Files, 794.21/3-2760. Confidential. Repeated to CINCPAC, HICOM, Naha, Yokohama, Kobe, Nagoya, Sapporo, Fukuoka, and COMUS/Japan.

¹ Telegram 2879 from Tokyo, March 8, reported on LDP factionalism. (*Ibid.*, 794.2/3-860)

² Airgram G-459 from Tokyo, March 17, reported that former Prime Minister Tanzan Ishibashi had been trying to use the treaty issue to recover his political fortune. (*Ibid.*, 794.00/3-1760)

³ Telegram 2994 from Tokyo, March 16, stated that although Diet debate on treaty ratification had made no progress, Miki had endorsed treaty ratification in a statement made on his return from a trip to Africa. (*Ibid.*, 794.2/3-1660)

⁴ Telegram 3012 from Tokyo, March 18, reported on a meeting between Kishi and Miki during which Miki expressed support, though with some reservations, for speedy treaty ratification. (*Ibid.*, 794.2/3-1860)

⁵ The reference is not clear as number 3097 was not used.

ment. Matsumura's continued grumbling contrasts badly with forthright stand of colleague Miki.

As Funada told Ambassador this week, it is increasingly expected that current Diet can complete action on treaty without need for extension (Embtel 3085).⁶ Provided government confronted with no unusual problems and commits no major blunders⁷ in handling treaty from here on, Kishi and LDP should be in good condition to face major test when vote on treaty is taken in Lower House sometime after middle of April.

Throughout remainder of Diet session Kishi must also plan against difficult future problems with regard to his avowed desire to stand again for LDP presidency next January. As things look now, prospects are good that he will receive backing of all the mainstream forces, including Ikeda (Yoshida, Embtel 3077).⁸ Anti-mainstream leaders are of course seeking to force him out of office and eagerly seize on slightest indication he may be slipping (they are particularly hopeful about Kono's rumor that Kishi may retire after treaty passes Diet—Embtel 3097). Under circumstances, Kishi must move cautiously and deftly.

One of most critical problems ahead is projected revamping of cabinet and party posts after treaty passes Diet. A cabinet and party leadership incorporating all LDP factions would demonstrate very high degree of control over party by Prime Minister. Because such a solution would also strengthen Kishi personally, it is doubtful that all of his LDP rivals will consent to participate. Result may well be that Kishi will make only minor changes in composition of cabinet and party leadership in belief that no alternative arrangement offers more practicable combination under present balance of factional forces and ambitions. Whatever he does, Kishi will be criticized by his rivals and the press as too domineering, too weak, or only interested in securing his own future. There are no signs yet that Kishi is any less confident of his ability to control the situation.

MacArthur

⁶ In telegram 3085 from Tokyo, March 24, MacArthur reported on his meeting with Funada on Japanese political alignment in relation to treaty ratification and Funada's optimistic appraisal of the situation. (Department of State, Central Files, 794.2/3-2460)

⁷ In the early stage of Diet discussions the Japanese Government had encountered difficulties in the discussion of questions on the geographic area denoted by the term "Far East," as well as in the debate on the power of the lower house to revise and amend treaties negotiated by the executive branch of government.

⁸ In telegram 3077 from Tokyo, March 24, MacArthur reported on his private meeting with Yoshida on March 23 to discuss the domestic political situation affecting treaty ratification. (Department of State, Central Files, 794.2/3-2460)

152. Telegram From the Embassy in Japan to the Department of State

Tokyo, April 6, 1960, 3 p.m.

3227. CINCPAC exclusive for Adm Felt and POLAD. COMUS/Japan exclusive for Gen Burns. Embtel 3102,¹ and Embtel 2947.² I dined privately with Kishi last night. He expressed confidence that Diet would ratify security treaty during regular session and that extension of Diet would not be necessary. He believed all LDP factions with possible exception of Ishibashi would support security treaty when it came to vote in Diet. Ishibashi, who he said is "sick", and possibly several of his followers might vote against treaty but this was inconsequential.

Referring to LDP factionalism he said situation has vastly improved in past few weeks and it no longer necessary to consider Diet dissolution. I commented I understood Yoshida, Ikeda and Sato were giving Kishi solid support. Kishi replied that support and help he is receiving from Yoshida has been of inestimable value and is largely responsible for improvement in factionalism within LDP. He said there are no problems between Yoshida, Ikeda, Sato and himself. I asked whether Yoshida, Ikeda and Sato were supporting him for third term. He replied that at present feeling among "responsible leaders" of LDP is that there is no one other than Kishi who could muster a majority for party presidency next autumn when presidency election takes place. He said that while Ikeda was a very good man it therefore seemed almost inevitable that he (Kishi) would be obliged to have a third term.

I asked when reshuffle of cabinet and top party posts would occur. Kishi said it would be inappropriate and create confusion to conduct reshuffle of cabinet and top party posts between termination of Diet end of May and arrival of President June 19. Therefore he would deal with problem of reshuffle following President's trip with reorganization of cabinet and top party posts probably being consummated in July.

Source: Department of State, Central Files, 794.00/4-660. Confidential; Limit Distribution. Repeated to CINCPAC and COMUS/Japan.

¹ In telegram 3102 from Tokyo, March 26, MacArthur reported on his conversation on March 25 with Yasujiro Tsutsumi, former Diet Speaker, LDP elder statesman, and strong financial backer of the mainstream faction. Recalling the discussions at a meeting last August with Yoshida, Kishi, Ikeda, and Sato, as well as recent assurances from the same, Tsutsumi said that Kishi's prospects for a third term as president of LDP were good. (*Ibid.*, 794.00/3-2660)

² In telegram 2947 from Tokyo, March 12, MacArthur recounted his private discussion with Kishi the previous night on LDP factionalism which, according to Kishi, was grossly distorted by the Japanese press. In concluding the conversation, Kishi said he remained confident that he could secure the passage of the treaty through the Diet. (*Ibid.*, 794.2/3-1260)

Comment: Kishi reference to support he is receiving from Yoshida, Sato and Ikeda and fact there are no differences between them seems to substantiate information Tsutsumi gave me on March 25 (see reftel). There is no doubt that Yoshida has been key to substantial strengthening in Kishi's position, for without Yoshida's support for third term Kishi would not be able to count on Ikeda going along. Furthermore in addition to influence which Yoshida has over both Ikeda and Sato, Yoshida has been assiduously working on Ishii and indeed invited him together with Ikeda and Sato to his villa in Oiso to meet Chancellor Adenauer referring to these three as future Prime Ministers. Yoshida's candidates for prime ministership following Kishi's eventual retirement are Ikeda and Sato and his plans do not include Ishii. But by cultivating and flattering Ishii's ambitions Yoshida doubtless hopes to align him with Kishi, Ikeda and Sato factions when chips go down on critical question of next president of LDP. Kishi's decision to postpone cabinet and LDP reshuffle until after President's visit doubtless reflects his feeling that President's visit will strengthen his position.³

MacArthur

³ In airgram G-521 from Tokyo, April 13, the Embassy gave a detailed account of legislative maneuverings over the treaty, and concluded that the opposition parties, having failed so far to derail the treaty by "parliamentary fencing," were trying to "infuse new life into campaign of popular demonstrations." (*Ibid.*, 794.00/4-660) In telegram 2588 to Tokyo, May 6, the Department expressed concern about continued delay in Diet action on the treaty, since Congress' plans for early adjournment would affect Senate action, but recognized delays were dictated by Kishi's "determination of best tactics assure Diet passage." (*Ibid.*, 611.97/5-560) See Supplement for both.

153. Telegram From the Department of State to the Embassy in Japan

Washington, May 9, 1960.

2599. Eyes only for Ambassador from Secretary. Embtels 3590, 3592,¹ Deptel 2596.²

1. In light your estimate situation in Japan, we are prepared to conclude specific undertaking with GOJ that we will not in absence armed attack against Japan fly any intelligence missions over non-Japanese territories from US facilities in Japan without prior consultation with GOJ. We desire to conclude this undertaking within framework Consultation Agreement. We would also give public assurances that lacking consent of GOJ we would not undertake such flights contrary to express wishes of GOJ.

2. With respect to past performance you may give Kishi assurance that U-2 equipment has been utilized only for legitimate scientific purposes. Realize such assurance will be accepted with some doubt in view recent happenings but our posture will certainly be none the worse for giving this assurance even with respect to past performance.

3. We also consider that it would be strongly in our interest to make public statement soonest along following lines: "US Government has given GOJ assurances that U-2 aircraft flying from air bases in Japan, have been utilized only for legitimate normal purposes and not intelligence overflight missions."³

Herter

Source: Department of State, Central Files, 794.56311/5-960. Secret; Niact. Drafted by Steeves and Sneider, cleared in INR and S/S, and approved by the Secretary. The time of transmission is illegible.

¹ In telegrams 3590 and 3592, May 9, the Ambassador argued that to save the revised security treaty in the light of the situation arising in Japan from the U-2 incident, it would be necessary to assure Kishi and his government that U-2 flights from Japan would make no illegal overflights of foreign airspace and, if the United States was able, to assure them also that no such overflights had been conducted in the past. (Both *ibid.*, 794.56311/5-960) See Supplement.

² Telegram 2596, May 9, promised a reply to telegram 3590 at the earliest possible moment. (Department of State, Central Files, 794.56311/5-960)

³ In telegram 3603 from Tokyo, May 10, MacArthur reported that he had been asked to convey Kishi's "deep and heartfelt thanks" to Eisenhower for this "constructive proposal," and that the Embassy would issue a statement along these lines shortly. (*Ibid.*, 794.56311/5-1060) See Supplement.

154. Telegram From the Embassy in Japan to the Department of State

Tokyo, May 11, 1960, 6 p.m.

3628. Embtel 3464.¹ Funada, Chairman LDP Policy Board, called on Ambassador this morning to discuss latest developments on treaty. Funada noted that when they last met (reftel) he had expected treaty would pass lower house shortly before May 20. Circumstances, including U-2 incident, have compelled LDP leadership to modify treaty schedule. He now believes it possible that lower house will pass treaty sometime between May 25 and end of month with upper house approval assured 30 days later although Diet might be extended somewhat beyond that point.

Funada explained that inability make good on previous schedule stemmed from flap over U-2 involving new outburst of LDP factionalism and DSP's failure to acquiesce in lower house vote before May 15 under "Kiyose formula" (Embtel 3458).² DSP stand, in turn, reflected differences between Nishio and Mizutani groups. In addition to DSP's wavering, LDP anti-mainstream had been insisting that treaty not be forced through Diet and that there be further deliberation before vote in lower house (Embtel 3609).³ Funada said that while U-2 incident has created tremendous uproar he does not think opponents of treaty will be able to continue to exploit it for too long and he particularly welcomed forthright statement by us (Depcirtel 1408).⁴

Funada said that Miki forces have made it a condition of support for treaty that government clarify explicitly certain controversial points with regard to treaty. It is planned to take care of this partly by prear-

Source: Department of State, Central Files, 611.947/5-1160. Confidential. Repeated to CINCPAC and HICOMRYIS for POLAD and to COMUS/Japan.

¹ Telegram 3464 from Tokyo, April 26, reported on MacArthur's meeting with Funada to discuss the lower house's failure to put through the treaty on April 26, which necessitated an extension of the Diet. Student riots in Korea, according to Funada, encouraged the JSP to make efforts to resort to violence to block approval of the treaty. (*Ibid.*, 611.947/4-2660)

² Telegram 3458 from Tokyo, April 25, reported that the LDP, DSP, and JSP accepted the formula proposed by Speaker Kiyose: the debate on the treaty would continue and all parties would refrain from actions that would disturb peace and order in the Diet. (*Ibid.*, 611.947/2560)

³ According to telegram 3609, May 10, both the DSP and LDP anti-mainstreamers used the U-2 incident to ask for further debate on the treaty. (*Ibid.*, 611.947/5-1060)

⁴ Circular telegram 1408, May 7, transmitted a statement made by the Department's spokesman on the U-2 incident. The statement acknowledged the United States had made flights of unarmed civilian U-2 aircraft for legitimate intelligence gathering "along the frontiers of the Free World for the past four years." (*Ibid.*, 761.5411/5-760) For text of the statement, see Department of State *Bulletin*, May 23, 1960, pp. 818-819.

ranged interpellations of GOJ tomorrow by Furui of Miki group (Embtel 2581).⁵ In addition, Miki group may propose resolution to Diet clarifying treaty's purely defensive character, fact that Far East cannot be geographically defined, meaning of consultation, etc. Such a resolution would not require any change in treaty or related documents and actually would only enunciate definitively what GOJ has been trying to explain in the interpellations. Funada said any such resolution would be worked out carefully within party and that he believed most of principal anti-mainstream elements would join with mainstream in supporting it.

To Ambassador's question, Funada believes, but cannot be certain, anti-mainstream will join mainstream in putting treaty to vote in lower house late this month even if DSP in end decides to boycott. Basic approach of Kishi and LDP leadership is to put treaty through as smoothly as possible, with DSP present. This may take a few extra days but as a result of LDP leadership's concessions, prospect now is that in end all LDP faction leaders except Ishibashi and Matsumura (and handful of their followers) will vote for treaty.

Funada said he realized inability meet original schedule for Diet passage of treaty would create complications in handling of treaty by US Senate. He asked, however, if it might not be possible for Senate to conduct all necessary hearings and debate in June after treaty passes lower house and thus be prepared to take final vote immediately after final Diet approval accomplished and before Senate goes out of session.

Ambassador informed Funada Senate would be extremely pressed in closing days of session and would almost certainly close early in July. He could not say whether Senate leadership would be willing conduct hearings on treaty before upper house of Diet has acted but would, however, explore matter with Washington. Ambassador will cable separately his view re Senate action (Deptel 2587).⁶

As conversation closed, Funada said following Diet public hearings May 13–16 situation would be much clearer and he could give us a more considered view re lower house ratification schedule. He will be in touch with Ambassador again at that time.

MacArthur

⁵ Telegram 2581 from Tokyo, February 10, reported import and export figures. (Department of State, Central Files, 494.00/2–1060)

⁶ Telegram 2587 to Tokyo, May 6, deals with the establishment of Mace missiles on Okinawa. (*Ibid.*, 794C.56311/5–560)

155. Telegram From the Embassy in Japan to the Department of State

Tokyo, May 20, 1960, 9 p.m.

3775. CINCPAC and HICOMRYIS for POLADs. Embtel 3756.¹ Additional information on midnight passage of security treaty by lower house follows:

Diet proceedings throughout yesterday conducted in atmosphere of mounting tension, with several fist-fights between LDP and opposition, Socialist barricading of Speaker in his office for over six hours, eventual summoning of police to release Speaker and restore order² and final treaty committee vote which sent treaty to floor of lower house.

Barricading of Speaker Kiyose followed his consultations with standing committee Chairmen re LDP proposal to extend Diet. Learning of these plans, JSP Diet members in early afternoon began to collect outside Speaker's door to prevent his proceeding to Diet chamber to call plenary session. Using public address system, Kiyose three times pleaded with Socialists to desist from obstructionist methods in consideration dignity and order of Diet. On last occasion, at 10:00 pm, Kiyose gave Socialists 15 minutes to disperse, after which he stated he would call police and have them removed.

Soon after police came, Kiyose sounded warning bell for plenary session. Chairman Ozawa then called into session treaty committee, which had been in recess for several hours. As anticipated by LDP (Embtel 3749),³ few Socialists appeared. Shiikuma's motion to close debate provoked physical attack on Ozawa by Socialist Yokomichi but he was beaten off by LDP members and motion in committee quickly carried.

In midst of commotion set off by appearance of police, DSP's Ikko Kasuga and Teiji Ikeda approached LDP Diet Policy Committee requesting parley with Kawashima to compromise crisis. Overture was

Source: Department of State, Central Files, 611.947/5-2060. Secret; Priority. Repeated to COMUS/Japan, CINCPAC, and HICOMRYIS.

¹ Telegram 3756, May 19, contained a summary of events in the Diet the night of May 19-20. (*Ibid.*, 611.947/5-1960)

² In telegram 3690 from Tokyo, May 16, MacArthur reported the detailed summary of LDP strategy for treaty ratification in the Diet given him by Shijiro Kawashima, Secretary General of the LDP. Although the LDP hoped "if at all possible, to avoid calling in police, Kawashima said that Speaker may have to use his prerogative and ask for police aid as was done twice in postwar Diets if Socialists use force in Diet to prevent vote." (*Ibid.*, 611.947/5-1660) See Supplement.

³ Telegram 3749 from Tokyo, May 19, reported that LDP Diet members were engaged in a lengthy meeting to develop strategy for treaty passage and Diet extension. (Department of State, Central Files, 611.947/5-1960)

politely but firmly rejected, as was similar approach to Kiyose (Embtel 3776).⁴

In plenary session of lower house which began shortly afterward, Diet extension, approval of Ozawa's report, and treaty ratification accomplished not only quickly but quietly, in total absence of both Socialist parties. (Standing vote was used rather than ballots; audience in well-filled galleries was well behaved.) 273 LDP members were present to vote extension (11 were ill or travelling). Of this total, 25 members boycotted vote on treaty, including Kono, Miki, and Utsunomiya. (Ishibashi and Matsumura were absent throughout.) Thus treaty passed with 248 LDP members out of 286 total present and voting affirmatively.

Kuno of LDP Diet Policy Committee informs us that after Diet extension voted, top party leaders, notably Kawashima and Ikeda, hesitated slightly as to whether to vote on treaty in face desire of Kono and Miki to delay. Kishi, Sato, Fujiyama and Diet strategists argued forcefully against delay, on basis that Socialist violence a certainty whenever treaty voted, with unavoidable prospect of having to call in police again. Momentary doubts swiftly replaced by vigorous approval of voting immediately.

LDP views. Mainstream forces appear deeply satisfied at having dealt with complex and delicate treaty problem with such decisiveness and success. Speed of handling even surprised many LDP Diet members who had expected lower house vote on treaty might not come until June 10–15.

Far too early to judge effect of treaty vote on intra-LDP situation. Precise motives behind boycott by Miki and Kono obscure but noteworthy that substantial number of their faction members stayed and voted approval. LDP rank and file in lower house doubtless attracted partly by prospect of having treaty passed prior to mammoth left-wing demonstrations originally scheduled for today. Party leaders especially relieved that final Diet action virtually assured before President Eisenhower arrives in Japan. (High party sources tell us upper house may choose to vote on treaty; if not, leaders see no possibility of complications which will prevent upper house approval by 0019 hours June 19 under 30-day rule.)

Socialist views. Consternation and anger in both Socialist parties today, with threats, especially from JSP, to carry out "mass resignations" by Diet members and indefinite boycott all Diet proceedings (Embtel 3776). Government plan is that should mass resignations unexpectedly come, it would resist all pressures to call general election and would in-

⁴ Telegram 3776, May 20, reported additional details of the previous night's Diet session. (*Ibid.*, 611.947/5-2060) See Supplement.

stead fight opposition, divided into two competing parties, in series by-elections, with excellent chance of picking up several seats. Government feels that should Socialists absent themselves from Diet for more than 10-15 days they would begin to incur press and public criticism.

Press reactions. Details this aspect covered by Embtel 3777.⁵ In brief, entire press predictably very critical of government's "blitzkrieg" tactics, although some papers have questioned Socialist sincerity in opposing Diet extension while demanding further deliberations.

Government's decisive action in summoning police to preserve order in Diet for vote on treaty will remain a most controversial issue for some time to come. Criticism of action, already strong, may rise still further. It is still too soon to predict whether press and public outcry will reach such heights as to cause serious problems for Kishi government.

MacArthur

⁵Not printed.

156. Telegram From the Embassy in Japan to the Department of State

Tokyo, May 21, 1960, 4 p.m.

3785. CINCPAC and HICOMRYIS for POLADs. Embtel 3775.¹ Funada came to see me this morning to discuss treaty passage by lower house including its aftermath in terms domestic political situation.

Funada said GOJ strategy calling in police following Socialist resort to force and then voting in quick succession to close debate in treaty committee, extend Diet, and ratify treaty was really the only way to handle situation. To have wavered would only have made the problem worse, particularly in making it necessary to call police in to Diet again when treaty was voted. He confirmed, however, that top LDP leadership was not entirely confident it would have sufficient support within

Source: Department of State, Central Files, 611.947/5-2160. Confidential. Repeated to COMUS/Japan, CINCPAC, and HICOMRYIS.

¹ Document 155.

ranks to manage vote on treaty when it did (reftel). Socialist resort to violence and, perhaps even more so, DSP's boycott of vote on extension (in contrast its professed support of parliamentarianism) caused many LDP Diet men to support quick vote who might otherwise have favored delay. He said more than 250 LDP members (an absolute majority of lower house) voted for treaty which was unusually impressive.

Funada said motivation for boycott of vote on treaty by Kono and Miki purely political, i.e. their long-standing determination to weaken Kishi by all available means. He noted that Socialists and press are making strong demands for general election on treaty issue. He said that, in principle, Kishi and LDP leaders would have liked to have general election on treaty since basic electoral issue could then be whether Japan would be aligned with the US or with Russia. This would have been useful as giving proof Japanese people support alignment with US and new treaty and would clear air and stabilize Kishi regime. However, leadership has avoided this course believing that consequent delay in accomplishing ratification would have been effectively exploited by Communists and created impression of doubt re US-Japan relations. He added that Socialist talk of "mass resignations" is absurd. It may sound all right as propaganda but many individual Socialists would fear being defeated.

As to future, Funada said with treaty approval now assured, demands for Kishi to step down will grow stronger both within LDP and without. While late October or early November had been in prospect for election of party president, sentiment is growing within ranks to settle issue and have election much sooner, that is, not long after Diet closes in mid-July. He said that, while very capable, experienced and courageous, Kishi unfortunately is not popular and some still attack him for having been member of Tojo cabinet.² Public has now developed general image in thinking of Kishi, just as with leaders like Yoshida and Hatoyama,³ and it is to his great disadvantage that Japanese youth, intellectuals, and the press are particularly critical of his past association with Tojo and war.

Funada said that in some ways it might be in Kishi's own best interest to step down. In light of the events in Korea, Kishi must avoid any impression that he is determined, like Rhee, to hang on indefinitely as Prime Minister, come what may. However, Funada freely admitted there is as yet no logical successor to Kishi. Ono and Masutani are too old and are inexperienced in international affairs; Ishii is pleasant but

²Hideki Tojo (1884–1948), Lieutenant General and Prime Minister of Japan, 1941–1944, was tried by the International Military Tribunal at the end of the war, convicted of war crimes, and hanged.

³Ichiro Hatoyama, Prime Minister from 1954 to 1955.

indecisive; Ikeda is capable but not noted for breadth of vision. In short, while he anticipates growing sentiment for Kishi to step down, Funada has no answer to the problem of a successor, but he believes Kishi is now facing great difficulties insofar as future of Kishi government is concerned.

Returning to the treaty, Funada said that with Socialists boycotting Diet (Embtel 3786)⁴ upper house Special Treaty Committee not meeting today although it would normally have done so. Funada commented that since upper house approval of treaty is no problem (only thing which would upset 30-day rule is Diet dissolution which government has no idea of doing), just as well to go slowly in upper house and let atmosphere cool a bit. Plenary session of upper house is scheduled to vote on Diet extension next Monday.⁵ However, even if upper house fails to act, extension of Diet by lower house is binding under Japanese procedure.

MacArthur

⁴Telegram 3786 from Tokyo, May 21, reported tentative JSP agreement on the following program of action: the JSP would boycott all Diet proceedings, call on Speaker Kiyose to resign, and arouse popular sentiment favoring Diet dissolution. (Department of State, Central Files, 794.00/5-2160)

⁵May 23.

157. Telegram From the Embassy in Japan to the Department of State

Tokyo, May 23, 1960, 6 p.m.

3798. Personal for Assistant Secretary Parsons from MacArthur. Although Ikeda reluctantly made good on his commitment (Embtel 3630)¹

Source: Department of State, Central Files, 794.00/5-2360. Confidential; Niact; Limit Distribution.

¹In telegram 3630 from Tokyo, May 11, MacArthur repeated that he had learned during a conversation with Tsutsumi, former Diet Speaker and "supreme adviser" to the LDP, that LDP faction leaders including Ikeda seemed hesitant to support treaty passage in the Diet in May. The telegram went on to report subsequent meetings between Tsutsumi and Ikeda and between MacArthur and Ikeda. Ikeda told MacArthur that he, Ikeda, would be able to obtain the support of the Miki-Matsumura faction in the final vote for the passage of the security treaty. (*Ibid.*, 794.00/5-1160)

to support Kishi in voting the treaty, he has since been disclaiming any responsibility for bringing treaty to vote and has been pointedly withholding support from Kishi and flirting with Miki and anti-mainstream groups that are calling on Kishi to resign.

Situation for Kishi is very precarious, with Kono, Miki, Matsumura, and Ishii calling for him to resign; Socialists and leftists mounting massive daily demonstrations against him; and anti-governmental press bitterly attacking him. Ohno, Ishii, and Ikeda (all of whom have aspirations to be PriMin), although they supported Kishi in voting on treaty, are now sitting on fence. If they should join forces with anti-mainstream group in calling for Kishi to resign it is difficult to see how Kishi could survive. And if Kishi govt falls before treaty is ratified and enters into effect, although legally case can be made that ratification vote of lower house on May 20 stands, as practical matter it is difficult to believe that final ratification would not be very seriously jeopardized.

Key at present is Ikeda. If he will get off fence and stand firmly with Kishi until treaty is ratified and enters into effect, both Ohno and Ishii will probably stand firmly with Kishi also.

However, if Ikeda joins with anti-mainstream in asking Kishi to resign, both Ohno and Ishii will almost certainly go along with him.

In light foregoing, I suggest you get in touch with Yoshida² at once (even if it means sending Dick Sneider or someone to New York) to tell him on private personal basis that reports from Tokyo indicate that Ikeda, Ohno, and Ishii have stopped actively supporting Kishi following favorable vote on treaty and are adopting neutral position that appears generally to be playing into hands of pro-Communist and neutralist elements in Japan that would like to see imminent collapse of Kishi govt with treaty ratification also going down drain. You should say that if anything happens to treaty it will be greatest victory Communists could gain in Asia and terrible blow not only to US-Japan relations but particularly for Japan itself. Ikeda seems to be key to situation and in these circumstances you hope Yoshida will communicate directly and urgently with Ikeda to urge him to support Kishi govt and its action in passing treaty. I hope to see Ikeda myself tomorrow and urge him to support Kishi and therefore I would not wish you to mention me specifically in your approach to Yoshida, but there would be no objection to saying US Govt is deeply concerned on basis of press and other reliable reports it has received from Tokyo.

MacArthur

² Yoshida was in the United States taking part in the celebrations commemorating the centennial of the establishment of diplomatic relations between the United States and Japan.

158. Memorandum of Conference With President EisenhowerWashington, May 23, 1960, 10:47-11:57 a.m.¹

OTHERS PRESENT

Secretary Herter, General Parsons, General Goodpaster

[Here follows discussion of the U-2 incident.]

Mr. Herter next mentioned the troubles that have arisen in Japan over the ratification of the Japan-U.S. security treaty. He said Kishi is in great difficulty and may not be able to continue in office. He said that there is a proposal to urge Yoshida, who is now visiting the United States, to throw his support behind Kishi. The President thought this was a good idea, and authorized an approach to be made. The President said this may well mean that his plans for visiting Japan may have to be modified. He gave to Secretary Herter the gist of a message which he thought should be sent to MacArthur at once to get his advice.² The President mentioned briefly some of his thoughts concerning additional countries to visit on such a trip, naming Indonesia, the Philippines and Formosa. He thought he would have to spend a minimum of two days each in Indonesia and the Philippines, and one day in Formosa. In further discussion, the idea of postponing the trip until a date just following the Republican Convention in late July was developed. Mr. Herter said he would sound out MacArthur on this point

G.

Source: Eisenhower Library, Whitman File, DDE Diaries. Secret. Drafted by Goodpaster on May 26.

¹ The time of the meeting is from the President's Appointment Book. (*Ibid.*)

² See Document 159.

159. Telegram From the Department of State to the Embassy in Japan

Washington, May 23, 1960, 5:02 p.m.

2763. Eyes only Ambassador from the Secretary. In discussing this morning with President political situation in Japan as outlined in your

Source: Department of State, Central Files, 711.11-EI/5-2360. Confidential; Priority. Drafted by Herter and cleared with Steeves, Goodpaster, and S/S.

3798 to Parsons,¹ question arose as to timing and extent of Presidential visit to Far East. The President asked me to get your tentative thinking on situation, without in any way consulting with Japanese officials, but with following considerations in mind:

First, possible continued political uncertainty in Japan as of the date of the scheduled visit. Second, the political situation presently existing in the U.S. which makes difficult the extension of the President's Far East visit to countries like the Philippines and Taiwan which of course are most anxious for President to call on them during Far East tour. Third, President's present commitments which include: a) a visit from the King of Thailand in Washington between June 28 and July 1; b) the necessity of his keeping the ten days after adjournment of Congress, now hopefully expected July 9, free for the study of last-minute legislation passed by the Congress; c) attendance for one day at the Republican Convention, possibly on July 26 or 27.

Above factors have led President to wonder whether an alternate time for visiting Japan as well as other Far East nations at a date immediately after the Republican Convention appearance might be possible. Naturally, President would not want to make any move which would be embarrassing to Japanese Government during its present difficulties, but also would not wish to visit Japan if political situation made such visit difficult for the Government. Your earliest reply would be very much appreciated.

Herter

¹Document 157.

160. Memorandum of Telephone Conversation Between President Eisenhower and Secretary of State Herter

Washington, May 24, 1960, 12:25 p.m.

The President telephoned with regard to the Far East trip to say that if he was going ahead with the June 19 trip the advance party would

Source: Eisenhower Library, Herter Papers, Telephone Conversations. No classification marking. Drafted by Marion S. Stilson, personal secretary to Secretary Herter.

have to be leaving here on Saturday¹ so either we have to make our arrangements fairly soon or just agree we make it a date at the end of July. The President said he didn't know how the Japanese will feel about this. The Secretary said he had sent a wire to MacArthur asking for his view without consultation at this time with the Japanese, but has not yet received the reply. However, the Secretary said he did have two telegrams in from MacArthur, which the Secretary briefly described to the President, reporting statements by Asanuma and MacArthur's response and the Secretary said he would send these telegrams right over to the President.² The Secretary said in view of this trip it might look as though it had been postponed because of this left-wing trouble maker. The Secretary said MacArthur may be taking this into consideration which accounts for our not yet having this evaluation. The Secretary said, however, that he agreed entirely that there is urgency in determining this. The President said if the opposition is strong enough, his trip might be embarrassing to Kishi, but, on the other hand, Kishi might feel if the President didn't come it would appear that state policy is being dictated by his opponents. The Secretary said he had asked MacArthur, at this point, not to talk to the Japanese, but the President said we may have to consult Kishi, with which the Secretary agreed.

¹ May 28.

² Neither found, but Asanuma's conversation with MacArthur is described in telegram 3820 from Tokyo, May 24. (Department of State, Central Files, 711.11-EI/5-2460) See Supplement.

161. Telegram From the Embassy in Japan to the Department of State

Tokyo, May 25, 1960, 9 a.m.

3825. Eyes only for Secretary. Deptel 2763.¹ I have considered carefully the factors relating to President's visit to Japan contained in your 2763. The considered judgement of myself and key members of Embassy staff is that it would be great mistake for President to take

Source: Department of State, Central Files, 711.11-EI/5-2560. Confidential; Niact.

¹ Document 159.

initiative in postponing his visit to Japan. We feel that for us to propose postponing visit would give appearance of bowing to Communist and leftist threats and pressures in Japan and would be portrayed as victory for pro-Communist anti-American forces here. Furthermore, for us to take initiative in proposing postponement would probably be generally considered by Kishi's opponents within Conservative Party and by press as evidence that we think Kishi is finished and we are disengaging from him. This could be mortal blow for Kishi who is in real trouble.

In light of foregoing my recommendation to you and President is to authorize me on "purely personal basis" to approach Kishi at once and ask him whether, in light of present domestic political situation, from GOJ viewpoint postponement of visit would be desirable. When we have Kishi's answer we would be in substantially better position to assess this possibility. If there were a postponement of visit it is of utmost importance that the initiative be that of GOJ.

If approach to Kishi on "personal basis" is authorized would appreciate reply soonest since I would like to put this to him soonest. It is of utmost importance that there should be no public indication at this time that we are wavering on visit.

MacArthur

162. Telegram From the Embassy in Japan to the Department of State

Tokyo, May 25, 1960, 6 p.m.

3840. Eyes only for the Secretary. Presidential visit. Embtel 3825.¹ Takeo Fukuda (Agriculture Minister and one of Kishi's closest confidants) called on me privately this afternoon to give me his account of his recent negotiations with Soviets in Moscow re salmon fishing. At conclusion his account of Moscow talks, he said he wanted to talk personally and confidentially about President's visit to Japan.

Fukuda indicated that he personally felt that in light of recent evolution of Japanese domestic political situation, timing of President's visit

Source: Department of State, Central Files, 711.11–EI/5–2560. Confidential; Niact.

¹ Document 161.

might not be of the best. As matters now stand, President is scheduled to arrive on day security treaty is finally ratified by Japan and conjuncture of these two events might give leftists pretext to mount demonstrations which might mar President's visit and be unpleasant for him. Fukuda said this possibility troubles Kishi, whom he sees daily, as latter greatly admires and respects President and wants nothing to interfere with success of his visit, although he very much wants President to visit Japan.

Fukuda asked me on "strictly personal basis" whether President's visit might be postponed for ten days or two weeks, so that ratification and entry into effect of treaty would have been accomplished. I said I could not answer officially, but personally I felt this was out of question because of visit to US of King of Thailand June 28; Congressional adjournment early in July followed by ten-day period for President to review Congressional legislation; and Republican Convention late in July. I added, however, that I felt postponement to somewhat later date, perhaps in August, might be feasible and even desirable if GOJ believed timing was not good, and if Kishi wished me on strictly confidential basis to explore this possibility, I would be glad to do so.

Fukuda himself felt that on balance postponement would be desirable. To advance date of President's arrival in Tokyo wouldn't really solve problem of timing, since until treaty is ratified and enters into effect, leftists may be expected to continue to agitate. Fukuda was most emphatic that there should be no cancellation of visit and that initiative for postponement should be with GOJ. If it were agreed to postpone, it would be extremely helpful if approximate date of postponed visit could be mentioned in general terms—for example "sometime in August"—when postponement was publicly announced.

In conclusion Fukuda asked me not to mention to anyone that he had discussed this matter with me since I gathered he has talked only to Kishi about it and that latter has not been in touch with FonOff. Fukuda said he hoped to be in touch with me tomorrow² about this after he had seen Kishi.

MacArthur

²No record of another meeting the next day has been found.

163. Telegram From the Department of State to the Embassy in Japan

Washington, May 25, 1960, 3:18 p.m.

2786. Eyes only for Ambassador from Secretary. Embtels 3840¹ and 3825.² Your helpful report of conversation with Fukuda opens way for what I believe is best practical solution for postponement of Presidential visit.

You should approach Kishi along lines your 3825 indicating we concur in suggestion but that postponement will of necessity have to be more than two or three weeks, corresponding with approximate dates contained in my 2763.³

Kishi should take initiative in suggesting postponement and President will be willing to respond immediately indicating his agreement saying that visit will be postponed and take place last few days July and early days August, details to be worked out later. Press ticker from Japan this morning indicates this idea is already leaking in Japanese press which should make it easy for Kishi to take this initiative.

Herter

Source: Department of State, Central Files, 711.11-EI/5-2560. Secret; Niact. Drafted by Steeves; cleared by Goodpaster at the White House and by Herter in draft; and approved by Calhoun.

¹ Document 162.

² Document 161.

³ Document 159.

164. Telegram From the Embassy in Japan to the Department of State

Tokyo, May 26, 1960, 6 p.m.

3871. Eyes only for Secretary. Since both Kishi's residence and office are being picketed by leftist groups and his every move followed by

Source: Department of State, Central Files, 711.11-EI/5-2660. Confidential; Niact.

press it was not possible for me to meet personally with him today without it becoming public knowledge which would have been very unhelpful for him. Accordingly I met with Vice FonMin Yamada this morning and discussed postponement of visit along lines Embtel 3825¹ and your very helpful 2786.² I indicated to Yamada that personally I thought various considerations indicating postponement made sense. Yamada promised to convey substance our discussion to Fujiyama and Kishi at once.

This afternoon I met secretly with Fujiyama. He said that following Yamada's report, question of postponement of President's visit had been discussed by both LDP leadership and government. While there were varying opinions within Conservative Party, after careful consideration Kishi and Fujiyama believed that it was best for visit to proceed as planned with President arriving June 19.

Fujiyama explained that in Kishi's and his considered judgment present Communist offensive against GOJ by Soviet Union, Communist China, and leftist elements within Japan had three basic aims: (1) to defeat treaty, (2) to oust Kishi who is regarded by both Soviets and ChiComs as public enemy no. 1 because of his staunch stand favoring US-Japanese partnership, and (3) to forestall indefinitely President's visit to Japan. Present campaign against GOJ is, Fujiyama said, being master-minded and supported in many ways by ChiComs and Soviets.

Fujiyama said Kishi is determined to press through ratification of treaty although until treaty is ratified and enters into effect there will be undesirable difficulties and disturbances fomented by pro-Communist elements perhaps even including general strike. However GOJ is determined to push treaty through.

With respect to President's visit while Kishi and Fujiyama recognize that there may be some demonstrators along road from airport waving red banners and like and while there might be certain "other undesirable scenes" GOJ is certain that it can fully assure safety of President and that there is no personal risk involved for him.

In conclusion Fujiyama said that he and Kishi felt that President's visit as scheduled would strengthen substantially elements in Japan that favor Japanese-American partnership and would be of material assistance with respect to public opinion in connection with all aspects of Japanese-American partnership including new treaty.

I replied to Fujiyama that I fully appreciated considerations which he had outlined. However, I must tell him frankly and on purely personal basis that I had some reservations and felt that further considera-

¹ Document 161.

² Document 163.

tion should be given by himself and Kishi to possibility of postponement. I went on to say that if there were demonstrations against President even though his personal safety were not involved an image might be created in United States and elsewhere of hostile anti-American Japan. In their efforts to drive wedge between Japan and US, creation of such an image was, I felt, one of basic objectives of Communists in addition to three objectives which he had mentioned. I also wanted to mention another consideration as result of what had transpired recently in Paris.³ I had seen comments in American press indicating that there is body of opinion in America that believed President should not travel abroad if it is clear in advance that situations may arise which not only create embarrassment but strike at dignity of Office of President. I said while pro-Communist elements will have continued capability to create disturbance if they so desire whenever President visits Japan, some people think that June 19 visit is bad timing because of conjuncture of President's arrival with entry into effect of treaty. Given announced leftist intentions, this would seem to make inevitable disturbances. On other hand if visit were postponed until end of July and early August leftist forces would have no such pretext and if they then demonstrated they would be universally condemned by public opinion everywhere.

I said that it would be one thing if it were question of cancellation of President's visit as this might be interpreted as great victory for Communist elements in Japan. However, we were talking about postponement not cancellation or indefinite putting off of visit. The proposition is that if GOJ so desires, postponement could take place but in announcement of postponement it would be specifically stated that visit would take place "last few days of July and early days of August." Under these circumstances I did not think postponement could be exploited successfully as leftist victory to detriment of Kishi and his government. I concluded by asking Fujiyama to be good enough to consult again with Prime Minister and give him my personal views and considerations which I had put forward.

Fujiyama said that he would gladly do so. Kishi and GOJ in reaching conclusion that it would be best for visit to proceed on schedule had been thinking largely in terms of Japanese picture and Japanese public opinion whereas I had introduced several other considerations which were important. Fujiyama said that in concluding visit should proceed as scheduled on 19th. GOJ planned to have treaty voted by upper house by about June 10, even though opposition would not be present, so that final ratification by both houses of Diet would be completed before President's arrival. Under these circumstances Kishi feared among

³ Reference is to the collapse of the summit meeting, May 16–17.

other things that with Japanese ratification completed postponement of President's visit on Japanese initiative might be used by Kishi's opponents to charge that Kishi was merely trying to postpone visit in order to prolong life of his government. Nonetheless he would try to see Kishi tonight and would in any event see him and be in touch with me by tomorrow morning.⁴

MacArthur

⁴The Department replied in telegram 2795 to Tokyo, that "if it remains considered judgment of Kishi that Presidential visit in June as scheduled is vital, President is prepared to come." MacArthur was asked to convey this to Kishi and assure him that Eisenhower wanted to avoid any action that would risk "Japanese-American partnership." (Department of State, Central Files, 711.11-EI/5-2660) See Supplement.

165. Telegram From the Embassy in Japan to the Department of State

Tokyo, May 27, 1960, 11 a.m.

3881. Eyes only for Secretary. I met privately very early this morning with Vice FonMin Yamada and conveyed to him substance your 2795,¹ asking him to pass it on to Kishi at once so that he would be fully aware of President's views in reaching final decision re possible postponement of visit. Yamada said he would get in touch with Kishi and Fujiyama immediately.

Yamada has just informed me that following his report to Kishi this morning, latter presided over long meeting with Ikeda, Sato, Fujiyama and Masutani (Deputy PriMin). They thoroughly considered all angles and considerations and reached unanimous agreement that it was vital to Japanese American partnership, including treaty, for President to come to Japan June 19 as planned. President's willingness to come is most deeply appreciated.

MacArthur

Source: Department of State, Central Files, 711.11-EI/5-2760. Confidential; Niact.

¹See footnote 4, Document 164.

166. Editorial Note

On May 20 James S. Lay, Jr., Executive Secretary of the National Security Council, forwarded to the Council for its later consideration copies of NSC 6008, a draft paper titled "U.S. Policy Toward Japan." Interagency disagreements in the draft included those in paragraphs 44–45 and 51–52. Paragraphs 44 and 45 read:

"44. While avoiding pressures likely to be counter-productive, encourage Japan to develop and maintain armed forces capable of assuming increasing responsibility for the defense of the Japan area and thereby, together with U.S. forces, of coping with and deterring Communist aggression in the Pacific.

"Majority

"Respond positively to, but do not now stimulate, initiatives by Japan to participate more actively in the defense of Free World interests in the Far East.

"Defense-JCS

"As conditions permit, make discreet efforts to induce Japan ultimately to extend the defense mission of the Japanese military forces beyond that of the defense of the immediate Japan area.

"45. Continue to consult with the Japanese Government concerning the rate and direction of defense development and the scope and nature of U.S. military assistance. While avoiding pressures and other actions prejudicial to Japan's political and economic stability, encourage Japan to increase its defense effort and to modernize its military forces. Continue grant military assistance for the present, by so doing seeking: (a) to elicit a greater Japanese defense effort; (b) to stimulate the modernization of Japan's military forces; (c) to permit continued U.S. influence over the evolution of Japan's defense forces; and (d) to provide for the continued transfer to Japan's forces of defense missions now discharged by the U.S. forces in Japan.

"State-Defense-OCDM-JCS

"Bearing in mind the desirability of achieving the ultimate goal of an orderly reduction and eventual elimination of new commitments for the provision of military equipment to Japan on a grant basis, recognize that for the next few years the attainment of this goal may not be feasible and that attempts to reduce substantially the level of U.S. assistance within the next few years would lead to seriously adverse political and military effects.

"Seek to place new commitments on a cost-sharing basis to the maximum extent possible."

Paragraphs 51 and 52 read:

"Majority

"51. Maintain the present degree of control over the islands enumerated in Article 3 of the Peace Treaty so long as it is essential to our vital security interests.

"52. Take those steps best designed to limit reversionist pressures in Japan and in the Ryukyus, recognizing that, although there are no major difficulties at present, administration of the Ryukyus is a continuing politically sensitive issue in U.S.-Japanese relations. To this end Japanese requests for closer relations with the Ryukyus in such areas as trade, cultural relations, provision of economic assistance and the interchange of nationals

"State

should be acceded to whenever reasonable and not inconsistent

with U.S. security interests in the area."

"Treasury-Budget-Commerce

"In order to achieve the orderly reduction and early elimination of new commitments for the provision of military equipment to Japan on a grant basis, undertake promptly consultations with the Japanese Government toward this end.

"Defense-JCS

"51. For the duration of the international tensions in the Far East created by the Communist threat, maintain the present degree of control over the islands enumerated in Article 3 of the Peace Treaty, in view of their essentiality to our vital security interests.

"Defense-JCS

should be considered sympathetically consistent

A footnote on the source text states that the Article 3 islands include the Ryukus (except for the Amamis), the Daito, Bonin and Volcano Islands, and Rosairo, Parece Vela, and Marcus. (Department of State, S/S–NSC Files: Lot 63 D 351, NSC 6008 Series) For additional information on NSC 6008, see Document 167.

167. Memorandum From the Assistant Secretary of State for Far Eastern Affairs (Parsons) to Secretary of State Herter

Washington, May 27, 1960.

SUBJECT

United States Policy toward Japan (NSC 6008)

The National Security Council will consider United States policy toward Japan (NSC 6008)¹ on May 31 at 2:30 p.m.

The new policy paper extensively up-dates the existing policy paper NSC 5516/1 of April, 1955,² but does not recommend any basic departures from current United States policy toward Japan. The paper anticipates that Japan will have in the coming years a growing impact on the balance of power in Asia and play an increasingly influential role in international developments. The paper emphasizes that the key to assuring that Japan will exercise its growing international role in concert with Free World interests lies in the satisfaction of its need for expanding trade and, consequently, access to a free and reasonable share of United States and other Free World markets. Because of Japan's heavy dependence on the United States, militarily and economically, United States policy can have a critical impact on Japan's international orientation.

There are four policy splits in the paper, as follows:

1. *Paragraph 44:* There is a basic difference with JCS and Defense on Japan's participation in regional security efforts. Defense and JCS recommend efforts to induce Japanese military activity outside the Japan area. We do not consider that, under its present political conditions, Japan will be prepared for some years to undertake such military activi-

Source: Department of State, S/S NSC Files: Lot 63 D 351, NSC 6008 Series. Secret. Drafted by Sneider and cleared in substance with E, U/MSC, and IO/UNP.

¹ See Document 166.

² See *Foreign Relations, 1955–1957*, vol. XXIII, Part 1, pp. 52–62.

ties, although we recognize that such an objective is ultimately desirable. It is recommended that you support the majority position, which directs that the United States only respond positively to, but not stimulate, initiatives in this direction by Japan since any effort to induce a regional security role by Japan is likely to be both counter-productive and ineffective. In the unlikely event Japan does take an initiative to participate more actively in the military defense of the Free World, we anticipate requests for military assistance above the levels set forth in the financial appendix.

2. *Paragraph 45:* This paragraph deals with the level of military assistance in the forthcoming years. The Treasury-Budget-Commerce position calls for an early elimination of new commitments for grant aid. The State-Defense-OCDM position states that this objective may not be feasible in the next few years, but leaves the way open for a final determination in the NSC 2158³ framework. We consider that efforts to commence at an early date reduction and elimination of grant military aid to Japan would inhibit present progress toward the modernization of the Japanese forces and would have unfavorable political repercussions on our relations with Japan. It is therefore recommended that you support the State-Defense-OCDM position. If this position is not accepted by the Council, we would prefer leaving the question open until an NSC 2158 determination is made, rather than accept the Treasury-Budget-Commerce position.

3. *Paragraph 51:* This paragraph deals with the duration of our control over the Article III islands, primarily the Ryukyus. The Majority position directs that the United States continue to control these islands only as long as they are essential to our security interests, leaving the way open for their return to Japan when they are no longer required from a security viewpoint. The Defense-JCS position makes no provision for their return to Japan, assuming that the islands will necessarily be required from a security viewpoint as long as tensions remain in the Far East. Defense's objective is to foreclose indefinitely any return of the islands to Japan. We consider such policy guidance undesirable since our security interests are the only reasonable justification for continuing control over these territories in the face of anticipated growing pressures for reversion in both Japan and the Ryukyus. It is recommended that you support the majority position.

³ NSC Action No. 2158, taken at the 427th meeting of the NSC, December 3, 1959, noted the directive by the President that the Secretaries of State and Defense ensure that new commitments for military equipment on a grant basis should not be offered to nations that are financially able to pay for such equipment. A footnote cites that "financially able to pay" is determined on "the basis of economic criteria without regard to political ability or willingness." (Department of State, S/S-NSC (Miscellaneous) Files: Lot 66 D 95, Records of Action by the National Security Council)

4. *Paragraph 52*: This paragraph deals with the treatment of Japanese requests for closer relations with the Ryukyus. The State position is to accede to these requests when reasonable and consistent with our security interests, while Defense and JCS would consider such requests sympathetically. While the language in the two positions is very close, there is a basic difference of viewpoint between State and Defense on this question. In practice, Defense has only reluctantly agreed to Japanese requests for closer relations with the Ryukyus. For example, this year they have refused to continue a program of sending a few Japanese teacher-consultants to the Ryukyus although such assistance is needed and is desired by the Ryukyuan. We feel that failure to permit the Japanese to assist the Ryukyus in this very limited manner, which will not affect our security interests, will only lead to increased reversionist pressures and serious strains in United States-Japanese relations. It is recommended that you support the State position.

168. Memorandum of Discussion at the 446th Meeting of the National Security Council

Washington, May 31, 1960.

[Here follows a paragraph listing the participants at the meeting.]

1. *U.S. Policy Toward Japan* (NSC 5516/1;¹ NSC 5913/1;² NSC Actions Nos. 2072³ and 2219-b-(1);⁴ OCB Report on NSC 5516/1, dated April 8, 1959;⁵ NIE 41-60;⁶ NSC 6008⁷)

Mr. Gray pointed out that the Secretary of Commerce and the Acting Secretary of Labor were present for consideration of the draft state-

Source: Eisenhower Library, Whitman File, NSC Records. Top Secret; Eyes Only. Drafted on June 1 by Boggs.

¹ See footnote 2, Document 167.

² For text of NSC 5913/1, September 25, 1959, "U.S. Policy in the Far East," see vol. XVI, pp. 133-144.

³ NSC Action No. 2072 was taken at the 404th meeting of the National Security Council on April 30, 1959. It noted the report on NSC 5516/1 made by the OCB as well as the review of U.S. policy toward Japan to be conducted by the Planning Board. (Department of State, S/S-NSC (Miscellaneous) Files: Lot 66 D 95, Records of Action by the National Security Council)

⁴ NSC Action No. 2219-b-(1), taken at the 441st meeting of the NSC, April 14, 1960, reads as follows: "The revised policy on Japan (item 2, page 1) should be submitted for Council consideration prior to the President's departure early in June on the trip which will include a visit to Japan". (*Ibid.*)

⁵ Not printed. (*Ibid.*, OCB Files: Lot 62 D 430, Japan)

⁶ Document 150.

⁷ See Document 166.

ment of policy on Japan (NSC 6008). He suggested that Mr. Amory might wish to summarize recent developments in Japan before the Council turned to consideration of NSC 6008.

Mr. Amory said that Prime Minister Kishi was determined that he would not resign and would not dissolve the Diet. The active vocal opposition to the security treaty with the United States probably represented a small minority of the Japanese people. However, the chances of Kishi retaining office are diminishing, as a result of his handling of the riot in the Diet and his failure to get his case for continuance in office thoroughly accepted by the people. Kishi is counting on the President's visit to Japan to restore his prestige and make it possible for him to dissolve the Diet and call new elections in the fall. If the current riots do not cease, Kishi may be compelled to abandon his ambitions for a third term. Kishi's enemies within his own party are mainly preoccupied with eliminating Kishi; they seem to have no substantive objection to the security treaty. If the Kishi government loses power and is replaced by another government, it is probable that relations between Japan and the United States would not be materially affected except that the new Japanese Government might be more favorable to Communist China.

Finally, Mr. Amory reported his belief that the Japanese Government would be firmly in control of public order during the President's visit to Japan. The President said his visit would be quite a good will visit, but he supposed the situation could be worse.

Mr. Gray then briefed the Council on NSC 6008. (Copy of Mr. Gray's briefing note is filed in the Minutes of the Meeting, and another copy is attached to this memorandum.)⁸

After reviewing the background of NSC 6008, and referring briefly to the General Considerations and the Objectives, Mr. Gray turned to the first split in the paper namely, that in paragraph 44,⁹ dealing with the defense mission of the Japanese armed forces.

Secretary Dillon thought there was no great substantive difference between the alternative versions of Paragraph 44. He felt strongly that any effort to stimulate Japanese thinking along the lines described in the Defense-JCS proposal for paragraph 44 would have a very bad effect on Japan. We had already had serious problems with respect to the security treaty and efforts to increase the military capabilities of Japan. One of the bases of Japanese acceptance of the security treaty has been the principle that Japan would not be required to fight in Far Eastern wars. Secretary Dillon believed that while the ultimate objective of the Defense-JCS proposal was a laudable one, the Defense-JCS language

⁸ Not printed; see Supplement.

⁹ See Document 166.

was too strong. He suggested the Council might wish to adopt the middle course by a sentence which would read "Until conditions permit, take no action to stimulate Japan to participate more actively in the defense of Free World interests in the Far East."

Secretary Douglas believed that Secretary Dillon's remarks had not quite answered the hope reflected in the Defense-JCS version of paragraph 44 that Japanese defense forces might become effective beyond the immediate area of the Japanese islands. Secretary Douglas attached some importance to mention of this geographical factor in the paper, but he could not get excited about substituting "as conditions permit" in the paper.

The President said that in view of the troubles in Japan at present, and the Kishi government's efforts to support us, he thought we had better be sure that we made no mistakes. He believed the State version of paragraph 44 was preferable. We should remember that this policy paper will be studied by our Ambassador and our Military Attachés, who will ask "What does this paragraph mean?" When the time comes to extend the Japanese defense mission, the decision that the time has come should be made by the National Security Council.

General Twining remarked that some military observers believe Japan is slipping away from us; that we are being too nice to Japan and will ultimately lose our shirts there. The President said that once we recognize the fact that Japan is an independent country, we can only keep Japan on our side by being nice; being too firm might lose Japan as an ally. General Twining believed that Japan was objecting to most of the military actions we wanted to take in Japanese areas, [*less than 1 line of source text not declassified*]. The President said he would rather have Japan as a friend than as an enemy. This was a matter of first importance. He felt it was necessary to be cautious at the present time. In three or four months, if Kishi succeeded in his efforts to stay in power the mission of Japanese military forces might be reviewed and, if necessary, changed.

Mr. Gray turned to a split in paragraph 45, which dealt with the question of grant military assistance to Japan.

Secretary Dillon said his own feeling was that both versions of paragraph 45 went too far in trying to establish a policy which would last for some time. The difference between the alternative versions, as reflected in the Financial Appendix,¹⁰ was only \$6 million for the next fiscal year. Secretary Dillon was strongly of the opinion that the present was a poor time, after the internal struggle in Japan over the security treaty, to ask Japan when we could stop making new commitments for grant military

¹⁰Not printed. (Department of State, S/S-NSC Files: Lot 63 D 351, NSC 6008 Series)

assistance to Japan. Immediately after the ratification of the security treaty, we intend to negotiate with Japan the latter's \$600 million GARIOA debt.¹¹ Secretary Dillon thought the \$600 million involved in GARIOA were more important than our expenditures in military assistance. After the GARIOA negotiations are completed, it might be possible to discuss with the Japanese Government a reduction in our military assistance commitments.

Secretary Dillon admitted that the State Department version of paragraph 45 might be somewhat extreme, and wished to suggest an alternative. He recalled that a report on NSC Action No. 2158¹² was due in August. He suggested that paragraph 45 be modified by eliminating both alternative versions and substituting the following: "Bearing in mind the ultimate objective of eliminating grant military assistance, continue such assistance for the present." Grant military assistance to Japan could then be considered again in connection with the report on NSC Action No. 2158 this summer, and if new commitments to Japan were not ended as a result of such consideration, the matter could be considered again each year.

The President asked whether there was any understanding or any commitment between the United States and Japan as to grant military assistance made during the course of the security treaty negotiations.

Secretary Dillon said there were no such commitments. However, the United States has a definite program of cost-sharing to increase Japanese capabilities so that we can phase out U.S. forces now stationed in Japan. In fact, Secretary Dillon believed that an effort to eliminate new commitments for grant military assistance to Japan might result in retention of our forces in Japan for a longer time and at a greater cost than would be necessary if grant military assistance were not ended at an early date. Secretary Dillon said there was an implied commitment to Japan that we would continue for a year or two with our cost-sharing program. We should help Japan in building F-104's, P2B's, and missiles for air defense. However, if the State language of paragraph 45 were adopted, the Council would not be approving any particular financial plan for the future.

Secretary Anderson said he realized it was difficult to talk about ending commitments for grant military assistance at a time when our relations with Japan were somewhat precarious. However, NSC Action No. 2158, taken last August, provided that we would take steps at the earliest feasible time to end new commitments for grant military assistance to nations able to pay for their own military forces. Under this Ac-

¹¹See footnote 1, Document 202.

¹²See footnote 3, Document 167.

tion, no new commitments should be made or implied except through prescribed procedure. The Treasury version of paragraph 45 suggested that consultation between the United States and Japan should take place, but did not propose that our commitments be phased out until three years had elapsed. Moreover, our expenditures for military assistance to Japan would not become minimized until six years had elapsed. Under the Treasury language, consultations with Japan might even be postponed, since there was no provision indicating when such consultations would be feasible.

Secretary Anderson understood that the Country Team in Tokyo had worked out a six-year program, and had discussed it with the Japanese in contravention of the instructions in NSC Action No. 2158. Now it was argued that any attempt to change the program of the Country Team would place us in an adverse political position vis-à-vis Japan. Less than 1-1/2% of the Japanese GNP and less than 10% of the Japanese budget had been devoted to military purposes since the end of the war. Japan was in a favorable position with respect to gold holdings and liquid dollar assets. If the principle that nations able to pay for their military forces should do so was to be applied, we must begin some time.

Secretary Anderson felt that three years was not an unreasonable period for phasing out our commitments for grant military assistance to Japan. He also suggested that the words "as soon as feasible" might be substituted for "promptly" in the Treasury version of paragraph 45. Finally, he agreed with the view expressed by the President, that the National Security Council should decide when it is feasible to begin making changes in our military arrangements with Japan.

The President suggested that the timing provision in paragraph 45 might read "when declared feasible by the President". He asked whether Japan was in a favorable budgetary position at the present time.

Secretary Anderson said that during a period when Japanese GNP rose from \$17 billion to \$30 billion, defense expenditures rose from \$283 million to \$436 million. The percentage of the Japanese budget devoted to defense declined from 12% to 7.87% between 1953 and 1958. The President inquired whether the Japanese budget was balanced. Secretary Anderson said he did not know whether Japan was operating under a balanced budget or was running a deficit.

The President said he felt the Japanese GNP was carrying a great load. He pointed out that if the country had a starvation diet to begin with, even a considerable rise in GNP was not very significant. He noted that the United Kingdom was attempting to balance its budget by austerity measures, but was experiencing considerable difficulty. A similar comment might be made about Argentina.

Secretary Anderson said he thought the Japanese standard of living had improved. Secretary Dillon said per capita income in Japan was high for a Far Eastern country—about \$300 per year. He added that he had no great difficulty with the drafting proposals made by Secretary Anderson. The word “promptly” had upset the State Department. Secretary Dillon saw three ways to improve the U.S. balance-of-payments position and help the U.S. taxpayer so far as Japan was concerned: (1) an increase in Japanese defense expenditures; (2) a favorable GARIOA settlement; and (3) a reduction in our military assistance to Japan. Only the last item was fully under our control. With respect to the question whether we were committed or not committed, Secretary Dillon wished to say that the United States had made no commitment to Japan as a result of the Country Team’s activities. We did not have to follow through on the Country Team’s five-year program, which was prepared in response to one of the recommendations submitted by the Draper Committee¹³ and approved by the President as a world-wide method of programming military assistance. Secretary Dillon said he did not know whether the Country Team had in fact talked with the Japanese about this program.

The President said one of his first experiences in office had concerned the question whether we were committed to make a large loan. He had carefully read all the papers on the subject, and had come to the conclusion that the good faith of this country had been committed to the extent of \$300 million. The President felt that once a Country Team makes a favorable comment on a program, the foreign country regards that favorable comment as a commitment. He believed we must instruct our Country Teams to remain non-committal when discussing future programs with our foreign colleagues.

Mr. Gray doubted that our Country Teams could formulate satisfactory programs unless they were permitted to discuss these programs with our foreign colleagues. The President said he had no objections to such discussions; but the Country Teams should be careful not to make commitments. Mr. Gray thought that discussions slipped imperceptibly into commitments.

Secretary Douglas then read (from the Defense Comments in the Financial Appendix of NSC 6008) a paragraph which indicated that the only formal U.S. commitment to Japan was an agreement relating to the production of F-104 aircraft. This paragraph also stated that the United States had indicated an intent to support Japanese plans for certain

¹³The President’s Committee To Study the U.S. Military Assistance Program chaired by William H. Draper, Jr.

weapons to a point where failure to provide such support would present considerable difficulty.

The President said the word "formal" should be underlined in the paragraph Secretary Douglas had just read. It was the indication of intent that the President was complaining about. The Country Teams should be cautious; their conversations should be exploratory and should not indicate intent.

Mr. Gray suggested that the timing provision in paragraph 45 might read "as soon as deemed by the President to be feasible". The President agreed that we might say "when determined to be feasible by the President".

Mr. Gray then explained the divergence of views in paragraph 51 of NSC 6008, dealing with U.S. control over the Japanese islands enumerated in Article 3 of the Peace Treaty.

The President said he seemed to be constantly fighting words, but he did not see much difference in the two versions of paragraph 51.

Mr. Gray said he feared the Planning Board had done a poor job in drafting the paper in that case, since a real difference of opinion existed.

Secretary Douglas agreed that paragraph 51 reflected a difference of opinion. He said the Department of Defense felt that the Majority version invited immediate discussion as to whether the present degree of U.S. control over the islands in question was essential to U.S. security interests. The Defense version of paragraph 51 settled the question for a few years at least.

Secretary Dillon was fearful lest the Defense-JCS version settle the question for a hundred years. He could conceive of situations arising wherein Japan would expand its whole security system in the Far East in return for relaxation of some of our control over the Ryukyus. He thought the language of paragraph 51 should be broad enough to enable us to make changes in the degree of control we exercise over the islands if such changes were in our security interest. The Defense language made it impossible to modify our control, even if such modification should be in our interest, as long as international tensions persist in the Far East.

Mr. Gray said this question was the subject of weekly controversy between the Departments of State and Defense. It had been one of the first things he had to deal with when he became Assistant Secretary of Defense.

The President felt there was no difference between the two versions of paragraph 51 as he would interpret them. As long as there was a Communist threat in the Far East, it was not in our security interest to relax our control over the islands.

General Twining said that each request for a relaxation of U.S. control over the islands was relatively modest in itself, but that a series of relaxations would result in seriously undermining our control.

The President suggested that paragraph 51 might indicate that we would retain the present degree of control over the islands for the duration of international tensions in the Far East and in the absence of changes in the U.S.-Japanese security treaty.

Secretary Dillon said that under the Defense language we would have to maintain the present degree of control over the islands as long as international tensions exist in the Far East, but under the State language minor changes were possible. He preferred the flexibility permitted by the State language.

The President wondered why we should control the Ryukyus—in-
deed, why we would want to—in the event Japan became quite powerful. In this event we would have to accede to Japanese wishes regarding the islands.

General Twining believed it was necessary for the United States to control these islands in order to control the Far East. He feared that a relaxation of our control would eventually result in the loss of Okinawa. Secretary Dillon wished to make it clear that the State Department was not suggesting the relinquishment of Okinawa.

The President said the security treaty with Japan had been drawn up in the light of the Communist threat. Accordingly, paragraph 51 might contain the clause “under conditions now prevailing and as visualized in the security treaty”. He agreed with Secretary Dillon that the Communists might be a threat in the Far East for a hundred years. Japan could become so powerful that our garrisons on the Japanese islands would appear puny.

Mr. Gray then explained the spirit in paragraph 52, dealing with Japanese requests for closer relations with the Ryukyus in such areas as trade, cultural relations, provision of economic assistance, and the interchange of nationals.

The President said he was inclined toward the Defense version of paragraph 52, which said that Japanese requests should be considered sympathetically consistent with U.S. security interests.

Secretary Dillon was also inclined to agree with the Defense-JCS version of paragraph 52 if “sympathetic consideration” had a real meaning. Last year, however, the Army had cancelled a program for the provision of a small number of Japanese teachers for the Ryukyus, although teachers were badly needed in that area. Actions of this nature had resulted in State formulating the rather extreme position found in the State version of paragraph 52.

The President remarked that State would probably like the Defense version to read "consider sympathetically and, if feasible, favorably". The President then suggested that the Defense-JCS version of paragraph 52 should be adopted, and that a note should be made in the Record of Action of the Council's understanding that "considered sympathetically" means taking a positive attitude toward the Japanese requests.

Mr. Gray then called the attention of the Council to paragraph 60, which was concerned with Japanese trade practices.

The President wondered why this question was in an NSC paper. He was particularly concerned about the detailed provisions relating to pirating of designs, infringement of patents, and cartels, as well as unfair business practices. Many people thought that cartels were not unfair at all.

Mr. Gray said that an attempt had been made to comprehend all our policies toward Japan in this paper.

The President said that if paragraph 60 remained in the paper it might as well have a paragraph on tariffs and GATT.

Mr. Gray said that paragraph 57 did in fact deal with tariffs and GATT.

The President believed that a large number of things were being covered under the label of national security. He wondered whether economic policies of this kind should be in an NSC paper. Council proceedings were supposed to be secret advice to the President. If the Council discussed the policy relating to trade practices, infringement of patents, and so on, and our policy on these matters was later made public, then the privileged character of Council advice to the President would be violated.

Secretary Mueller said we were attempting to assist Japan economically as well as in security matters. The economic paragraphs in NSC 6008 were part of the effort to build up Japan.

Secretary Dillon reported that as a result of his visit to Japan,¹⁴ Chancellor Adenauer had directed the West German Government to change its trade policy toward Japan. Last week a West German-Japanese trade agreement had been signed opening West German markets to Japanese goods.

The President said he was still concerned about including in an NSC paper as much detail as appeared in paragraph 60. Some of the economic policy in the paper should be more "visible"; perhaps this policy should be incorporated in another paper.

¹⁴Dillon visited Japan in October 1959; see Documents 102 and 103.

Mr. Gray explained that if it were necessary to make any of these policies public, they could be published as Presidential policy without reference to the fact that they had been recommended to the President by the National Security Council.

The President asked whether it was the duty of the State Department to negotiate with Japan concerning the pirating of designs, and so forth.

Secretary Dillon replied that this matter was something of a joint State-Commerce responsibility; the State Department negotiated with Japan with the support of information supplied by the Department of Commerce.

The President said another difficulty with presenting economic details in an NSC paper was that the Department of Commerce was not normally a part of the NSC mechanism.

Secretary Mueller said the policy paper on Hong Kong was largely economic.

In reply to a question from the President, Mr. Gray said the Hong Kong paper was not on the agenda of this Council meeting.

Secretary Anderson believed that Secretary Dillon's report on the Japanese-West German trade agreement was very important. If Japan was to become self-sufficient, it would have to have markets in addition to those in the United States and Canada. He wished to applaud the fact that Japan and West Germany had signed a trade agreement.

The President remarked that European countries in conversations about the Outer Seven were inclined to shy away from talking about Japanese trade.

Secretary Dillon said that West Germany in one jump had changed from a country which was lagging behind in relations with Japan to a country which was now very favorable to Japanese trade.

*The National Security Council:*¹⁵

a. Noted and discussed an oral briefing by Mr. Robert Amory, Jr., for the Director of Central Intelligence on recent developments with regard to the situation in Japan.

b. Discussed the draft statement of policy on the subject contained in NSC 6008; in the light of the views of the Joint Chiefs of Staff thereon, as reported at the meeting.

c. Adopted the statement of policy contained in NSC 6008, subject to the following amendments:

(1) *Page 21, paragraph 44:* Insert the following as the second sentence, in lieu of the alternative Majority and Defense-JCS versions:

¹⁵Paragraphs a-d and the Note that follows constitute NSC Action No. 2240. (Department of State, S/S-NSC (Miscellaneous) Files: Lot 66 D 95, Records of Action by the National Security Council)

“Respond positively to, but until conditions permit take no action to stimulate, initiatives by Japan to participate more actively in the defense of Free World interest in the Far East.”

(2) *Page 22, paragraph 45*: Insert the following as the 4th sentence, in lieu of the alternative State–Defense–OCDM and Treasury–Budget–Commerce versions:

“In order to achieve the orderly reduction and early elimination of new commitments for the provision of military equipment to Japan on a grant basis, undertake, as soon as deemed feasible by the President, consultations with the Japanese Government toward this end.”

(3) *Page 24, paragraph 51*: Insert the following in lieu of the alternative Majority and Defense–JCS versions:

“51. Taking into account the Communist threat in the Far East and the new security arrangements with Japan signed on January 19, 1960, maintain the degree of control over the islands enumerated in Article 3 of the Peace Treaty deemed by the President to be essential to our vital security interests.”

(4) *Page 25, paragraph 52, 2nd sentence*: Include the Defense–JCS version (deleting the State version) and adding as a footnote “The term ‘considered sympathetically’ is to be interpreted as meaning that a positive attitude will be taken toward Japanese requests.”

d. Noted the President’s determination, with respect to paragraph 51 of NSC 6008 as revised, that for the time being the present degree of control over the islands enumerated in Article 3 of the Peace Treaty is essential to our vital security interests.

Note: The President, after further consideration of the discussion at the meeting with respect to paragraph 60 of NSC 6008, directed that the following wording at the end of the first sentence of that paragraph be deleted as being too detailed for inclusion in an NSC policy paper: “; preventing the pirating of designs, infringement of patents, cartels and other unfair business practices.”

NSC 6008, as amended by the action in c above and the immediately preceding sentence, and the action in d above, subsequently approved by the President; circulated as NSC 6008/1 for implementation by all appropriate Executive departments and agencies of the U.S. Government; and referred to the Operations Coordinating Board as the coordinating agency.

[Here follow the remaining agenda items.]

Marion W. Boggs

169. Telegram From the Embassy in Japan to the Department of State

Tokyo, June 4, 1960, 5 p.m.

4020. CINCPAC and HICOMRYIS for POLADs. AmEmbassy Manila for Mr. Hagerty. Embtel 3969.¹ According to Associated Press report Akira Iwai (Secretary-General of Sohyo General Council of Trade Unions) told press June 3 that Sohyo will stage "giant demonstration" in presence of James Hagerty, White House Press Secretary, during his visit to Japan next week. Iwai also told press that demonstrations during President's visit are "likely" and said he is "still apprehensive that some physical violence may occur."

Labor Ministry official June 3 commented on Iwai press statement by pointing out that Sohyo has been planning to hold "May Day-like" central rally in Tokyo sometime around June 11 (reference telegram). Iwai's statement was probably designed to give specific target to that rally and attempt to contribute to general build-up of momentum of campaign during next three weeks. Ministry also informed Embassy June 3 that it has received report that several thousand Zengakuren (Federation of Student self-government associations) adherents planning to demonstrate at Haneda when Hagerty arrives. Sohyo Unions not expected to participate in that demonstration as organized element. Ministry attempting to confirm report on Zengakuren plans and will keep Embassy informed.

Re Iwai's reference to possibility of violence during President's visit, Embassy has been told by several Sohyo officials that orders against violent demonstrations against President will be issued to all Sohyo Unions. Zenro (Japanese Trade Union Congress) official and Labor Ministry officials TODU stated that violent demonstrations by unionists are unlikely, since unions estimate such acts would turn Japanese public irrevocably against union; all observers have remarked, however, that Zengakuren is always potential source of violence.

MacArthur

Source: Department of State, Central Files, 894.062/6-460. Confidential. Repeated to Manila, COMUS/Japan, CINCPAC, and HICOMRYIS.

¹ Telegram 3969 from Tokyo, June 1, reported that Sohyo was energetically developing mass momentum for strikes and rallies against the security treaty and against the Kishi cabinet. (*Ibid.*, 894.062/6-160) See Supplement.

170. Telegram From the Embassy in Japan to the Department of State

Tokyo, June 6, 1960, 7 p.m.

4040. CINCPAC and HICOM for POLADs. Embtel 4008.¹ Following is our preliminary and tentative report on and estimate of effect of Sohyo-called general strike June 4:

Strike of railway workers which lasted from 4 am to 7 am went off without hitch and caused considerable inconvenience to commuters. There were no reports of any major violence and no serious adverse reaction of public has yet been evident.

Since strike was actually illegal but nonetheless was pulled off as advertised without serious public adverse reaction, Sohyo and Socialists are claiming it as great victory and are contemplating another similar but more widespread strike on June 17 or 18. On other hand, govt is claiming victory, pointing out: (a) that there was no enthusiasm or revolutionary fervor on part of strikers (indeed some of railway operators would not have joined strike unless they had been abducted by Sohyo); (b) that public did not support strike and reason it did not react adversely was because strike was in early morning and only lasted three hours; (c) that even pro-Socialist *Asahi* has strongly condemned strike and that Nishio Democratic Socialists have also made public statements strongly opposing and condemning it; (d) that stock market which dropped before strike recovered immediately after conclusion of strike June 4; and (e) while Socialists claim five-and-half million participated, public security info agency reports that only 750,000 were involved.

It is still too early to gauge longer term effect of strike on Japanese people. We believe on balance Socialists and Sohyo came out a shade better because they successfully pulled off an illegal strike without strong public reaction and are encouraged to try it again on broader scale about June 17. On other hand, if press and Democratic Socialists continue to condemn such political strikes, Socialists may not actually try it again June 17, and indeed if they do it is possible but not certain that Japanese public, which accepted one such exercise, will itself become increasingly critical.

MacArthur

Source: Department of State, Central Files, 894.062/6-660. Confidential; Priority. Repeated to COMUS/Japan, CINCPAC, and HICOMRYIS.

¹ Telegram 4008 from Tokyo, June 3, described Sohyo's plans to disrupt severely transportation during morning rush hours in Tokyo and other major cities. Zengakuren students, the telegram continued, were expected to demonstrate. (*Ibid.*, 894.062/6-360)

171. Memorandum of Telephone Conversation Between President Eisenhower and Secretary of State Herter

Washington, June 7, 1960, 2:35 p.m.

The President telephoned with regard to his forthcoming trip to the Far East. The Secretary said with regard to General van Fleet¹ that, as Mr. Dillon mentioned, our area experts thought his accompanying the President might be embarrassing because of van Fleet's known close association with Rhee. The President said he wasn't unaware of that but, on the other hand, he seemed to be like Jose Rizal or something. The President said what he is worried about is this thing building up in Japan; that he was not disturbed by the people in Congress or on TV who think they know better, but that he was disturbed as to whether Kishi may be making a mistake in using the President for an internal thing.

The Secretary said we have gone into this very carefully; that he didn't think Kishi has much a chance of hanging on. Secretary said Kishi has identified himself so much with this Treaty, but that it is the ambitious people in his own party who feel that three years is enough as Prime Minister that are making Kishi's life the most miserable. The Secretary mentioned the wire from MacArthur yesterday² reporting the large group of students and others who have volunteered to Kishi to be out there cheering for the President. The President said he knew there would be no attempts to physically harm him, but he said the only thing he wonders is how far the United States can take the risk of having its President embarrassed and, therefore, embarrass their country. The President said he was almost getting to the point of feeling he ought to see whether his own country feels he is making a mistake. The Secretary said he knew the President's concern and said we have the same concern and have been watching it carefully. The Secretary said he thought the President should continue with his plans but be prepared at the last minute if the situation changed in Japan to defer this. The President said he is going to take the rest of the trip anyway, but he would not want to cancel the Japan portion after he had started on the trip; that if Japan is to be cancelled this should be announced before the trip. The Secretary

Source: Eisenhower Library, Herter Papers, Telephone Conversations. No classification marking. Drafted by Stilson.

¹General James Alward Van Fleet, U.S. Army, Commander of the U.N. forces in Korea, 1951-1953.

²In telegram 4042 from Tokyo, June 6, MacArthur reported that he learned from Funada on June 4 that the Japanese Government expected special groups of "friendly demonstrators" totaling about 200,000 to 300,000 to line the route between the airport and the Imperial Palace upon the President's arrival in Tokyo. (Department of State, Central Files, 794.00/6-660) See Supplement.

said such cancellation would happen only if the responsible Government in Japan recommended the President not come, but the Secretary said he thinks they have things under good enough control; that there is an important issue here as to whether these troublemakers should be allowed to get away with something but, on the other hand, we have the President's own situation very much in mind. The Secretary said he thought that there will be a demonstration, but mentioned that in the last by-election on May 19th³ where the whole issue was on the Treaty, the candidate supporting the Treaty won by 75% on this issue. The President said he is anxious that the people of Japan understand the purpose of an American delegation going to Japan is to pay respects to a sister democracy and to celebrate with them their Centennial and not to try to be appearing as a supporter of a Treaty, of Kishi, or anything else. The President thought it might be helpful if we could put this idea across before his arrival and mentioned the Secretary perhaps making a statement when he leaves here. The President said he is worrying because he wouldn't want a big effort such as this to be a flop; that if it proved futile people would say he wouldn't listen to warnings. The President mentioned Fulbright's comments in the Press.⁴ The Secretary said he had told the Foreign Relations Committee in Executive Session that the question of postponement had been gone into and the Kishi Government felt a postponement would look like giving into this pressure group and it was felt the President should therefore go ahead. The Secretary said the Committee felt the decision was a wise one and was completely sympathetic. The President said he was trying now to get together a speech for the Diet, but it is a sorry thing when you think you are going in there with armed guards at the doors.

³ A reference to the by-election for the House of Councillors in Kumamoto Prefecture held on May 18. LDP candidate Susumu Nogami won the election. (Airgram G-9 from Fukoka, May 19; Department of State, Central Files, 794.00/5-1960)

⁴ Fulbright urged the President to delay his trip to Japan. See *The New York Times*, June 7, 1960.

172. Telegram From the Embassy in Japan to the Department of State

Tokyo, June 8, 1960, 9 p.m.

4082. For Assistant Secretary Parsons from MacArthur. Information Taipei for Stephens and Hagerty. Embtels 4080¹ and 4081.² Greatly appreciate your 2906.³ Our present over-all assessment of probable Japanese reaction to President's visit is as follows:

1. We must expect strong demonstrations against President by pro-Communist groups, including Socialist Party, Sohyo, Nikkoso, and various Communist-front groups in line with Moscow's hard line. Moscow and Peking are committing all their available reserves to present internal struggle in Japan to defeat security treaty, and in particular they are opposing President's visit as they fear that it will prevent them from turning anti-Kishi and anti-security treaty struggle into nationwide anti-American movement. In other words we should be encouraged by fact that Communists estimate the President's visit will strengthen Japanese-American relations and hinder present Communist offensive in Japan. As we all know, because of developments in Japan timing of President's visit is unfortunate because of conjuncture of his arrival and treaty ratification June 19 which gives pretext to leftists for demonstrations. (However Kishi hopes to have Upper House ratify by June 16 or 17.) While it is too bad there will be demonstrations, as long as President's personal safety is not compromised, I think we should view pro-Communist demonstrations in same general light that we view Khrushchev blasts.

However, overwhelming majority of Japanese people are friendly to US and appreciate great assistance we have given them since end of war which has helped them so greatly in their reconstruction. Furthermore, Japanese people are traditionally extremely polite and friendly to visitors. We believe they will receive President with friendship and

Source: Department of State, Central Files, 711.11-El/6-860. Confidential; Niact. Transmitted in two sections and repeated to Taipei.

¹ Telegram 4080 from Tokyo, June 8, reported the plans of Sohyo, the JSP, the Zengakuren, and the People's Council to oppose Kishi; the President's upcoming visit; revision of the security treaty; and expected rallies during Presidential Press Secretary Hagerty's visit June 10-11. (*Ibid.*, 794.00/6-860) See Supplement.

² Telegram 4081 from Tokyo, June 8, described MacArthur's meetings with Japanese newsmen, Diet members, and business and intellectual leaders to explain the purpose of the President's visit. (Department of State, Central Files, 711.11-El/6-860) See Supplement.

³ Telegram 2906, June 7, expressed appreciation for Embassy reporting on the Presidential visit and asked for an assessment of probable Japanese reaction to the visit. (Department of State, Central Files, 711.11-El/6-760) See Supplement.

courtesy. While except for extremists Japanese are notoriously undemonstrative publicly, we think that if leftists overdo their opposition to visit many Japanese will feel called upon to applaud President vigorously to counteract possible impression in American and foreign eyes that he is not warmly welcomed here. We know GOJ and certain members of LDP are working quietly to this end with important groups who themselves spontaneously wish to give President warm welcome.

As result of meetings I have had with press and public information media, business and political leaders, I think press will also soon begin to call on Japanese people to welcome President warmly. Kishi is also working on newspaper owners. There has been so much confusion here and so many reports about postponement that press has not come out in favor of visit yet for reasons I indicated earlier in Embtel 4081 and also because they feel visit may strengthen Kishi whom they hate blindly. However, we believe there will now be good press support for visit although I am not yet certain press will take strong stand against Socialists re visit.

Despite foregoing, Zengakuren will make major effort to create unpleasant demonstrations against Hagerty when he arrives here Friday and there will not be restraints on such demonstrations against Hagerty that there would be on similar demonstrations against President (see Embtel 4073).⁴

Many people who are friendly toward US, while not wishing President to back down and postpone visit because of Communist pressure, at same time have been very much afraid of very adverse reaction in America if there are demonstrations against President. Some (particularly intellectuals) also considered the timing bad and fear it will enmesh President in political struggle going on here. They have suggested postponement of two to three weeks, but when it is pointed out that Communist opposition to visit will hardly change in that period and prospect will be for demonstrations even then, they reluctantly agree that this is true. On other hand, a number of Japanese leaders in business and politics feel that great struggle is now taking place in Japan, on outcome of which depends Japan's future political orientation (either with West or neutralism) and that President must go through with his visit and not give Communists victory by postponing. In past three days a number of my diplomatic colleagues, including Asians and Westerners, have asked me anxiously about reports that President might postpone his visit and have all stated that it is imperative (A) that President go

⁴Telegram 142 from Tokyo to Taipei for Stephens and Hagerty, repeated to the Department as 4073 for Parsons, June 8, discussed Hagerty's schedule and warned him that there would be demonstrators to greet him at the Haneda airport in Tokyo. (Department of State, Central Files, 711.11-EI/6-860)

through with visit as planned, and (B) that Kishi Government stand firm in ratifying treaty, as backing down to Communists will create domino reaction in free Asia.

Number of anti-mainstream LDP leaders have been calling for postponement of visit since they feel President's visit may somehow bolster Kishi. I have talked with some of them and now that it is crystal clear that President will proceed as planned, I believe most will climb on band wagon and say that President's visit is welcome, although I do not expect either Ishibashi or Matsumura to be helpful.

I of course realize how concerned you all must be in Washington, particularly in view of very alarming and perhaps sometimes exaggerated reports in our press. For example, such demonstrations as have thus far occurred in and about Embassy have been relatively calm affairs with no revolutionary or deep anti-American fervor evident even among some of Zengakuren students. I will continue to keep you informed, of course, about reactions to visit, but we here on firing line feel that situation with respect to Japanese press has now turned and that with knowledge that visit will take place as scheduled there will be increasingly strong support from majority of press, prominent leaders and personalities, and public favoring President's visit.

MacArthur

173. Telegram From the Embassy in Japan to the Department of State

Tokyo, June 10, 1960.

4127. From Ambassador MacArthur to General Goodpaster. For transmittal to the President and Secretary Herter at an appropriate time. When I met Hagerty and Stephens at Haneda airport this afternoon we were of the unanimous opinion that despite fact there were demonstrators along road to Tokyo we should proceed as planned in my car rather

Source: Department of State, Central Files, 794.00/6-1060. Confidential; Niact. Also sent to the White House. No time of transmission is on the source text; it was received at the Department of State at 9:25 a.m.

than sneak out of airport by helicopter. For if the leftists were going to resort to force and violence it was better for Japanese and US to know now rather than when President arrives. Furthermore I felt that if force and violence were used against us, there would be a deep feeling of revulsion on part of the great majority of Japanese which would seriously blunt the pro-Communist offensive here.

As we approached exit of airport grounds a mob spearheaded by Zengakuren students closed in on us stoning the car, shattering the windows, cutting the tires and trying to turn us over.¹ Our situation was fairly uncomfortable for about fifteen minutes until police reached us. Since it was quite impossible to proceed further by car the police eventually cleared a path for helicopter to pick us up and we arrived at Embassy without further adventure and with none of the party suffering any real damage although unfortunately the helicopter was damaged.

Hagerty and Stephens were superb throughout this trying experience.

The Prime Minister, Foreign Minister, Minister of Education and other Japanese leaders have sent messages expressing their profound regret and sympathy at the treatment which was accorded us by these organized leftist groups.

While it is of course too early to assess impact of this incident on Japanese political and public opinion I believe that it will have most salutary and helpful result here. I am informed that Prime Minister and Foreign Minister will have special radio-TV broadcast tonight and since there were number of photographers in the melee around car I am sure action shots will be quite graphic. I personally feel that Japanese press, intellectuals, business leaders and Conservative Party have long needed some real shock to shake them out of their passive acceptance of use of force, violence and illegal action by a militant pro-Communist minority which is trying to paralyze parliamentary govt and democracy in Japan. I am hoping that Japanese reaction to this incident will be similar to Japanese reaction to the violence on May Day 1952 and that net result will be a major setback for Communist cause in Japan.

MacArthur

¹ According to the Air Attaché's message 100820Z, June 10, the stoning occurred at about 3:15 p.m. local time, and the American Embassy went into "a condition II, standby to destroy situation." (Department of State, Central Files, 711.11-EI/6-1060) See Supplement.

174. Telegram From the Department of State to the Embassy in Japan

Washington, June 10, 1960, 8:08 p.m.

2951. Eyes only for Ambassador. All of us here greatly regret indignities to which you, Hagerty and Stephens were subjected, and rejoice that no one was injured. As you no doubt realize impact of Japanese Government's failure to deal adequately with widely predicted situation is having serious impact on public opinion in this country and raises yet more serious questions for us. I should add that growing anxiety is again being expressed on Capitol Hill.

It appears to me and others in the Department that Japanese police were either unwilling or unable to handle this situation. I understand Secret Service has reported in same sense to White House. This opinion is supported by [*less than 1 line of source text not declassified*] report [*less than 1 line of source text not declassified*] which indicates that on June 8 Kashiwamura, Director General of National Police Agency, expanded [*less than 1 line of source text not declassified*] on difficulties of handling Presidential visit under present circumstances, and said he had advised Prime Minister that visit should be postponed. Later message indicates Director General not prepared make full use of police against Japanese people in protecting President. Kishi should be so informed.

If serious incident or rioting should take place when President is in Japan, likely result would be strong revival anti-Japanese feeling in US with resultant grave adverse effects on Japanese-American relations. Ambassador Asakai (who claims not to be close enough to situation to have definite view on advisability of trip now) pointed out that if a bad incident were to occur it might destroy at one blow whole edifice of close friendship and partnership which you, Kishi and others have so patiently built up over past ten years.

I must tell you that flat failure of Japanese Government to prepare adequately and deal with Hagerty arrival yesterday has caused grave misgivings among all of us who have until now staunchly supported visit in light of basic issues which you have so clearly put forward. We realize fully basic issues are Japanese future orientation and survival of parliamentary democracy, and last thing any of us would wish to do is to deliver Japan into hands of those who would destroy all we have striven for on both fronts. However, President's visit is only one incident although a highly important one in this struggle. We must squarely

Source: Department of State, Central Files, 611.94/6-1060. Top Secret; Niact. Drafted by Parsons; cleared by Dillon, Goodpaster, and with S/S; and approved by Herter.

face possibility of grave damage which could result at home and abroad from either failing to make certain of an orderly visit or unwisely persisting in what now, on basis hard facts of yesterday seems to be a most different situation.

As President has accepted Kishi's invitation and has reaffirmed his acceptance on basis Kishi's considered reaffirmation of invitation, we do not wish to take initiative for postponement. We are all the more unwilling because Japanese are in best position to evaluate situation and conclude whether or not they can handle it. We trust Kishi implicitly to have best interests of Japanese-American relations in mind and we have no suspicion whatever that his personal situation enters into his calculations at present. We hope that he has received full advice and counsel of those men in Government and elsewhere who according to Kashiwamura and others feel that visit should be postponed.

Naturally President himself has no desire to enter into an internal quarrel or to find himself used as a symbol of contending forces in a nation which he is trying to assure of America's friendship. We are sure Japanese Government has no desire to see dignity of Presidential office so used. We therefore request you to see Kishi privately at earliest possible moment and ask his evaluation of situation. You may say that if Kishi decides it should be postponed and takes initiative to this end, the President would later on try to fit a visit into a future schedule that is already crowded. He would, however, continue with visit to other countries scheduled for current trip.

In placing this question before Kishi, you will of course have in mind that even if Kishi continues to believe visit should take place as scheduled, President would have to reserve his freedom of decision if later on during progress of visit to other countries situation in Japan should so deteriorate as to make visit there obviously unwise from the standpoint of our mutual relations and public opinion in both countries. One possibility which disturbs us considerably is that even if large numbers of friendly elements decide to demonstrate their friendship for President and US, what we will have is a free for all mob scene between friendly and unfriendly elements in which latter are better organized and more combative.

You should also consider and discuss with Kishi as appropriate in what manner adverse effects of any changes in plan could be minimized and how blame could be thrown on Socialists and those others who have resorted to violence. It seems to us that while nothing could obscure success of those who by violence rendered government impotent and prevented trip, there might well be shock and revulsion on part Japanese people if blame were clearly and forcibly and publicly placed on Socialists and their Communist instigators and backers. This could be used by Kishi to carry through treaty ratification and then appeal to

country through new elections on issue control of violence as well as Western orientation of Japan.

In connection with your reply to foregoing and particularly if Kishi still desires visit to take place on schedule, we desire your independent appraisal as to prospects that police can and will handle situation efficiently despite their utter failure yesterday. We also would like to have your view as to extent of reaction against what we would consider shocking excesses of demonstrators in seeking humiliate Hagerty, Stephens and yourself including what if any practical effect such reaction would have on the violent leftists whose appetite must have been further whetted by their current success.

The President has seen this message.²

Herter

²This telegram was followed at 8:10 p.m. by telegram 2952 to Tokyo, which transmitted the President's comment that "the purpose of the trip is to reaffirm and strengthen the friendship which we firmly believe characterizes the relationship between our governments and our peoples. The usefulness of the trip must be weighed in this light." (Department of State, Central Files, 794.00/6-1060) See Supplement. In telegram 4129 from Tokyo, June 10, the Embassy had transmitted a letter of apology handed to MacArthur by Fujiyama and Chief Cabinet Secretary Shiina as representatives of the Japanese cabinet. (Department of State, Central Files, 794.00/6-1060) See Supplement.

175. National Security Council Report

NSC 6008/1

Washington, June 11, 1960.

UNITED STATES POLICY TOWARD JAPAN

Note by the Executive Secretary to the National Security Council

REFERENCES

- A. NSC 5516/1
- B. NSC 5913/1

- C. NSC Actions Nos. 2072 and 2219–b–(1)
- D. OCB Report on NSC 5516/1, dated April 8, 1959
- E. NIE 41–60
- F. NSC 6008
- G. NSC Action No. 2240¹

The National Security Council, the Secretary of the Treasury, the Secretary of Commerce, the Acting Secretary of Labor, and the Director, Bureau of the Budget, at the 446th NSC Meeting on May 31, 1960, adopted the statement of policy on the subject contained in NSC 6008, subject to the amendments set forth in NSC Action No. 2240–c.

The President after further consideration of the discussion at the 446th NSC Meeting with respect to paragraph 60 of NSC 6008, directed that the following wording at the end of the first sentence of that paragraph be deleted as being too detailed for inclusion in an NSC policy paper:

“; preventing the pirating of designs, infringement of patents, cartels and other unfair business practices.”

The President, as of this date, approved the statement of policy in NSC 6008, as amended and enclosed herewith as NSC 6008/1; directs its implementation by all appropriate Executive departments and agencies of the U.S. Government; and designates the Operations Coordinating Board as the coordinating agency.

The Financial Appendix will be circulated at a later date.²

By NSC Action No. 2240–d, the Council noted the President’s determination, with respect to paragraph 51 of NSC 6008 as revised, that for the time being the present degree of control over the islands enumerated in Article 3 of the Peace Treaty is essential to our vital security interests.

The enclosed statement of policy, as approved, supersedes NSC 5516/1.

James S. Lay, Jr.³

¹ See footnotes 1–7 and 15, Document 168.

² Not printed.

³ Printed from a copy that bears this typed signature.

Attachment

STATEMENT OF U.S. POLICY TOWARD JAPAN

General Considerations

Introduction

1. Japan stands today as a fully independent and influential member of international society. It has made a spectacular recovery from the 1945 low point, particularly on the economic front, and is unique as the only highly industrialized nation in the Asian-African area. Given its demonstrated capabilities and its aspirations for international prestige and leadership, Japan will have in the coming years a growing impact on the balance of power in Asia. The chief task of U.S. policy is to assure that Japan continues to exercise its international role predominantly in concert with Free World interests. The decision on Japan's international orientation will be made by its own leaders on the basis of their assessment of its vital national interests and domestic political factors, but U.S. policy will have a crucial bearing on this determination because of Japan's critical dependence upon the United States for defense and trade.

Importance of Japan

2. Japan's dramatic recovery emphasizes its importance to the United States and the Free World. In overall strategic terms, Japan is one of the four major industrial complexes in the world and, if Japan's industrial strength were harnessed to Communist Bloc power, the world balance of power would be significantly altered. Militarily, Japan is the key to the defense of the Western Pacific against Communist aggression. Her logistic facilities and bases are indispensable to an economical and effective defense of the Far East. Economically, Japan is the second largest export market for the United States and the largest purchaser of U.S. agricultural products; the United States is the largest importer of Japanese goods. Finally, Japan, as an Asian nation, has potential for contributing—particularly in the area of economic assistance—to the development of the many newly-emerging underdeveloped nations in Afro-Asia.

Internal Situation

3. Political power in Japan may be expected, barring unforeseen developments, to remain in the hands of the moderate conservative forces, whose policies will be most strongly guided by Japan's economic interests and the urge to satisfy Japan's international aspirations. The

conservatives enjoy solid majority support mainly by virtue of the inherent conservatism of the Japanese people, their demonstrated success in meeting Japan's economic problems, and the extremism of much of the opposition, although their position would be threatened if living conditions failed to improve over an extended period of time.

4. The principal cause of political instability is the factionalism endemic to the Japanese conservative movement, which can breed ineffectual governments if not curbed. Although the leaders of all factions of the Liberal Democratic Party appear in varying degrees to recognize the necessity of close ties with the West, some have shown serious political irresponsibility in their intra-party struggles for power. As a consequence, conservative governments in Japan have been tempted occasionally to sponsor opportunistic policies, to be less cooperative with the United States, and to be susceptible to appeals based on emotionally-tinged nationalism.

5. The chief opposition to the conservative Liberal Democratic Party in the Diet has come from the Socialists, who are dominated by extreme left-wing elements advocating a Communist-oriented neutralism. Recently the minority moderate Socialists split off, forming the Democratic Socialist Party. Although this new party is still in a formative stage, the split may in time offer a broader-based moderate, responsible, center-right Socialist alternative to continued Conservative rule. At present, however, left-wing extremists still outnumber moderate Socialists both in the Diet and in the trade union movement; presenting difficult problems for the United States, since these extremists are strongly anti-United States.

6. The Communist Party, though numerically weak, exercises a significant influence over Japanese opinion particularly through its penetration of mass organizations, labor, education and the information media. The ruling conservatives are aware of the dangers inherent in this situation and the prospects are that the countermeasures already begun will keep this Communist influence from significantly increasing.

7. Japan has one of the fastest rates of economic growth in the world (averaging 7.6 percent annually during the past three years) and is currently enjoying unprecedented prosperity, with new highs in nearly all sectors of the economy in 1959. While the extraordinarily high rate of investment (nearly 30 percent in recent years), the modern industrial plant, and technical skills of the labor force have contributed to this prosperity, essentially it would not have been possible without the significant expansion of Japan's international trade and sound governmental fiscal and monetary policies. Increased exports brought about a marked improvement in Japan's international accounts in the past two years and indications are that this improvement will continue at least

over the short term. Substantial surpluses on current account were registered and are reflected in relatively high foreign exchange reserves.

8. This prosperity enables Japan to contribute to the development of less-developed countries not only through the reparations programs, but also through private Japanese investments and bilateral government programs. Through reparations and settlements of war-time obligations, Japan is committed to provide certain Southeast Asian nations with more than one billion dollars in grants and to facilitate loans and investments amounting to more than \$700 million over the next 20 years. Disbursements average about \$70 million annually. Other bilateral government programs amounted to about \$130 million in 1959, and included not only Southeast Asia but also India and some of the Middle East nations. Japanese private investors are also investing abroad in substantial amounts with funds flowing to Southeast Asia, Latin America and even to parts of the United States. Japan does, however, have sizeable external obligations in connection with IBRD and EX-IM loans and the prospective GARIOA settlement. Export-Import Bank loans to Japan are of direct assistance to Japanese industry and trade but are primarily a means of expanding U.S. agricultural exports to Japan. IBRD loans have financed essential infrastructure power and transportation items.

9. The current excellent state of the Japanese economy, however, should not obscure the fact that Japan faces economic handicaps, including a heavy dependence on international trade which involves factors over which Japan itself has little direct control, and natural resources limited in relation to its population, its industrial development and its importance in world trade. The Japanese economy can be materially affected by recessions in other industrial nations and by the degree of discrimination against Japanese exports. A long history of discrimination against Japan in international trade has caused the Japanese to become extremely sensitive politically to fluctuations in world trade levels.

10. Despite the prosperity and a steadily rising level of personal consumption, the standard of living of the Japanese, though the highest in the Far East, is still low by Western standards (per capita GNP is about one-eighth that of the United States) and there are constant pressures to raise it more rapidly. To maintain its economy at a high and expanding level Japan must have continued adequate access to raw materials and to markets for its industrial products, and this access depends largely on the policies pursued by the other countries. In meeting its trade problems, Japan heavily depends upon the United States not only as its most important source of industrial raw materials and largest single market but also for leadership in fostering liberal trade policies throughout the Free World and particularly among the industrial na-

tions of Western Europe. If Japan's trade relationship with the United States significantly deteriorated, the Japanese leadership would consider a shift toward reliance on the Communist Bloc to be the only alternative.

11. The Japanese self-defense establishment is presently capable of maintaining internal security and making a limited contribution to the defense of the Japan area against a conventional attack and an even more limited contribution to defense against nuclear attack. The ground forces, most advanced of the three services, can conduct limited defensive operations; the Navy can contribute to anti-submarine warfare as well as to escort and coastal defense operations; and the Air Force has assumed increasing responsibility for the aircraft control and warning system and the air defense of Japan.

12. The Japanese Government is moving ahead with a defense program which, if carried out, would produce by 1965 small, modern, high-quality military forces, but with no nuclear capability. The present mission of the Japanese defense forces, other than that of supporting the police in the maintenance of internal security, is to participate in the defense of the Japan area. Any expansion of this mission to use those forces outside the Japan area is barred by Article 9 of the Constitution which, as it is presently interpreted, limits the deployment of Japanese military forces to the self-defense of Japan. If the forces develop as planned, Japan will commensurately assume defense responsibilities now borne by the United States, but by 1965 will still have only limited ability to defend Japan against a major attack and virtually no capability to survive an extensive nuclear attack.

13. Japanese defense expenditures are extremely low relative to those of other industrialized nations. Although in six years the Japanese Government has more than doubled its defense budget, only about 1.3 percent of the gross national product (about 10 percent of the government budget) is devoted to defense. Although a gradual increase in actual defense expenditures will be necessary if the presently projected build-up is to be carried out on schedule, the rate of increase may not be commensurate with the rate of growth of the economy. In the absence of a significant change in the present situation or greater receptivity on the part of the Japanese to U.S. efforts at persuasion, a more substantial increase in defense expenditures is not likely in view of (a) the latent pacifism and the anti-militarism among substantial segments of the populace, (b) the pressures for better living standards in general, tax reductions, and increased social and public services in particular, (c) the need to meet Japan's growing external commitments, which derives in part from its desire to exert its influence abroad through assistance to less-developed areas, (d) the underlying conviction that Japan is indefensible in a nuclear war, and (e) the lack of a widespread public accept-

ance in Japan of the view that forces of the size and capability which the United States envisages for Japan are essential to Japanese security.

14. Despite the above, the Japanese Government is accepting the idea that Japan should carry an increasing share of the cost of its own defense. U.S. assistance has been particularly effective in stimulating these increased expenditures and decisions to modernize the Japanese forces. Indeed, it is estimated that the projected increase in Japanese defense expenditures will be attainable only if the United States is successful in utilizing the MAP cost-sharing technique to induce a maximum Japanese defense effort. Japanese reaction to a phasing-out of U.S. military assistance would depend upon the rate and manner of the reduction. If new commitments were terminated abruptly, the Japanese would probably not only fail to make a compensatory increase in other expenditures but would probably reduce expenditures from presently planned levels, thereby virtually halting any further build-up and modernization of the Japanese armed forces and precluding the gradual assumption by Japanese armed forces of missions now performed by U.S. forces in defense of Japan. Even if reductions in new U.S. commitments were to be made gradually and phased over a period of several years, the Japanese would probably fail to take up the slack for several years at least, and there would be adverse political effects.

15. Japan will rely primarily for its security on U.S. military power. The new treaty arrangements provide for the United States to maintain bases and exercise certain rights in Japan for the purpose of contributing to the security of Japan and the maintenance of international peace and security in the Far East. Therefore, the United States will probably be able to maintain a substantial military position in Japan. [19 lines of source text not declassified]

International Orientation

16. In foreign policy there are three courses of action open to Japan: (a) close cooperation and alignment with the Free World, particularly the United States; (b) a course of expedient opportunism where Japan would play the Free World off against the Communist world; and (c) political and economic accommodation with the Sino-Soviet Bloc. Japan is committed at present to a policy of alignment with the Free World and this alignment will be strengthened by the coming into effect of the new Treaty of Mutual Cooperation and Security with the United States.

17. Japan, however, can be expected to continue this commitment only as long as it satisfies its vital interests. The most crucial considerations will be Japan's need for expanding trade and, consequently, for access to a fair and reasonable share of the U.S. market and other Free World markets. In this context, access to the European market and close

association with Free World industrial groupings is likely to have an increasing bearing on Japanese policy. The commitment to the Free World is also conditioned upon our treatment of Japan as a full and major ally and Japanese confidence in our ability and determination to deter Communist aggression.

18. Japan will be under constant pressures to disengage from its alignment with the Free World. Neutralization or disengagement of Japan is given very high priority by the Sino-Soviet Bloc which must be expected to continue its present intensive efforts to accomplish this objective. The Sino-Soviet campaign will employ every tactic from threats and encouragement of conservative factionalism, to such inducements as trade, territorial concessions, easing of existing fishing restrictions and access to Siberian and Mainland China development. There is already a vocal minority in Japan supporting disengagement from the Free World. In the event of a serious impasse in U.S.-Japanese trade relations, particularly during a period of weak conservative government, the attraction to disengagement could quickly grow based on appeals to national pride, pacifism and anti-militarism, fears of involvement in another nuclear war, and the underlying distrust of foreign military bases. On the other hand, a fruitful relationship with the United States and the Free World is likely over the years to strengthen and solidify Japan's commitment to this policy.

19. Within the framework of its alignment with the United States, Japan, as its power and self-confidence grow, will be disposed to act with a greater degree of independence, shaping its policies to suit its interests rather than U.S. desires. In its relations with the United States, it is likely in particular to seek a larger voice in the framing of Asian policies, and to insist on more U.S. support in breaking down the barriers to access to European and other regional markets and economic groupings. Japan will continue to seek an increasing degree of participation in Ryukyuan affairs, and the presently quiescent issue of U.S. administration of the islands must be recognized as a politically sensitive problem in U.S.-Japanese relations should major issues arise in U.S. relations with the islanders. Another issue which may arise and cause difficulty is resentment over exclusion of Japanese nationals from other Pacific territories under U.S. administration. Japan will devote major effort and interest to strengthening its relations, particularly economic, with the Afro-Asian nations and Latin America, contributing to their economic development and seeking a more prominent role among these nations while exercising a moderating influence against extremism. It is likely to expand cautiously its trade and cultural exchanges with the Sino-Soviet Bloc but to avoid political recognition of Communist China and economic dependence on the Bloc.

20. In sum, Japan will play a role of increasing importance in international affairs, and, assuming its ties with the United States and the Free World remain strong, will be a constructive international force. Its own contribution to Free World strength will be principally as an economic force and as a moderating influence on the Afro-Asian area. Unless there is a significant change in Japanese thinking on military matters, Japan is not likely to enter regional security arrangements, but the availability of logistic facilities and military bases to the United States will contribute significantly to Free World military strength in the Pacific.

U.S. Role

21. Because Japan continues to be almost entirely dependent on the United States for military security and heavily dependent on the United States economically, the United States is in a position to have a critical impact on Japan's international orientation and has an opportunity in the coming years to strengthen and make more secure the present U.S.-Japanese alignment and Japan's commitment to the Free World.

Objectives

22. Preservation of the territorial and political integrity of Japan against Communist expansion or subversion

23. A Japan closely allied to the United States and cooperating fully with the other nations of the Free World.

24. A politically stable, internally secure Japan maintaining the principles of representative government.

25. A prosperous, strong and self-supporting Japanese economy, capable of providing rising living standards and oriented toward, and having satisfactory economic relations with, the Free World.

26. A Japan prepared to complement U.S. and other Free World powers in stabilizing the international power balance particularly in Asia and, in this connection, able and willing (a) to contribute to the economic development of less-developed nations of the Free World; (b) to exercise a constructive and moderating leadership in the Afro-Asian Bloc; (c) to strengthen its own defense against external aggression; and (d) to contribute further to the security of the Far East through the continued provision to U.S. military forces of rights, bases and other facilities.

27. A Japan ultimately willing and able to participate more actively in the defense of Free World interests in the Far East.

Major Policy Guidance

Political

28. Promote the maintenance of an effective, moderate conservative government in Japan as basic to the accomplishment of U.S. objectives.

29. Where appropriate, seek the understanding of, cooperation with and active support for U.S. policies.

30. Encourage—without alienating conservative support—the development of a moderate, responsible political opposition. As appropriate take steps to reduce the influence of extreme left labor leaders, to encourage the transfer of trade union leadership to moderate elements, and to encourage developments which would have a moderating influence on left-wing socialist elements.

31. Devote special attention to dispelling attitudes unfavorable to, and to reinforcing attitudes favorable to, the United States and its policies, particularly among opinion leaders in the information media, intellectual and educational circles, and labor groups.

32. Encourage and, as appropriate, assist the Japanese Government in taking effective internal security measures striking at the organizational basis of Communist power and undermining Communist financial and political strength.

33. Conduct U.S. relations with Japan in a spirit of partnership and equality, giving full consideration to Japan's vital interests and consulting with the Japanese Government on matters of mutual interest.

34. Encourage and promote U.S. and, as appropriate, Japanese-sponsored cultural, labor, educational and other exchange programs and seek to broaden scientific cooperation including outer space technology.

35. Continue to associate Japan with U.S. and international planning for cooperative development of the peaceful uses of nuclear energy; make nuclear equipment and training for peaceful uses available to Japan and exchange nuclear information under appropriate conditions.

36. Promote the further development of cooperative relations between Japan and other free nations and encourage and assist Japan to exercise a moderating and constructive influence on the Afro-Asian nations, particularly at the United Nations. Encourage an over-all settlement between Japan and the Republic of Korea.

37. Use Japan as an example to the less-developed countries of the feasibility of achieving rapid economic progress within a framework of free institutions, in contrast to the harsh and repressive methods adopted by the Communists.

38. Urge the Japanese Government to continue to refuse diplomatic recognition to Communist China and to oppose entry of Communist China into the United Nations.

39. Support and encourage Japan in asserting its legitimate territorial fishing and other claims against the Sino-Soviet Bloc and in resisting Sino-Soviet pressures for neutralization and political concessions; do not concede the Soviet Union's claim to sovereignty over the Kurile Islands and Southern Sakhalin.

Military

40. Maintain the new security arrangements signed on January 19, 1960, including the base rights provided therein, and, in accordance with the provisions of these arrangements, maintain in Japan a level of U.S. military facilities and forces required (a) by U.S. security interests and (b) to demonstrate our determination to fulfill our treaty commitments in Japan and the Far East: but at a general level no higher than that mutually agreed upon by the United States and the Japanese Government.

41. Under the provisions of the security arrangements with Japan:

a. Assist in the defense of Japan in the event of an armed attack against the territories under the administration of Japan.

[2 paragraphs (20 lines of source text) not declassified]

42. Inform the Japanese, *[less than 1 line of source text not declassified]* of major U.S. logistic operations from bases in Japan to areas outside of Japan and of the major withdrawal of U.S. forces from Japan.

43. Seek maximum cooperation and support from the Japanese Government and public in implementing the new status of forces agreements.⁴

44. While avoiding pressures likely to be counter-productive, encourage Japan to develop and maintain armed forces capable of assuming increasing responsibility for the defense of the Japan area and thereby, together with U.S. forces, of coping with and deterring Communist aggression in the Pacific. Respond positively to, but until conditions permit take no action to stimulate, initiatives by Japan to participate more actively in the defense of Free World interest in the Far East.

45. Continue to consult with the Japanese Government concerning the rate and direction of defense development and the scope and nature of U.S. military assistance. While avoiding pressures and other actions

⁴ Agreement regarding the status of the United States forces in Japan, and agreed official minutes, signed at Tokyo February 19, 1954, and entered into force for the United States June 11, 1954. For text, see 5 UST (pt. 2) 1123.

prejudicial to Japan's political and economic stability, encourage Japan to increase its defense effort and to modernize its military forces. Continue grant military assistance for the present, by so doing seeking (a) to elicit a greater Japanese defense effort; (b) to stimulate the modernization of Japan's military forces; (c) to permit continued U.S. influence over the evolution of Japan's defense forces; and (d) to provide for the continued transfer to Japan's forces of defense missions now discharged by the U.S. forces in Japan. In order to achieve the orderly reduction and early elimination of new commitments for the provision of military equipment to Japan on a grant basis, undertake, as soon as deemed feasible by the President, consultations with the Japanese Government toward this end. Seek to place new commitments on a cost-sharing basis to the maximum extent possible.

46. Consult with the Japanese Government on security and defense matters of mutual interest, using such consultations to develop a better understanding of the common security objectives of the Free World defense arrangements and the importance of regional security efforts, but avoiding direct pressures on the Japanese Government to join collective security arrangements. Broaden arrangements for coordinated U.S.-Japanese military planning and operations of the defense of the Japan area.

47. In order to assure the maintenance of specialized logistic capabilities in Japan as required by U.S. security interests, encourage Japan to maintain selected defense and defense-supporting industries.

48. Develop arrangements with the Japan Defense Forces for cooperation in military research and development.

49. Recognizing the unique Japanese sensitivities to the employment of nuclear weapons and the desirability from a military point of view of obtaining permission to store in Japan nuclear weapons for U.S. forces in Japan, continue as appropriate the present discreet and selective efforts to bring about a better understanding and acceptance by Japan of the importance of nuclear weapons in modern warfare.

Ryukyus, Bonins and Other Pacific Islands

50. Take into account Japanese interests in the Pacific Ocean area.

51. Taking into account the Communist threat in the Far East and the new security arrangements with Japan signed on January 19, 1960, maintain the degree of control over the islands enumerated in Article 3 of the Peace Treaty⁵ deemed by the President to be essential to our vital security interests.

⁵ These include the Ryukyu Islands (exclusive of the Amami Islands), the Daito Islands, the Bonin Islands, the Volcano Islands, Rosairo Island, Parece Vela Island and Marcus Island. [Footnote in the source text.]

52. Take those steps best designed to limit reversionist pressures in Japan and in the Ryukyus, recognizing that, although there are no major difficulties at present, administration of the Ryukyus is a continuing politically sensitive issue in U.S.-Japanese relations. To this end Japanese requests for closer relations with the Ryukyus in such areas as trade, cultural relations, provision of economic assistance and the interchange of nationals should be considered sympathetically⁶ consistent with U.S. security interests in the area.

53. Conduct our administration of the Ryukyus so as to promote political stability, economic advancement, and reasonable satisfaction with U.S. retention, and so as to enhance our prestige in the eyes of the local population and other Asian peoples. To accomplish these goals, provide for sufficient support to supplement local resources for support of effective administration of the islands and reasonable progress in long-term economic development.⁷

Economic

54. Encourage Japan to maintain a strong, healthy, self-supporting and expanding economy which will permit improvement in Japan's living standards, provide more capital for the development of less-developed nations, and make a greater contribution to the strength of the Free World.

55. Foster a high level of trade between the United States and Japan by:

a. Maintaining in the United States a liberal import policy and seeking to reduce further U.S. tariffs and trade restrictions on a reciprocal basis in accordance with established trade agreement principles and the GATT,⁸ having due regard for foreign policy objectives, national security and total national advantage.

b. Continuing to press Japan to abolish discrimination against imports from the United States.

56. Foster a high level of trade between Japan and other Free World nations by:

a. Pressing for a general reduction of trade barriers.

⁶ The term "considered sympathetically" is to be interpreted as meaning that a positive attitude will be taken toward Japanese requests. [Footnote in the source text.]

⁷ H.R. 1157, now pending in the Congress, would authorize appropriations of up to \$6 million annually from Federal income taxes withheld at the source from persons stationed or employed in the Ryukyu Islands, for the purpose of promoting economic and social development in the Ryukyu Islands. In connection with this legislation, the Administration has taken the position that appropriations made under this authorization would meet the broad requirements of this guidance. [Footnote in the source text. The bill was signed into law on July 12 as P.L. 86-629. For text, see 74 Stat. 461.]

⁸ For information on GATT negotiations and meetings, see vol. IV, pp. 152 ff.

b. Urging those Free World nations which discriminate against Japanese goods to eliminate such discrimination, particularly seeking to persuade those countries which now invoke Article XXXV of GATT⁹ against Japan to rescind their action and accord to Japan the full privileges of GATT membership.

c. Seeking to ensure that Japan has access on a non-discriminatory basis to Free World sources of raw materials.

57. Cooperate with Japan and other countries in seeking a multilateral solution to the problem of market disruption within the framework of GATT.

58. Encourage Japan to eliminate restrictions on international trade and payments, to provide a hospitable climate for foreign investment, and to eliminate restrictions on direct investment in Japan.

59. Seek to prevent Japan's becoming dependent on Communist areas for essential food and raw material supplies and for export markets.

60. Encourage Japan in its progress toward following internationally accepted trade practices. Encourage orderly marketing practices and the avoidance of market disruption.

61. Terminate the grant Technical Assistance program at the end of FY 1961.

62. Continue encouragement of private U.S. investments in Japan.

63. In so far as possible, advise the Japanese Government of impending developments expected to have a major effect on U.S. Government expenditures in Japan.

64. Urge Japan to settle without delay the GARIOA claims and other property and claims matters.

65. Encourage Japan to provide increasing amounts of capital and technical assistance for the development of less-developed nations through private industry, Free World international institutions, and bilateral government programs; take Japanese assistance programs, including reparations, into account in the framing and implementation of U.S. aid programs in third countries, coordinating with the Japanese where appropriate.

66. Actively support Japan's continued participation in the Development Assistance Group and at the appropriate time sponsor Japan's association with the Organization for Economic Cooperation and Development, through its development assistance organization, and with any other appropriate multilateral economic organizations.

⁹This is the provision permitting GATT members to withhold from new members benefits—such as most-favored nation status—granted under the GATT agreement. [Footnote in the source text.]

67. Encourage Japan to continue its activities in support of the proposed Asian Productivity Organization; and to continue to cooperate in the Third Country Training Program.

68. Urge Japan's continued cooperation in COCOM on the agreed level of export controls on trade with the Sino-Soviet Bloc, and endeavor to handle questions of routine exceptions in such a manner as to preserve and foster Japan's willingness to retain the agreed level of controls.

176. Telegram From the Embassy in Japan to the Department of State

Tokyo, June 11, 1960, 3 p.m.

4138. Embassy telegram 4127.¹ As Fujiyama was tied up with cabinet this morning I met with Yamada to discuss further President's visit. I told him that before talking about any details re this matter, I would like to say few words about implications of yesterday's demonstration at Haneda as it related to President's visit along lines I took with Fujiyama last night (penultimate para Embtel 4129).²

I said GOJ has heaviest imaginable responsibility re visit. If anything should happen to President or there should be bad incident it would be major disaster. I therefore assumed that in light of yesterday's event GOJ is now giving most grave and serious restudy as to its ability to assure President's security. Additionally and in light of yesterday's incident both Hagerty and I pointed out that eyes of world would be more than ever focused on Japan when President comes here with many new implications which would have to be taken into account in order to be certain that visit would advance interests of Japanese-American friendship. It was inevitable that any incident, no matter how trivial, would be greatly exaggerated and blown up by press.

Source: Department of State, Central Files, 711.11-EI/6-1160. Confidential; Priority.

¹ Document 173.

² In the penultimate paragraph of telegram 4129 MacArthur stated that he would report separately on his "long and extremely frank discussion" with Fujiyama on the implications of the airport incident. (Department of State, Central Files, 794.00/6-1060) See Supplement.

Yamada said he agreed and that GOJ and competent security authorities were re-examining problem having in mind same type of considerations I had raised.

One of Yamada's subordinates asked on personal basis whether helicopter could be used to transport President from Haneda to Tokyo so as to avoid long drive from airport. I said that if government could not assure President's security in motorcade from airport and therefore should propose helicopter, I felt personally that it would be better for GOJ to ask for postponement of visit. For inevitably, making trip by helicopter would be portrayed in some quarters at least as indication that neither safety of Emperor nor President could be assured in Japan. This it seemed to me would create a deplorable image of Japan in eyes of world and would damage Japanese-American relations. Yamada said he personally agreed wholeheartedly.

MacArthur

177. Telegram From the Embassy in Japan to the Department of State

Tokyo, June 12, 1960, 4 p.m.

4143. Eyes only for Secretary. Department telegram 2951.¹ I met with Kishi this morning in two-hour session and put to him very strongly and frankly considerations in reftel. Kishi said he would reply with equal frankness for he wanted President and you clearly to know considerations in his mind at this time and his own estimate of local situation. Kishi said police had missed badly on Hagerty's arrival. They had estimated that this type of violence would not take place, and this estimate had been confirmed by their counter-intelligence not inside extremist organizations. It was clear police had made bad mistake.

As to significance of President's visit to Japan he held exactly same views I expressed to him on basis your 2951. If President's visit could be

Source: Department of State, Central Files, 611.94/6-1260. Top Secret; Niact. A memorandum by Leonhart of the conversation described in this telegram is *ibid.*, FE Files: Lot 62 D 26, MC-Japan. See Supplement.

¹ Document 174.

carried out fully and without any bad incidents, it would be clear victory over organized left and would greatly strengthen US-Japan ties. But if there were some untoward incident, effect of visit might be exactly opposite. He fully understood this consideration and agreed with it completely.

Kishi said that most important factor in judging visit was personal safety of President. He had studied this element from every possible angle and said to me most emphatically, "We as the Govt of Japan have believed we can absolutely assure the personal safety of the President." However with respect to some occasional unpleasantness or some action which might be embarrassing, or violate international courtesy, Kishi wanted us to know very frankly that he could not assure that such incidents might not occur.

Kishi said it was important to understand that police are under strict orders to avoid any direct physical clash with demonstrators unless they were forced into a clash. Their orders are to keep maximum distance and to avoid any physical encounter as long as it was humanly possible to do so. However when President arrives police would have entirely different orders. Govt had instructed them that they were then to take positive and preventive steps, even aggressive steps, and that they were to carry out these maximum security measures despite inadequacies in present police law. Police authorities were now reassessing even these plans in light of deplorable incident which had occurred to Messrs Stephens and Hagerty and every conceivable security precaution was being organized. Kishi added however that he would not be entirely frank if he did not admit that "police force at this time was not completely adequate because of the police law." And this was why he was unable to guarantee there would be no embarrassing incident. However again he emphasized that nature of these possible incidents would not affect personal safety of President.

Kishi said that obviously much more was involved than police considerations. He thought it highly significant that in last several days an entirely new tone of welcome toward President's visit had begun to appear in press and on part of public commentators. This change in tone and new emphasis on importance of extending appropriate hospitality to President was a factor of greatest importance in judging situation which would exist in Japan at time of visit itself. Moreover, extremely adverse criticism in Japan to airport incident affecting Stephens and Hagerty fully indicated that use of such force and violence was strongly opposed by tremendous majority of Japanese people.

On political front, Kishi said he had personally issued call to Democratic Socialist Party (DSP) and to Japan Socialist Party (JSP) to discuss a supra-party welcome to President and to divorce visit from partisan politics. DSP had agreed to meet with him but JSP had not yet accepted

invitation. JSP was however very sensitive toward what press and commentators say about it and press opinion is now running very strongly in direction of political truce so that President can be properly welcomed here. In last few days attitude of some of JSP members in upper house had indicated many misgivings inside JSP to its present hard pro-Communist line and opposition to President's visit. Intra-JSP situation was complicated and one or two more days would be needed before JSP itself could decide on whether it would cooperate in appropriate welcome to President.

As to hard core opposition, Kishi said Japan Communist Party and Zengakuren would not in any event cooperate in visit and would continue to carry out whatever orders Moscow and Peking gave them. However if JSP in end joined with LDP and DSP in supra-party welcome it would alleviate situation greatly and decision of JSP to join in welcome would mean that Sohyo and its affiliated labor unions would also cooperate since JSP would not make this decision unless Sohyo had authorized it. He was not optimistic about JSP making decision and thought there was eighty percent chance it would decline to meet with LDP and DSP.

Kishi concluded that it would be two or three days before he could make final considered judgment re postponement since it would take this much time to know specifically exact and full additional security plans worked out by police, and attitude of Socialists. He added that if he came to conclusion he must ask for visit to be postponed, it would be vitally important to him to have clear idea about how long postponement would have to be and when President could make later visit to Japan. He asked most urgently that I attempt to get this information.

In summary Kishi said:

A. He is reconsidering and reassessing visit in light of (i) developments since airport incident last Friday, (ii) domestic political situation and possibility of three-party cooperation in welcoming President, and (iii) review being made of all security aspects of visit by Japanese security authorities;

B. He will need approximately two or three days before he can reach his final conclusions;

C. If in his judgment there is risk to personal safety of President or risk of serious incidents (not just display of placards or minor scuffles which would in any event be inevitable) which would present to world picture of Japan in turmoil, he will wish to ask that visit be postponed. We agreed that if he comes to this conclusion at any time before visit

itself, he will also ask for it to be postponed rather than to let it go through with all consequent harm to our relations;

D. If it is necessary for him to conclude that some postponement is desirable, it will be vitally important in terms of his ability to handle situation and assure entry into effect of treaty, to be able to announce when President's visit will occur in future;

E. He fully understands that in final analysis President must himself make decision on visit. But he greatly appreciates that President has asked for and will fully consider his recommendations;

F. He will be in touch with me again as soon as he can. In President's and your consideration of foregoing, I should like to emphasize threat [*three*] points:

1. Public posture here is that visit is going forward and that schedule revised by Stephens and Hagerty is now being considered by President. It is vitally important to preserve this posture.

2. In view of time factor and possibility that even at last moment some change may have to be made, you may wish on top secret basis actively to begin to draw up alternative schedule for visit to Seoul. It is essential that no word of this leaks out. It occurs to us that simplest contingency plan might be to advance date of Seoul visit and fly directly there from Taipei, eliminating stop at Okinawa. This would permit approximately same arrival hour and perhaps fewest alterations to rest of President's schedule. Furthermore, I have real reservations about visiting Okinawa on this trip if visit to Japan is postponed.

3. As I said to you over telephone, I feel we must give Kishi two or three days to reassess political and security situation before we can reach any conclusions ourselves, and if there is postponement to indicate that President will at least visit Japan even if exact date cannot immediately be announced.

MacArthur

178. **Telegram From the Department of State to the Embassy in Japan**

Washington, June 12, 1960, 9:42 p.m.

2974. Eyes Only. From Acting Secretary for MacArthur. Re your 4143¹ I fervently trust President's visit to Japan will be carried through on schedule. However if finally deemed impossible, suggestion your reftel to delete Okinawa from itinerary requires decision.

I believe I understand why you probably think that visit to Okinawa would be unwise and possibly offensive to Japanese if visit of main islands impossible. Would appreciate any analysis this position you may wish to express re this matter which should enter into decision on this contingency. Opinion here is that it would be highly undesirable to allow unfortunate circumstances in Japan to interfere with the visit to Okinawa. There are independent reasons (in addition to the fact that it has already been announced) which would in fact make the visit to Okinawa all the more pertinent if the Japan visit were unfortunately cancelled. Under these circumstances some consideration should be given to its possible extension beyond the brief hour and a half already planned.

We would find it extremely difficult to rationalize to our friends abroad and our citizens at home any action which would obviously be interpreted as subservience to Japanese sensitivity. There will be many voices that will suggest that a visit to Okinawa under these rather extreme circumstances becomes the more symbolically important.

If Communist minority demonstrations in Tokyo achieve their purpose in dealing us one really devastating blow, there is no reason why we should give impression that they can impose their will upon us with respect to an area in which we retain legitimate rights.²

For Parsons:

I believe thought should also be given to appropriate extension of trip to Korea³ under these circumstances. With deletion of Japan would seem minimum one night stop Korea almost imperative in order carry out scheduled activities.

Dillon

Source: Department of State, Central Files, 611.94/6-1260. Top Secret; Priority. Drafted by Steeves and cleared with S/S and by the Acting Secretary in substance. Repeated to Parsons at Elmendorf AFB.

¹ Document 177.

² MacArthur accepted the Department's view in telegram 4149 from Tokyo, June 13. (Department of State, Central Files, 711.11-El/6-1360) See Supplement.

³ See footnote 5, Document 179.

179. **Telegram From the Assistant Secretary of State for Far Eastern Affairs (Parsons) to the Department of State**

Anchorage, June 13, 1960.¹

Delto 1. Tokyo eyes only for Ambassador. Department eyes only Acting Secretary. From Goodpaster and Parsons. Embassy telegram 4143.² You may tell Kishi that President is deeply appreciative his action and that of his govt in undertaking thorough reassessment political and security situation before making his decision. President views question in terms whether or not visit will advance friendship and partnership two peoples and will view Kishi's recommendation in this light. In view repercussions of decision including broad effect on Japan's orientation and on parliamentary democracy there, he of course hopes reassessment will result in adhering to schedule. As you no doubt appreciate repercussions are of most serious nature for us also in view (1) inevitable world wide bloc exploitation of a second frustration of President's travel plans³ and (2) danger that in FE particularly but also elsewhere confidence in US ability counter Communist designs effectively may be diminished.

If Kishi recommends trip proceed on schedule, it would seem to us advantageous and in fact probably necessary for new and tougher orders to police to be issued now rather than to allow demonstrators flushed with success to run wild until President's arrival. Recognize this is primarily Kishi's business but for Japanese Govt to assert itself only when American President arrives may turn reaction against US and may be too late to be effective anyway. At same time we would hope govt would take other positive measures of leadership which would leave no one in doubt trip will take place and nothing which interferes with its success will be tolerated.

If Kishi decides against visit at this time, it is not possible to make firm commitment now for alternate date. As Secretary said over phone and as you told Kishi pursuant Deptel 2951⁴ President's schedule for the remaining months of his term is very crowded and his plans contain, at this moment no provision for trip to Far East at later date. Moreover, given uncertainties of Japanese situation including question of Kishi's

Source: Department of State, Central Files, 711.11-EI/6-1360. Top Secret; Priority. Sent to Tokyo and repeated to the Department.

¹ No time of transmission is on the source text; it was received at the Department of State at 3:13 a.m. June 13.

² Document 177.

³ The first was the collapse of the summit meeting in Paris in mid-May.

⁴ Document 174.

own tenure it may not be desirable at this time to set precise date even if this were possible.

As we see it, if change is to be made, Japanese must take initiative regarding substance of announcement as they are in best position determine how to minimize damage to (1) completion ratification of treaty; (2) Kishi and conservatives and (3) Japan's international position including most importantly relations with US. We therefore suggest you inform Kishi that if he decides visit should not take place he should at same time advise you how he intends handle announcement. Draft text should be sent us soonest for approval and to facilitate coordinated and simultaneous announcement by party and Dept. In meantime please give us your own recommendations on contingency basis.

Dept has wired Seoul eyes only to draw up alternative contingent schedule.⁵

Fully appreciate vital importance maintaining public posture that visit going forward subject only Stephens and Hagerty revisions.

Important that party receive Kishi's evaluation and decision in Manila by Wednesday at latest.

Parsons

⁵ After cancellation of the visit to Japan, the President's itinerary was slightly modified. He stayed in Okinawa an hour longer than originally planned, and from there he flew to Seoul on June 19. (Telegram Delta 11 from USS *St. Paul* to the Department of State, June 17; Department of State, Central Files, 711.11-EI/6-1760)

180. Telegram From the Embassy in Japan to the Department of State

Tokyo, June 15, 1960, 6 p.m.

4229. Presidential visit. For Secretary, Stephens and Asst Secy Parsons. CINCPAC exclusive for Felt and POLAD, COMUS/Japan exclu-

Source: Department of State, Central Files, 711.11-EI/6-1560. Secret; Niact; Limit Distribution. Transmitted in three sections and repeated to Manila, CINCPAC, and COMUS/Japan.

sive for General Burns. This message gives our present estimate of (1) Japanese domestic political situation; (2) security treaty; (3) Japanese-American relations; and (4) President's visit.

I. Domestic political situation.

As result of developments since June 4, position of Kishi has undergone serious deterioration. While as reported Embtel 4046¹ Ikeda's action in coming out publicly in support of Kishi at beginning of June helped Kishi insofar as immediate Conservative Party factionalism was concerned, over-all domestic political picture remained very confused, with Diet paralyzed, events which since then have led to Kishi's rapidly declining prestige include:

A. Socialists' ability to get away with illegal strike on June 4² with no protest from public or press and no punishment for illegal strikers coupled with inability of Kishi to arouse public opposition to subsequent massive demonstrations by leftists which have included some use of force and violence;

B. The tremendous and well-orchestrated propaganda barrage directed against Kishi by pro-Communists and their sympathizers including Japanese intellectual, university and school teacher community which anti-Kishi press gleefully front-paged, coupled with Kishi's well-known lack of any personal popularity;

C. Resurgence of factionalism within Conservative Party by anti-mainstream greatly encouraged by (A) and (B);

D. But perhaps above all, impression Kishi has given to public in past ten days of ineffectiveness and inability to cope not only with political crisis but with public disorders, particularly anti-Hagerty incident which shocked Japanese.

As a result of foregoing, it is generally agreed (even by some of Kishi's supporters) that he has become focal point of blame for everything that is wrong in Japan, and therefore he must step down and the sooner the better. We share view that Kishi's position is now so impaired that he cannot continue on long as Prime Minister and that domestic political picture probably cannot be straightened out until Kishi at least announces that he will step down after treaty ratification.

However, question of who will succeed him remains as obscure as ever and it is difficult to believe that Kishi will announce that he will bow out until he is reasonably satisfied as to who will follow him. I have been told by someone close to Kishi that he has been rolling with the punches these past days waiting for Yoshida to return and will not de-

¹ Telegram 4046 from Tokyo, June 7, reported that the domestic political situation remained confused, despite the fact that Ikeda had declared publicly that "he strongly opposed resignation of Kishi government or dissolution of Diet until security treaty had been ratified and entered into effect." (*Ibid.*, 611.947/6-760) See Supplement.

² See Document 170.

cide anything till he has talked matters over with Yoshida who arrived back in Japan yesterday.

Two most likely successors to Kishi for reasons set forth in Embtel 4114³ seem to be (A) Ikeda (despite all-out opposition of Kono) from so-called “strongmen” of party, and (B) Ishii from so-called “interim” PriMin group. While Yoshida could make a strong bid if he is so inclined, there is no evidence as yet that he wants Prime Ministership himself although he clearly envisions “genro” (elder statesmen). With Japanese people confused and looking for leadership, Yoshida’s voice could be very useful if he chooses to speak to people. (Am meeting with him privately Friday morning.)⁴

From viewpoint of our own interests Ikeda (who sees eye-to-eye with Kishi and Yoshida on imperative necessity for Japanese American partnership) would seem best successor to Kishi because we doubt Yoshida is robust enough to take on job for more than few weeks. Ishii is of course very friendly to US but lacks energy and decisiveness of Ikeda.

II. Security treaty.

Despite political crisis, Kishi and majority of LDP Diet members still take position that ratification of treaty should be completed before end of June.

While until two days ago plan was to secure ratification several days before President’s arrival, present plan is for Diet recess from about June 18–22. Following which automatic upper house ratification might be allowed to take place June 22 or 23 or debate in upper house by LDP Diet members might be continued and treaty passed after several days (Embtel 4178).⁵ Kishi still maintains firmly that he will not step down or even promise to step down until treaty has actually entered into effect with exchange of ratifications. Fujiyama said to me today that Kishi wanted exchange of instruments of ratification soonest and on assumption our Senate would act June 16 inquired whether we could exchange instruments by June 24 or 25. I replied in affirmative.

³ In telegram 4114 from Tokyo, June 10, MacArthur reported that although Kishi was expected to step down after the ratification of the security treaty, there was no consensus as to who would succeed him. Ikeda, Kono, Sato, and Miki were mentioned as “strongmen” of the LDP; Ohno, Matsutani, and Ishii were considered possible interim Prime Ministers; but Ikeda appeared to be the most likely successor. (Department of State, Central Files, 611.947/6–1060) See Supplement.

⁴ MacArthur did not see Yoshida on Friday June 15 but on Monday June 20. Telegram 4324 from Tokyo, June 20, describes the meeting. (Department of State, Central Files, 794.00/6–2060) See Supplement.

⁵ In telegram 4178 from Tokyo, June 13, MacArthur reported that Ikeda had informed him that the Japanese Government was considering the possibility of a Diet recess from June 17 to 23, thus delaying the date of the ratification of the security treaty. (Department of State, Central Files, 711.11–EI/6–1360) See Supplement.

Meanwhile anti-mainstream now smelling Kishi blood is strongly pressing proposition that Kishi now declare he will resign after Diet ratification is completed and that there then should be Diet dissolution with MSW elections before ratification instruments are exchanged thus delaying entry into effect of treaty. While this proposition has considerable appeal to Democratic Socialists and also appeals to some LDP, I believe Kishi will almost certainly reject it. However, if before upper house ratification Kishi should promise to resign after treaty enters into effect, substantial elements of anti-mainstream would agree that treaty should enter into effect before Kishi resignation and Diet dissolution. Personally I now believe upper house ratification possible (probably through automatic procedure) about June 23 with exchange in instruments of ratification a day or two later if our Senate has also acted.

III. Japanese-American relations.

Japan is target number one in Asia for Moscow and Peking which seek first to neutralize and eventually to absorb Japan. To achieve this objective Communists have launched giant political and propaganda offensive against Japan, an important element of which is to cause Japanese people to believe that their ties with America will lead to war and atomic destruction. Unfortunate U-2 incident was propaganda bonanza for Communists and there seems little doubt they have succeeded to some extent in causing Japanese people to reflect on dangers of war in relation to security arrangements with US. While propaganda from Moscow and particularly Peking has, over past months, been strongly anti-American, it has only been in last two weeks or so that Japanese Communist and pro-Communist supporters and stooges have come out with open anti-Americanism. It seems clear pro-Communists thought time was ripe to transform anti-pact and particularly anti-Kishi campaign into massive anti-American campaign, in part by trying to portray US as only force that kept Kishi in power. However, use of force by Communists and Socialists, culminating in Hagerty incident and their naked espousal of anti-American campaign have boomeranged and caused respected leaders and even pro-leftist press to come out with stern warnings to Socialists and others against their anti-American campaign. Socialists sensing public opposition to anti-Americanism ran for cover, issuing stream of statements that they were not anti-American and wanted friendship with US and today Sohyo reportedly says it will not demonstrate against President at airport or on motorcade route. There is little doubt that tide has turned strongly since last Friday⁶ airport incident and that great majority of Japanese people are now seriously concerned over efforts of leftists to stir up anti-Americanism. This concern became many times magnified as result of "Hagerty incident"

⁶June 10.

which shocked and “shamed” overwhelming majority of population. And in Japanese language word “shame” like word “insincerity” has its own special meaning.

To summarize, we do not think feeling of friendship toward US on part of great majority of Japanese has been basically impaired as result of political crisis and anti-American campaign of pro-Communists. Indeed as result of shock of airport incident and reports of very adverse reaction in America, press is carrying many articles indicating imperative necessity to Japan of friendly cooperative America in trade, security, and other fields, reminding Japanese people that Japan would not now stand restored were it not for our postwar cooperation and help. Japanese business community and Japanese military are particularly concerned over and opposed to anti-American campaign. However, while basic friendship of Japanese people towards US is not affected, pro-Communists have established a precedent for future use of force against US. However, in view of public indignation, it seems unlikely (except from unpredictable Zengakuren) that they will use violence against us unless over-all situation should turn strongly to their advantage. However, Japanese Communists will almost certainly organize some protest demonstrations against President’s visit.

Finally, we agree with qualified observers that majority of Japanese support concept of security ties with US. We believe that because of inept way GOJ has explained and handled treaty debate, there is little understanding of treaty’s provisions or real meaning for Japan and much confusion over what it is all about. Until Japanese leadership explains clearly to people that basic issue involved in treaty is whether Japan stands with US or is forced into neutralism and eventual absorption by Communists, there will continue to be considerable confused thinking which will be exploited by Communist propaganda although Communists have hurt their own cause by resort to anti-American violence.

In conclusion let me emphasize again that great majority of Japanese remain stable, industrious, and middle-of-road people. If GOJ stands firm against pressures of pro-Communist elements, and on assumption there will be reasonable solution to present crisis including question of Kishi’s successor, there is no reason to believe that long-term stability of Japan should be affected by events of past four weeks. Indeed there are many serious Japanese who say that there has been too much complacency in Japan and lack of knowledge of forces at work here which are trying to destroy democracy and that while recent events, particularly Hagerty incident, are deplorable, they have served to awaken Japanese people to certain dangers which they had tended to ignore or underestimate. Therefore they are actually better off by knowing now than they would be if showdown had not occurred.

Such success as pro-Communist forces in Japan enjoyed initially in recent weeks has not stemmed primarily from strength of pro-Communist minority but rather from certain underlying deficiencies in other sectors of national life such as press, intellectuals, trade unions, business leadership, and above all factionalism with LDP. These deficiencies are discussed and analyzed in separate telegram.⁷

IV. President's visit.

As result of failure of GOJ to pass treaty through Diet during regular session with ensuing crisis and serious deterioration of Kishi's position, timing of President's visit, as we all recognize, is not what we would have wished. On other hand, as long as Japanese and our security authorities believe President's security is not threatened and that prospect is for relatively mild rather than violent demonstrations, preponderant feeling among Japanese political and business leaders is that it is better for President to come than to appear to back down in face of pro-Communist pressures and threat of demonstrations. Our estimate is that while man-in-street regrets that President's visit coincides with political crisis which will cast somewhat of cloud over visit, at same time he feels it too late to postpone or cancel visit, and therefore believes all Japanese should extend President warm and hearty welcome. There seems little question that majority of Japanese seem to believe that because of "shame" which has fallen on Japanese because of Hagerty incident it is up to Japanese to give President even better welcome than normal to demonstrate to US that Japanese people reject anti-Americanism. Many prominent individuals, organizations, including even left-of-center DSP and Zenro, together with press, have come out with statements strongly calling on everyone to extend time. He feels it too late to postpone or cancel visit and therefore believes all Japanese should extend President warm and hearty welcome. As result there is real change in political and psychological climate and, as noted above, reports that Socialists and Sohyo are backing away from idea of demonstrations at airport and on cavalcade route. In any event Japanese are taking extensive security measures and have instructed police to use any measures necessary including force to cope with demonstrations.

Estimate of effect of visit and recommendations.

Our present estimate is that effect of President's visit will not, of course, achieve emotional lift we had originally hoped for, because of present political crisis here. However, it will nonetheless serve extremely useful purposes:

A. Very fact that President is coming has already resulted in cooling of political temperature and what we hope will be political truce

⁷ Reference is to telegram 4231, June 15; see footnote 3, Document 190.

during his visit leading to solution of present political crisis. This will benefit elements in Japan which believe in Japanese-American partnership.

B. It will be much more difficult for pro-Communists to whip situation into frenzy again after cooling off period and in light of sober reflection and soul-searching which press and public are now undergoing.

C. Japanese people admire courage. Fact that President refused to back down in face of pro-Communist threats is admired by Japanese.

D. President's visit to Japan will be substantial defeat for Communists, who have used virtually all weapons at their disposal to try to prevent visit because they feared very presence of President would have stabilizing effect on political situation here and at same time would undermine their nationwide anti-American campaign.

Recommendation

In light of extensive security arrangements which Fujiyama outlined to me (see immediately following telegram)⁸ and new Japanese spirit of determination to use any and all measures necessary to safeguard President and prevent serious disturbances which would mar trip; Japanese security people here are convinced President's safety can be assured and since there is new determination on Japanese side which our security people have noted; and in view of substantial and favorable change in political and psychological atmosphere here re visit; my considered recommendation is that President's visit should go ahead as now planned with detailed itinerary which White House people have worked out with Japanese authorities.

MacArthur

⁸In telegram 4230 from Tokyo, June 15, MacArthur described Japanese security measures in detail. (Department of State, Central Files, 711.11-EI/6-1560) See Supplement.

181. Telegram From the Embassy in Japan to the Department of State

Tokyo, June 16, 1960, 5 p.m.

4264. For Secretary, Parsons and General Goodpaster. I saw Yamada very early this morning and, referring to last night's bloody

Source: Department of State, Central Files, 794.00/6-1660. Secret; Niact. Sent to Manila and repeated to the Department of State.

riot,¹ said I must have considered views of Kishi and GOJ on police and security forces capability of preventing such riots during President's visit in face of growing certainty that Moscow and Peking were pulling out all stops re President's visit and might well commit Communist-controlled action groups in Japan to forceful demonstrations during President's visit.

I told Yamada frankly that on basis of situation as of yesterday I had recommended that visit go forward as planned but that new and deeply disturbing elements had been introduced by last night's assault on Diet which had changed entire atmosphere and was resulting in serious tension, which might oblige me to change my recommendation.

Yamada has called me twice to inform me that Kishi and Cabinet are urgently examining situation and that he would be in touch with me following Cabinet meeting now taking place. Meanwhile reports are circulating that cabinet is seriously considering requesting President to postpone visit.

I believe Communists will now commit their reserves to struggle and that there will be continuation of violence on part of Communists up to very time of President's arrival and perhaps during visit. While I will have final recommendation re visit to make after I have heard from Kishi, in light of dramatic change in situation since yesterday, present atmosphere of great tension, and estimate which I have just received from Japanese police I would be obliged to recommend against visit.

MacArthur

¹ See Document 183.

182. Telegram From the Embassy in Japan to the Department of State

Tokyo, June 16, 1960, 5 p.m.

4265. Embassy telegram 4264 repeated Manila 238.¹ For President and Secretary. Fujiyama has just telephoned me to say that special Cabinet meeting has just decided that President's visit should be postponed.

Source: Department of State, Central Files, 711.11-EI/6-1660. Secret; Niact. Repeated to Manila.

¹ Document 181.

In view of great tension and fact that Cabinet decision is already beginning to leak, Kishi feels it imperative to announce to Japanese people at 5:30 p.m. tonight Cabinet decision and reasons for it. Kishi hopes you will understand why it just was not possible in terms of his great difficulties here to clear his announcement in advance or give you more notice.

Fujiyama has asked me to come to see him at once and I will report immediately following my return.

MacArthur

183. Telegram From the Embassy in Japan to the Department of State

Tokyo, June 16, 1960, 8 p.m.

4271. Manila for Parsons and Goodpaster. CINCPAC and HICOMRYIS for POLADs. Embtel 4242 to Dept 227 Manila.¹ Dominant impression of yesterday's strikes and demonstrations (including worst student violence yet in assault on Diet involving one death and some 600 injured) is that militant-leftist students are beyond all control and constitute serious challenge to govt. In essence, student demonstrations stem from fanatical minority group of students (Zengakuren) thoroughly indoctrinated by their Communist leaders.

Problem has been complicated by division of Zengakuren into Trotskyite and orthodox Communist factions with pressures within each group to outdo the other. Police under GOJ instructions leaned over backward in recent weeks to keep student demonstrations under control by mere presence, no resort to nightsticks, and above all by avoiding any student martyrdoms, which would provide emotional field-day for leftist press and tender-hearted Japanese public.

Sohyo mainstream leadership still partly sensitive to general public opinion and attempting to keep actions of membership within bounds

Source: Department of State, Central Files, 894.062/6-1660. Confidential; Priority. Repeated to Manila, Taipei, COMUS/Japan, CINCPAC, and HICOMRYIS.

¹ Telegram 4242, 6 p.m., June 15, contained a preliminary report of strikes and demonstrations taking place that day. (*Ibid.*, 894.062/6-1560) See Supplement.

of public toleration. About 650 thousand Sohyo Unionists participated in yesterday's work stoppages, rallies and demonstrations (against Sohyo's claim of 5.8 million). Unions were successful in halting freight traffic on national railways in 12 key centers throughout country, and private rail and bus lines were struck from early morning until about 6:30 am, occasioning little inconvenience except to very early morning commuters. City buses and streetcars in Tokyo reduced service about 20 percent before 8:00 am.

Only violence reported was clash between Unionists and National Railways security guards at Hamamatsu, where Unionists conducted sitdown on main Tokaido line tracks.

Other Sohyo public service workers, including postal workers, telecommunications workers, government office workers, and teachers, limited actions to one hour shop rallies during morning working hours. Essential services were not significantly disrupted.

Most of Sohyo's private industry unions reportedly conducted shop rallies, although small number of workers also took leave to participate in outside rallies and demonstrations. An estimated 160,000 members of coal miners union and metal miners union conducted 24-hour strike, only instance of full strike activity reported yet.

In contrast to this quiet and generally ineffective agitation by Sohyo and People's Council during day was bloody conflict between police and 7,500 Trotskyite mainstream Zengakuren students, who converged on Diet throughout afternoon.

While mainstream faction assembled around Diet, smaller group from anti-mainstream demonstrated near Embassy but attempted no violence, later proceeding to metropolitan police headquarters for speeches. Diet was under siege from about 3:30. Before Zengakuren assault on Diet there was a side incident shortly after 5 pm when one of two trucks carrying rightist students bore down on leftist crowd. Melee ensued with police eventually restoring order. Shortly thereafter Zengakuren massed before Diet compound entrance, stormed gates and swarmed into compound in three successive waves, attacking police lines with long poles, clubs, stones, bricks and fire. In first wave students with long poles jabbed police who were behind Diet gates in wave driving them back so that main assault force could demolish gates and open way into Diet compound. Students then set fire to police vehicles. Police fought back with fire hoses, nightsticks and finally tear gas, first time latter used since May Day riot in 1952. About 7 pm, while police battling main body of students at compound gates, secondary force of students gained entrance into Diet employees' building, doing considerable property damage before being forced out by police. During course of

these affrays students seized and turned over or set fire to several police trucks which had formed part of barricade inside Diet gate.

Police confirmed death of one woman student² (university professor's daughter who had previously been taken into custody at time of Haneda riot in January). Total injured (police figures): 260 students, 536 police (36 serious injuries).

Shortly after midnight June 16 cabinet met in emergency session and issued statement saying violence was planned destructive action by Communists in keeping with international Communist aims of world domination.

Left-wing leaders immediately sought to blame Kishi cabinet for ramming security treaty through lower house. Statements charged police and rightist "hoodlums" with "violent suppression of peaceful demonstration". Sohyo SecGen Akira Iwai called police actions "fascist oppression". JSP SecGen Saburo Eda also protested police violence and renewed demand that Kishi resign and Diet be dissolved. Mainstream Zengakuren Vice Chairman Tokuo Onda called on 350,000 students to boycott classes in protest against deaths of "several" students in June 15 riot.

Typical of [*less than 1 line of source text not declassified*] intellectual and university community was rodent-like statement by Kaya, President Tokyo University, which regretted violent incident and professed no sympathy with students, but said govt should nevertheless reflect on fact that students compelled by beliefs to go to "such extremes", adding university authorities cannot control students until abnormal situation outside schools is rectified. One Meiji University professor quoted as saying his school should be closed till Kishi and metropolitan police chief resign. Professor in Rikkyo University described mob action as "heroic and historic" and urged students to storm Diet again.

Japanese press June 16 unanimously condemned excesses of students, but as usual qualified editorial condemnations with admonitions to govt, placing "primary" blame on students and demanding continued "reflection" by govt.

Further demonstrations led by Communist-controlled People's League against revision of security treaty are slated for this afternoon with renewal of violence almost certain.

MacArthur

² Michiko Kamba, a student of Tokyo University.

184. Telegram From the Embassy in the Philippines to the Department of State

Manila, June 16, 1960, 8 p.m.

Delto 5. Deliver following message from President to Prime Minister Kishi: Advise President's party in Taipei date and time of delivery.¹

"June 16, 1960

My Dear Prime Minister,

I have just received the news of your government's decision to request postponement of my projected visit to Japan. I hasten to assure you of my full and sympathetic understanding of the situation that developed in spite of your strenuous efforts to avert it.

Further, I accept, without question, your conviction that the visit would now be untimely and could lead to even greater difficulty in your country. Of course I completely concur in your action in releasing your decision promptly.

I share your sadness that a violent minority could disrupt the proper and orderly processes of democratic government and compel the postponement of a visit that had no other purpose than to promote good will between the peoples of our two nations. I send to you assurances of my continued admiration and esteem and request that you convey to His Imperial Majesty² my expressions of regret in missing this opportunity to meet him as well as my best wishes for his continued health and well-being. I should like, through you, to say to all those millions of Japanese who were ready to see in my planned visit a simple act of courtesy to a great people that the people of the United States will not allow a misguided fraction of the Japanese nation to lessen their friendship and admiration for the Japanese democracy.

Finally I should like for you again to assure His Imperial Highness the Crown Prince that I shall be looking forward with keen anticipation

Source: Department of State, Central Files, 711.11-EI/6-1660. Secret; Presidential Handling. Sent niact to Tokyo and repeated to the Department of State.

¹ MacArthur delivered the letter to Kishi at 11:45 a.m. June 17. (Telegram 4278, June 17; *ibid.*, 711.11-EI/6-1760) See Supplement. The President also sent a telegram to MacArthur that reads: "Dear Doug: I think I have some faint understanding of what you have just been through. I extend my very best to you and Tahwee. Sincerely, DE" (Telegram 175 from Manila to Tokyo, June 16; Department of State, Central Files, 711.11-EI/6-1660)

² The Emperor, through Ambassador MacArthur, sent a message of regret to the President that reads as follows: "The Empress and I had been looking forward eagerly to receiving you in Japan. It is to our intense regret that your visit did not materialize. However, we still are hoping to receive you here some time soon." (Telegram 4274 from Tokyo, June 16; *ibid.*)

to the visit that he and the Crown Princess are to make to the United States this fall.³

Sincerely,
Dwight D. Eisenhower"
Observe Presidential handling.

Hickerson

³The Crown Prince and Princess visited Washington September 27–28.

185. Telegram From the Embassy in Japan to the Department of State

Tokyo, June 17, 1960, 5 p.m.

4279. For Acting Secretary Parsons, Goodpaster. When I delivered President's letter to Prime Minister Kishi this morning he asked me to convey to the President how deeply he regretted and apologized for having had to suggest a postponement of the President's visit. He was deeply conscious of the fact that President had left for Asia with the firm intention of visiting Japan, and that having to suggest a postponement while the President was en route was an act of the gravest discourtesy and impoliteness to the President and to the people of the United States. Kishi, obviously deeply moved, again expressed his profound regrets and personal apologies. However, Kishi said that he had really had no alternative. A fanatical minority acting as the agents of Moscow and Peking and completely out of accord with the Japanese people plus some others who are not members themselves of this fanatical minority but who have been influenced by it, have created a situation which challenges the very existence of law and order in Japan. If the President had come under such conditions, some serious incident might well have occurred from actions of fanatical minority which in the end might have resulted in worsening our relations.

Source: Department of State, Central Files, 611.947/6-1760. Confidential; Priority; Limit Distribution. Sent to the USS *Saint Paul* and repeated to Taipei and the Department of State. The President and his party were on board USS *Saint Paul* en route to Taipei.

Accordingly and with full realization of discourtesy to President and American people and of seriousness of the action, he had had to suggest postponement. Kishi said however he wanted emphasize that Japanese people remained sound. Great majority of them wanted very much to welcome President but situation had developed so that Japanese public could not properly express its true feelings of welcome and friendship. Kishi said he was firmly determined to take whatever actions were required to oppose forces of international communism at work in Japan. He was resolved to continue his work to establish even closer relations between our two countries and he hoped very much that President would be able to visit Japan at later date. I told Kishi that President fully understands reasons which made postponement of visit inevitable and how painfully difficult it was for Kishi to request the postponement. It was clear that Moscow and Peking have committed every asset they can mobilize against GOJ, against rule of law in this country and against Japanese Parliamentary Democracy itself. I said it would be grave mistake to think their use of force and violence would taper off at this point. As consideration of new security treaty by House of Councillors reaches final stage, large scale insurrectionary actions can be expected and GOJ will have to be prepared to counter this violence. I noted we had reports today that communist dominated people's council against revision of security treaty is changing its name to people's council for abrogation of security treaty. It was evident that use of force and mob violence would continue and that communist apparatus was going all out to smash government.

Kishi replied he agreed entirely as to gravity of situation confronting Japan. He fully recognized that communist efforts to prevent President's visit was only part of integrated campaign Moscow and Peking were carrying out to divide US and Japan. Intensity of their efforts would now be increasing, but GOJ and Japanese security authorities now understand the danger and are more prepared to meet threat.

I said that until security treaty was ratified it would remain focus for communist force agitation and I stressed to him, as I had to Fujiyama day before (Embtel 4272)¹ how important it was we exchange instruments of ratification soonest possible following approval of the treaty by our respective legislative bodies. Kishi expressed full agreement and said that the treaty would of course be ratified by upper house automatically at midnight of June 18 but it was possible that the House of Councillors would affirmatively vote on the treaty today or tomorrow. It would be necessary for the upper house to pass certain enabling legislation to conform domestic laws with the new treaty. He anticipated that

¹Not printed. (*Ibid.*, 894.062/6-1760)

this legislation (which does require vote by the upper house) could be completed by the early part of next week. He would then wish to proceed with the instruments of ratification immediately. I replied that it seemed very possible that the Senate would approve the treaty by June 20 and that we would be able to move as swiftly as he desired thereafter.

MacArthur

186. Telegram From the Embassy in Japan to the Department of State

Tokyo, June 18, 1960, 7 p.m.

4313. Re my Presidential Handling 4278 to Department, repeated Taipei 158.¹ Vice Foreign Minister Yamada gave me this morning letter (mentioned in reference telegram) from Kishi to President dated June 17. As I informed Assistant Secretary Parsons by telephone this morning, after further reflection Kishi believed it best not to publish letters.

Following is text of Kishi's letter:

Begin text.

Dear Mr. President:

It is with the deepest regret that I was obliged to have Foreign Minister Fujiyama convey to you through Ambassador MacArthur my request that you postpone your scheduled visit to Japan on the historical occasion of the Japan-United States Centennial.

As the Foreign Minister explained, the overwhelming majority of the Japanese people eagerly awaited your visit in this memorable year with high expectations. On my own part, I exerted every possible effort to make preparations which in every way would be fully consonant with the significance of your visit.

However, in view of the disorderly activities of a misguided and violent minority, I was compelled with painful regret to make the decision that the climate engendered by them, even though it does not reflect the sentiments of the people as a whole, was not one in which to receive the head of state of a nation with which we are on the most friendly terms in keeping with the spirit of the occasion. It is my strong belief that our urgent task today is to continue to fight with unrelenting

Source: Department of State, Central Files, 711.11-EI/6-1860. Secret; Presidential Handling. Sent to Taipei and repeated to the Department of State.

¹ See footnote 1, Document 184.

resolve the forces of subversion and violence which seek to undermine our freedom and democratic ways of life.

I am most grateful to you for your sympathetic understanding of our situation. It is, I assure you, a source of great encouragement to me and to the people of my country.

His Majesty the Emperor desires me to convey to you his deep regrets for the postponement and his sincere hope for the pleasure of meeting with you in the near future. His Highness the Crown Prince looks forward to his projected visit to the United States with eager anticipation.

The exceptional circumstances in which we are now placed do not, I firmly believe, affect in the least the relations of mutual friendship and trust which bind our two countries. I am confident that the present situation in my country will soon be normalized and that Japan can welcome you to her shores with the traditional courtesy and hospitality of our people.

Respectfully yours, Nobusuke Kishi.

End text.

MacArthur

187. Memorandum of Conversation

Okinawa, June 19, 1960, 12:45 p.m.

PRESIDENT'S FAR EASTERN TRIP June 1960

PARTICIPANTS

United States

The President

General Booth

Lt. Col. Eisenhower

Mr. Hagerty

Mr. Parsons

General Goodpaster

Captain Sakamoto (interpreter)

The Ryukyus

Chief Executive Ota

SUBJECT

Aid to the Ryukyus; Immigration Quota; Grievance Petitions

Source: Eisenhower Library, Whitman File, Miscellaneous Records. Confidential; Limit Distribution. Drafted by Parsons. Approved by the White House on June 20. The meeting was held at the Government of the Ryukyu Islands Building.

After the opening amenities. Mr. Ota said that in order to save time he desired to read a statement (actually a letter to the President) the English text of which read as follows:

"19 June 1960

"Honorable Dwight D. Eisenhower

"President of the United States of America

"Mr. President,

"It is indeed a great honor to have this opportunity to meet you, and on behalf of the Ryukyuan people I wish to express our profound appreciation for the special visit you are making to our land. It is certainly a true manifestation of the deep interest and concern for the welfare and well-being of the Ryukyuan people which you and the people of the United States hold, and I wish to express my sincere gratification.

"Through the assistance of the United States the Ryukyu Islands are making steady progress in social, economic and cultural areas. Our objective is an era of prosperity during the 1960's as we leave the era of reconstruction seen during the 1950's. Every effort is being made to carry out the carefully planned objectives and projects.

"In order to accomplish these objectives, we require still further assistance and cooperation from the United States. This includes such things as a solution to those postwar claims arising prior to the ratification of the Treaty of Peace which remain outstanding, extension of assistance for which we have made a request through the United States Civil Administration of the Ryukyu Islands and more expanded autonomy. We should like to extend our sincere appreciation for the assistance which has been rendered up until the present time and request the continuation of such assistance and realization of the foregoing points. In addition, we should like to express our deep and sincere respect for your devotion to humanity and your efforts in seeking world peace.

"In order to maintain peace and security in the Far East, it is our firm determination to properly recognize the present position of the Ryukyu Islands in world affairs, to endeavor toward the realization of everlasting peace in the Far East as well as for a continued close relationship between the United States and Japan and thus seek the early return of the Ryukyuan people to their natural status.

"In conclusion, Mr. President, we pray for the further growth of friendship between the United States and Japan and for the continued prosperity of the United States.

"Very truly yours,

"Seisaku Ota

"Chief Executive"

Following the reading of his letter, Mr. Ota said there were several specific matters which he would like to mention. First of all, he under-

stood that there had been a cut of \$1.5 million from the annual appropriation for economic support of the Ryukyus. This was a matter of concern and he wondered if anything could be done. In response to an inquiry from the President, General Booth said that this cut had been made by Mr. Passman's¹ Sub-Committee on Appropriations and that it was most desirable that every effort be made to restore the cut in the Senate version of the Mutual Security Appropriation Act. This appropriation for the Ryukyus had three principal purposes: First, to reimburse the United States Civil Administration for expenditures on behalf of the Ryukyus; secondly, to reimburse the Government of the Ryukyus for similar expenditures; and, thirdly, a variety of economic assistance projects.

The President then asked General Goodpaster to telephone General Persons² and ask him to mobilize such support as he could for restoration of the cut. The President then remarked that there had been a restoration of \$200 million in military assistance funds made by the House itself when debating the bill as reported by the Passman Committee. Perhaps that took care of the cut. Those present had no definite information on this point. However, in further discussion of the matter, General Booth emphasized that the Ryukyuan support item had been approved by the Bureau of the Budget, was fully supported by the Administration, and was essential for a wide variety of government operations, such as dredging, construction and various other matters normally funded by a central government. At the conclusion of this discussion, the President asked the interpreter to tell Mr. Ota that the President's party would call Washington about this matter and see what could be done. If the matter could not be handled in one way, perhaps we could find some other way of dealing with it.

Mr. Ota then mentioned the Price bill³ which would provide for an annual expenditure of not more than \$6 million annually for economic assistance to the Ryukyus. He said that this bill had passed the House, but not the Senate. General Booth confirmed this and said that the sums provided by this bill would be financed by the federal income tax paid by United States residents of the Ryukyus. The President asked if it was a question of the Senate being opposed to the bill or whether it just had not yet acted. General Booth said that it had not yet come up in the Senate and he knew of no strong opposition there. The President remarked

¹ Otto E. Passman, Representative from Louisiana.

² Wilton B. Persons, Assistant to the President.

³ The Price Bill (H.R. 1157) was signed into law on July 12, 1960, as P.L. 86-629. Section 4 of the Act states: "There is hereby authorized to be appropriated not to exceed \$6,000,000 in any fiscal year for obligation and expenditure in accordance with programs approved by the President." For text, see 74 Stat. 461.

that it was late in the session and maybe it was difficult to get the bill on the calendar at this stage. He then directed that General Goodpaster also bring this matter to General Persons' attention.

A third matter mentioned by Mr. Ota was the Judd immigration bill⁴ under which there would be provision for 100 Ryukyuan to go to the United States annually. Mr. Ota said the passage of this bill was very much desired. Those present did not know the status of this bill and the President requested that the State Department and the Immigration Service be queried. In commenting on this legislation, General Booth said that it was related to the broader question of immigration from this area in general. Other countries in the area had token quotas of 100 persons a year, but in the Ryukyus where actually we were exercising the powers of a de facto sovereign, there was no provision whatever for immigration to the United States. This seemed rather anomalous. The President then remarked it was very late this session to hope for passage of the bill and perhaps preparations could be made to obtain its passage in the next session.

After the foregoing, the President rose to go, but first Mr. Ota showed to him the gifts which were being presented to the President, namely, Ryukyuan lacquer ware and coral. After showing him these gifts, Mr. Ota then handed to the President a large packet containing, he said, petitions of various sorts for action by the United States. General Booth explained that these were in effect grievance petitions on a wide variety of subjects. Before departing, the President gave his gift to Mr. Ota and indicated to him packages containing gifts for prominent Ryukyuan legislators.⁵

⁴No immigration bill for the Ryukyus was passed in 1960.

⁵An analysis of President Eisenhower's public reception in Okinawa is in message HC-LO 0251 from USCAR to DA, June 20. (Eisenhower Library, Whitman File, International Series) See Supplement.

188. Memorandum From the Deputy Assistant Secretary of State for Far Eastern Affairs (Steeves) to Secretary of State Herter

Washington, June 21, 1960.

SUBJECT

Views of Foreign Minister Fujiyama Regarding Japan's Basic Foreign Policy and the Handling of the New U.S.-Japan Treaty

Ambassador MacArthur informed you on June 8 (Tab C)¹ that Mr. Ryogo Hashimoto, a Liberal Democratic Party politician and close associate of Foreign Minister Fujiyama, had sent you a letter which Mr. Fujiyama wished you to know represented his own personal views. You previously met Mr. Hashimoto last November in Washington, when he expressed his concern that the public in Japan believed that the negotiation of the new mutual security treaty was not receiving high level attention in Washington.² Shortly after his visit, both you and the President issued statements expressing your interest in the new treaty and in close relations between the United States and Japan.

On the basis of this contact, Mr. Hashimoto was evidently selected as the medium for the communication to you of certain of Mr. Fujiyama's thoughts that he felt would not be appropriate for normal diplomatic communication. His letter was handed to an officer in NA by an officer of the Japanese Embassy.

Mr. Hashimoto's letter (Tab D) makes it clear that the Japanese Government agrees with our assessment that the basic issue at stake in Japan is the question of Japan's alignment with the Free World and the continuing development of closer ties between the United States and Japan. The letter also contains, on pages 3, 4 and 5, a persuasive rationale for the Prime Minister's handling of the treaty in the Lower House of the Diet. You might wish to give particular attention to this part of the letter.

With respect to Ambassador MacArthur's recommendation that you consider showing the letter to the President and to Senator Fulbright, we believe that the situation prompting this recommendation has been so altered by events that there would now be no particular need to bring this letter to their attention.

Source: Department of State, Central Files, 611.947/6-2160. Secret. Also marked "Eyes Only Attachment," but no tabs were found attached to the source text. A separate sheet attached to the source text reads: "Letter to the Secretary from Mr. Hashimoto and reply filed in Mr. Parsons' office." Neither letter was found.

¹Telegram 4090 from Tokyo, June 8. (*Ibid.*, 611.94/6-860) See Supplement.

²Memorandum of conversation between Herter and Hashimoto dated November 23, 1959. (Department of State, Central Files, 794.5/11-2359)

In view of its special nature, we believe you may wish to reply personally to Mr. Hashimoto's letter. A proposed reply is attached (Tab A).

Since Foreign Minister Fujiyama has made clear that he is in effect the author of the letter, we believe that an additional personal message to him through Ambassador MacArthur would be appropriate. We have accordingly drafted the attached telegram (Tab B).

189. Telegram From the Embassy in Japan to the Department of State

Tokyo, June 21, 1960, 7 p.m.

4352. CINCPAC for Asst Secretary Parsons. Embtel 4336.¹ In conversation with Embassy officer last night, Ikeda said his goal is to succeed Kishi directly and expressed confidence he would be successful in near future. In other words, he would expect to be elected LDP President and then PriMin in not distant future rather than after interim PriMin like Ono or Ishii. He implied he has support of Yoshida and said they are in touch by phone once or twice daily. Ikeda said he expected general election would be held next November.

Ikeda implied he was in strong position vis-à-vis Kishi and Sato, and pointed out that it was only the support of his faction that made it possible for govt to get treaty through Diet in face of Socialist opposition and anti-mainstream sniping. As to anti-mainstream, he was confident of Miki's support and cooperation in formation of new cabinet. (It will be recalled he flirted with Miki before treaty went through Diet Lower House—Embtel 3630.)² He spoke scornfully of Kono.

When asked about current talk about JSP connivance with anti-mainstream on non-confidence motion to force Kishi down before treaty ratifications exchanged, Ikeda said this was not likely because DSP would not go along. He said he was sure of his ground on DSP be-

Source: Department of State, Central Files, 794.00/6–2160. Confidential; Limit Distribution. Repeated to Naha, Yokohama, Fukuoka, Nagoya, Kobe, Sapporo, CINCPAC, COMUS/Japan, and HICOMRYIS.

¹ According to telegram 4336 from Tokyo, June 20, Okinori Kaya believed that Ikeda would be the best choice to succeed Kishi, and had stated that he had been working behind the scenes for Ikeda. (*Ibid.*, 794.00/6–2060) See Supplement.

² See footnote 1, Document 157.

cause he was responsible for Nishio receiving substantial financial support.

During conversation Ikeda (two of whose daughters depart June 25 for extended trip to US and Western Europe) repeatedly stressed his pro-American record and asked that Embassy officer convey to Ambassador with whom he maintains close contact the assurance that he would do his best for US-Japan relations if he becomes PriMin. He said primary tasks facing Japan's conservative government are: 1) To deal appropriately with LDP dissidents; 2) to develop measures which will ensure public order; 3) to gain confidence of intellectual world.

Comment: Ikeda gave impression of a man who believes Prime Ministership is almost within his grasp and who would value cooperation of US Govt. From viewpoint of US interest Ikeda is far best successor to Kishi for he believes staunchly in Japanese-American partnership and is militantly anti-Communist as is his preceptor Yoshida.

MacArthur

190. Telegram From the Embassy in Japan to the Department of State

Tokyo, June 24, 1960, 7 p.m.

4393. CINCPAC for POLAD. Embtel 4392.¹ It would be premature at this juncture to try give considered estimate of long term effects on our interests of recent events in Japan, including cancellation of President's visit and Kishi's announcement of intent to resign. Obviously recent events here may hold serious implications both for US-Japan relations and for US position in Western Pacific but their true import will only be able to be judged in light of how present crisis in conserva-

Source: Department of State, Central Files, 794.00/6-2460. Confidential. Transmitted in three sections and repeated to COMUS/Japan and CINCPAC.

¹In telegram 4392 from Tokyo, June 24, MacArthur thanked the Department for sending out circular telegram 1600 on the situation in Japan regarding which the Ambassador wanted to emphasize two points: Non-Communist elements took part in demonstrations against Kishi's "undemocratic and authoritarian" action on May 19 in the Diet, and the unpopularity of Kishi, not the security treaty, was the major issue. Consequently, MacArthur concluded, the political temperature in Japan cooled after the announcement of Kishi's resignation. (*Ibid.*, 794.00/6-2460) See Supplement.

tive leadership is solved and whether from conservative ranks new and courageous leadership will emerge or whether there will be continuation of suicidal factional strife which over period of time will erode away conservative position.

It would however be as cardinal an error to conclude that tide of affairs in Japan has either set strongly against close US-Japan association or is now beyond control as it would to minimize long-term seriousness of weaknesses in Japan which events of past week have highlighted.

As result of recent unfavorable developments there may be feeling in US that what has happened is in some way result of our policies and that therefore we should change our basic policy towards Japan. Department may therefore wish Embassy's present tentative assessment of recent events, bearing in mind that, while political temperature is now cooling, crisis is still unresolved and any realistic estimate of longer term future will have to wait clarification of leadership problem within LDP and next general elections.

This tentative assessment follows and reviews: (I) Main lines of basic US policy bearing on present situation in Japan; (II) factors accounting for recent events here; and (III) outlook and elements of Japan situation which future US policy will have to take into account.

I. Basic policy

Our policies in last several years have been based on concept of "new era" through which we have tried to complete transition from occupation to independence of Japan by liquidating residual remnants of occupation policy, and to create with Japan a real partnership based on sovereign equality, mutual respect and mutual self-interest. We not only adopted above "equal" partnership policy but gave concrete and visible evidence to the Japanese people that we are implementing it and do understand their viewpoint by our handling of such matters as: Girard incident, withdrawal of United States ground forces and substantial reductions of other forces, return to Japan of many military facilities, parole of war criminals, change in land acquisition policy in Okinawa, compensation for Bonin islanders, economic cooperation and assistance through offshore procurement in Japan and participation Orissa iron ore project, assisting Japan to get into United Nations and generally trying to advance her international position, and above all by our liberal trade policy on Japanese imports. Our economic policy accorded Japan a fair and reasonable share of our market as premise and precondition for US-Japan relationships in political and security fields and has led to substantial expansion of Japanese exports, making possible Japan's present economic prosperity.

In defense matters we moved to provide for continued presence US ground, air and naval forces in Japan and for continued use of Japan's

procurement and logistic base. We have assisted build-up of Japanese self-defense forces, and in so doing have created a defense establishment in Japan dedicated to Japan's alignment with free world. This is of great importance for if Communists should resort to massive insurrection in future self defense forces would have to step in (Embdesp 85, July 1959).²

As result of above policies there has been change in Japanese attitudes toward US from considerable tension existing in our relations in 1957, as a result of Girard case, Japanese desire for reductions in United States forces and general feeling they were receiving unequal treatment. Until security treaty recently became enmeshed in question of Kishi's future, there is no question as to improvement of image of United States in Japanese eyes over past several years. Indeed had not image been as good as it is, it seems quite probable that massive efforts of recent pro-Communist offensive to transform anti-treaty, anti-Kishi offensive into great nation-wide anti-American movement might have achieved considerable success. Instead when movement turned to overt anti-Americanism there was immediate reaction against it, even on part of anti-government pro-leftist press and echoed by elements in every sector of national life pointing out that Japan's present well being and economic progress had been achieved through close cooperation and assistance from United States.

We believe strongly that main lines our present policies toward Japan are well conceived and should be continued.

II. *Crisis factors*

Basically, events of recent period here seem to us product of combination of weaknesses long evident in Japanese democratic system and massive Sino-Soviet campaign skillfully directed against fear, anxieties, and neuroses of Japanese public. Neither would probably have caused situation to develop so unfavorably in itself had they not been stoked by series of random and unexpected occurrences outside Japan and touched off by Kishi's mismanagement of Diet ratification debate.

A. *Chronic weaknesses—following seem to us most significant.*

1. Novelty of Japanese democracy, particularly, as noted Embtel 4231,³ unrestricted press, free trade unions, new educational and university systems, and very limited police powers. Japanese have simply not learned how to handle these institutions, and press, unions, and

² Despatch 85 from Tokyo, July 18, 1959, is a major survey of the political and economic situation in Japan and an assessment of the new Kishi cabinet. (Department of State, Central Files, 794.00/7-1859)

³ Telegram 4231 from Tokyo, June 15, discussed forces in Japan that aided pro-Communist elements. (*Ibid.*, 711.11-EI/6-1560) See Supplement.

schools have been particularly vulnerable to Communist penetration which GOJ has lacked both will and know-how effectively to resist. Furthermore many Japanese just do not understand that in democracy minority must bow to will of majority.

2. Conservative factionalism. From practical point of view there has not been in post-war Japan a single majority party but instead a loosely organized series of coalition cabinets not dissimilar to those of France in which rival factional leaders have jockeyed to advance personal ambitions at expense national interests.

3. Absence of responsible opposition. Minority parties since end of occupation have had no hope of achieving power and thus neither experience nor interest in political responsibility. They have failed to develop democratic programs, to acquire faith in democratic procedures, or to engage interests of their members (particularly among intellectuals and in universities) in any issues except foreign policy formulations, increasingly manipulated by Communists. When Socialist Party split last autumn its hope for advance through elections dwindled further and use of force became only method open to it.

4. Latent neutralism. Although most Japanese appraise their economic interests in terms of alignment with free world and recognize the importance of American market, in the security field there is an instinctive yearning on part of most Japanese for world where they would not have to side with either American or Soviet giant but could sit it out on sidelines. This widespread form of latent neutralism is fed on anti-militarist sentiments, pacifism, fuzzy-mindedness, nuclear neuroses and Marxist bent of Japanese intellectuals and educators.

5. Kishi's lack of popularity. Kishi was never popular in part because he was considered "too clever", in part because of bureaucratic background, and in part because of wartime association with Tojo, etc. This unpopularity has been constant factor throughout his administration. After he had made security treaty his own personal vehicle and instrument of third-term candidacy (trip to Washington to sign treaty instead of letting Fujiyama do it) treaty became inseparable from Kishi himself as long as Kishi refused to step down.

B. Massive Sino-Soviet campaign to neutralize Japan.

Sino-Soviet Bloc has long had as its principal target in Asia the isolation, neutralization, and eventual control of Japan. It has skillfully directed a massive campaign of threats, inducements, and agitation against chronic weaknesses of Japan's democratic system. For more than year Moscow and Peking have clearly appraised period of treaty ratification in Japan as critically important chapter in world power struggle, determining whether independent and fully sovereign Japan would move freely into voluntary security association with us and they

have mobilized all their assets in recent months for defeat of new security treaty and have made greatest effort in trade union and educational sectors.

C. Outside events.

Interaction of Sino-Soviet efforts and Japanese weaknesses, while posing major threat to our interests, would not have produced results achieved, had effects not been magnified by unfortunate conjuncture with succession of events outside Japan, which created major additional internal strains. Among most important of these were:

1. Failure of summit conference on which average Japanese had been counting heavily to relax tensions with considerable underlying feeling that particular cause of cancellation of summit and active renewal of "cold war" was our unwise U-2 overflight just before summit meeting.

2. U-2 affair served powerfully to bring to surface latent neutralism of many Japanese and to create image of US willing recklessly to trifle with peace, and very possibly from bases on Japan soil making Japan target for hydrogen annihilation. As reported,⁴ if U-2 aircraft downed in Soviet Union had taken off from Japan base it would have caused immediate downfall of Kishi. As it was U-2s based in Japan provided continuing major strain at most critical period, particularly in view US inability to transfer them from Japan.

3. Communist action. When Khrushchev walked out of summit and adopted hard line, Communist controlled apparatus in Japan soon was fully mobilized and doing best to discredit President and prevent visit. Previous restraints that would have limited scope of Communist action had President come to Japan from good will visit to Soviet Union were all lifted. Until Hagerty incident and assault on Diet general estimate of Japanese authorities was that while Communist organizations would demonstrate passively against treaty and President they would not resort to force and violence because of anticipated adverse public reaction from use of force.

4. Korean and Turkish crises with their strong emphasis on mass demonstrations and direct action by students, provided challenge and model for extremist youth organizations in Japan. Apparent student successes in Seoul and Ankara coupled with press attacks on "Kishi's tyranny" encouraged Communist Zengakuren student leaders and left-wing professors to persuade both non-Communist professors and students to participate in Tokyo demonstrations ostensibly aimed at Kishi rather than treaty or US. As these demonstrations developed, weakness and inability of GOJ to use police through lack of strong public support

⁴ See footnote 1, Document 153.

coupled with failure to punish criminal acts by students encouraged increasing build-up of demonstrations and assumption by students that GOJ was powerless and they were free to act with impunity against law and order.

5. Fusing element. Kishi's mismanagement of treaty ratification May 19 was fuse which ignited political bomb consisting of above combination internal Japanese weaknesses, massive Sino-Soviet pressures, outside events and influences, and most important Kishi's own unpopularity.

Procedures Kishi used to obtain lower house ratification night of May 18 seemed to many, including some treaty supporters, as smart practice and as being "too clever". Kishi's actions gave Communists and socialists windfall; Kishi's conservative opponents had popular issue to stab him with; press, intellectuals, and other neutralists found "respectable" grounds for outrage; and student movement represented itself in cloak of resistance to government tyranny similar to Korean and Turkish resistance to Rhee and Menderes tyranny. In two weeks following May 19 Kishi's position degenerated swiftly and dramatically. While we reported Kishi was in serious difficulty, we underestimated speed with which his lack of popularity and events of the period turned into violent anti-Kishi opinion. Kishi himself did not realize what had happened until he was beyond point of no return.

Because of his May 19 action, principal target of many non-Communists who joined in, or tacitly accepted, Communist led demonstration was not Japan's basic pro-Western orientation or its ties with US, or new treaty, but Kishi himself. As soon as Kawashima announced Kishi would resign after treaty entered into effect political atmosphere started cooling even with rabid *Asahi* editorializing it was not against treaty itself but felt improvements in it were needed.

III. Outlook

So much for the past. As to future, Embassy now undertaking basic assessment Japanese situation in light recent events in all important sectors of national life. While political atmosphere now cooling as result Kishi's declared intention to resign, crisis is still unresolved and will probably remain so at least until new conservative leadership emerges. Much will depend on decision as to Kishi's successor, speed with which leadership change accomplished, and whether or not new and revitalized conservative leadership will develop program and policies to deal effectively with pro-Communist left and at same time obtain support of Japanese people by enlightening them as to nature of basic issues and what is at stake. Such policies could be explained during forthcoming pre-electoral period so new leadership could have mandate to put them

into effect if, as conservatives expect, they again capture a majority of Diet seats.

Therefore while predictions and forecasts are premature at this juncture, following seems to us to constitute main elements Japan situation with which US policy in future will have to reckon:

1. Stakes at issue in Japan remain same. Japan remains one of our greatest export markets. It is key to Western Pacific island chain. It is one of four major industrial complexes in world. Its orientation has major effect on existing world power relationships. It is already playing major role in development of free Asia and newly emerging states. In light these circumstances and despite recent events, main lines of policies we have been pursuing since 1957 seem to us to remain sound and valid.

2. Great majority of Japanese people, although lacking strong leadership and effective way to express their views, except for elections which probably will not take place until next autumn, remain stable, middle of road people opposed to extremism of right or left.

3. Great majority are seriously disturbed by and opposed to violence and nature of recent extremist demonstrations. This particularly true in country.

4. Great majority of Japanese wish US-Japan partnership to continue and feel that American friendship and cooperation, in terms of their own realistic self-interests, is indispensable to prosperity and progress of Japan. Despite massive Sino-Soviet efforts, pro-Communist elements have not been successful in transforming their movement into an anti-American offensive. This is perhaps best tribute to basic soundness of Japanese people and to fact that our basic policies of past several years have been well conceived.

5. While great majority would prefer not to have to join either free world or Communist blocs in security field and wish they could somehow sit on sidelines without involvement in superpower struggle, at same time they fear being isolated from US and left alone to face Sino-Soviet colossus facing them across a few miles of water. For present at least they desire continuation of security ties with us and while many probably feel that advantages to Japan in new treaty were not worth political turmoil which was caused, we believe as treaty and underlying issues are explained Japanese will view it as improvement and as assurance of continued cooperation by US, although there will be lingering taint for some time to come that treaty was ratified "undemocratically" if not "illegally".

6. We believe that whoever succeeds Kishi either before and/or after elections will wish to carry out same basic pro-Western policy with special emphasis on trade and security ties with us. At present three leading candidates are Ikeda, Ishii and Ohno. Ikeda is as staunch as

Kishi or Yoshida on fundamental need for US-Japan security treaty. Ishii is signatory to new treaty, and Ohno is committed publicly to its support.

7. At same time fundamental weaknesses of Japanese system remain, particularly shallowness of experience with and lack of understanding of democratic mechanisms, particularly in labor, press and educational fields. There is much latent neutralism, pacifism, and fuzzy-mindedness in Japan. Intellectual opinion is too often frustrated or anarchical. Massive Sino-Soviet efforts to isolate, neutralize, and then control Japan will continue. Domestic pro-Communist forces, profiting from all this, have unquestionably achieved short term gain by winning acceptance of use of force and illegal strikes as political weapon and by sharpening training, experience, and effectiveness of their action cadres.

8. Great question mark is whether from conservative ranks new and courageous leadership will emerge or whether there will be continuation of suicidal factional strife. There is basic requirement for more courageous, energetic and thoughtful action than any post-war Japanese govt has yet displayed, to explain facts of life to people, to counter trend toward neutralism and Communist penetration of certain key elements of Japan life (particularly among youth and intellectuals), and to assert authority of government and law.

9. In sum, hard-core of conservative middle-of-roadism in Japan still seems basically unaffected by recent events although unless youth and education straightened out, prospects over ten to twenty year period are not good. Successor to Kishi will continue represent this dominant conservative force. Japanese pro-Communist left seems to have no early prospect of achieving political power or of drastically altering Japan's international orientation, although its power and effectiveness are increasing and if conservatives cannot pull themselves together long term outlook is unsatisfactory. Effect of recent events may for immediate future serve somewhat to inhibit some tendencies evident even within Kishi govt, to move toward certain types of accommodation with Moscow and Peking, since many Japanese conservative leaders, shaken by US reactions will be wary of steps further undermining US confidence in Japan. Damage to Japanese democracy at home and Japanese reputation abroad caused by recent events, while very serious, is within power of Japanese conservatives to remedy, if they have will and energy to do so. However, only time can tell about this and in first instance next elections.

Dept please pass to interested posts.⁵

MacArthur

⁵The Department sent some of these same points in circular telegram 1623, June 24, to all posts. (Department of State, Central Files, 794.00/6-2460) See Supplement.

191. Telegram 4420 From the Embassy in Japan to the Department of State

Tokyo, June 25, 1960, 1 p.m.

[Source: Department of State, Central Files, 611.947/6-2560. Top Secret; Niact; Limit Distribution. 3 pages of source text not declassified.]

192. Telegram From the Embassy in Japan to the Department of State

Tokyo, July 14, 1960, 6 p.m.

158. CINCPAC and HICOMRYIS for POLADs. Embtels 133¹ and 144.² While full significance Ikeda's election as LDP President will not become clear for some time to come, certain points stand out.

Primary fact is that, barring totally unforeseen developments, Ikeda will be elected PriMin succeeding Kishi whenever plenary session of Diet is convened. It is not yet certain whether this can be accomplished by current regular session which ends midnight July 15. However, LDP SecGen Kawashima expected consult this evening with counterparts in JSP and DSP re calling Diet into plenary. There is considerable doubt that opposition parties will agree to plenary before session ends in which case an extraordinary session will be convened within few days to vote on PriMin.³

Long-time Yoshida protégé, Ikeda has consistently advocated pro-American, anti-Communist policies. As member third Kishi cabinet, he supported new security treaty, although maintaining contact with certain of Kishi's opponents (notably Miki) at times during treaty debate. Immediately following election, he told press Japan must rebuild its

Source: Department of State, Central Files, 794.00/7-1460. Confidential; Priority. Repeated to CINCPAC, HICOMRYIS, COMUS/Japan, and all consulates in Japan.

¹ Telegram 133 from Tokyo, July 13, reported Ono's withdrawal from the LDP race for presidency and the maneuvers of other LDP factions. (*Ibid.*, 794.00/7-1360)

² Telegram 144 from Tokyo, July 14, reported that Ikeda was elected LDP President on the second ballot. (*Ibid.*, 794.00/7-1460)

³ Ikeda was elected Prime Minister in an extraordinary Diet session held on July 18.

international confidence and that Japan's policies must be such as to command respect of Communist powers.

Hours leading up to Ikeda's election featured by intense back-stage maneuvers in what press described as showdown battle between "bureaucrats" (Ikeda supporters) and "professional politicians" (Ishii supporters) within LDP. In highly charged atmosphere, there was much speculation that party split was inevitable. Following Ono's withdrawal from race, ostensibly to "crush plutocracy" (Embtel 133), "professionals", including Kono, Miki, Matsumura, and Ishibashi, made last-ditch efforts to garner sufficient votes to stop Ikeda. (Matsumura withdrew this morning in favor of Ishii.) Meantime, Kishi, who had previously authorized factional followers to vote as they pleased, yesterday urged them to unite behind Ikeda. Kawashima, recently a Kishi man but formerly close to Ono and Kono, acted for a while as though he might support Ishii but later shifted back to Ikeda. Fujiyama remained in race until last, though apparently with understanding he would lend his support to Ikeda in second ballot run-off. (All of 49 votes cast for Fujiyama on first ballot apparently went to Ikeda on second ballot.)

One of major tasks facing Ikeda will be to reestablish unity in party, a problem complicated by fact that it was his own candidacy, more than anything else which gave rise to threatened LDP split. Particularly delicate will be his relations with those LDP elements who opposed him in campaign for Presidency. (As reported Embtel 133, Kono, for instance, fought him bitterly, fearing isolation with Ikeda as head of LDP and government.) Ikeda is ambitious and can be expected to try to create party unity in order to have the support he will require if he is successfully to cope with Japan's pressing problems foreign and domestic. (But whether the breach with Kono can be plastered over seems very doubtful.)

First test for Ikeda will come in formation new cabinet and designation principal party officers.⁴ If Ikeda succeeds in producing strong lineup which broadly represents LDP factions without sacrificing principles, then the divisive forces operative in closing period Kishi's tenure as LDP President will be reduced in strength. If he fails as result of antagonisms created during his quest of party presidency, then both he and LDP will face difficult days.

MacArthur

⁴Ikeda announced his new cabinet and top LDP officers on July 19. (Telegram 197 from Tokyo, July 19; Department of State, Central Files, 794.13/7-1960)

193. Telegram From the Department of State to the Embassy in Japan

Washington, July 18, 1960, 9:19 p.m.

125. For Ambassador. We assume that at early date you will have opportunity for serious talk with Ikeda and that he will be interested in discussing problems affecting US-Japanese relations. We recognize that Prime Minister faces formidable task in stabilizing political situation in Japan and particularly unifying conservative elements at present crucial juncture and we do not wish intrude unduly or prematurely. At same time, we believe that if Ikeda gives you suitable opening it would be most helpful if he could be made aware of developing trends in US opinion resulting from cancellation of President's visit to Japan.

We have been watching closely impact on US opinion of cancellation of President's visit to Japan. One result to which we believe GOJ should give most serious consideration is reaction of business and financial community that political stability in Japan, which was once assumed, has been brought into doubt. US business leaders will be watching future developments in Japan very closely in effort determine reliability of Japan as field for investment and source of imports.

Furthermore, there is now far greater awareness and concern in US re specific ills in Japan, i.e., factionalism, penetration of mass media, educational institutions and key unions, as well as fuzzy thinking and apathy in many parts of body politic. We of course agree with you that these must be cured if Japan's future as a great independent nation is not to be jeopardized. We recognize at same time that any pressure on our part to seek early solution of these ills could be unhelpful and misconstrued as undue interference. Nevertheless, Ikeda should be aware that his leadership in handling these problems will be closely watched here.

A second major aspect of US concern relates to possible drift of Japan toward neutralism. While we have been seeking counteract speculation along these lines, there remains body of considerable opinion both in and outside US interpreting events surrounding cancellation President's visit as indication of move towards neutralism. As result, there is far greater sensitivity in US toward GOJ moves in direction improving Japanese relations with Communist Bloc. For example, reports in US press that Ikeda favors restoration of trade relations with ChiComs have attracted considerable interest. We had anticipated prior

Source: Department of State, Central Files, 611.94/7-1860. Confidential. Drafted by Steeves, Sneider, and Kingdon W. Swayne of FE/NA; cleared with Thomas J. Dunnigan, Chief, S/S-RO; and approved by the Secretary.

to May-June crisis pressures in this direction would be intensified in Japan following coming into force of new treaty and had felt that any GOJ action would have been placed in context of intercourse with ChiComs by other Free World allies and generally accepted on this basis provided no political strings attached. However, in aftermath of cancellation President's visit we believe GOJ should be aware that moves in direction of trade or technical agreements with ChiComs may be interpreted by US opinion as further evidence drift toward neutralism. In addition, new concerns are now being expressed re repatriation program to North Korea which some circles interpret as move to appease Communist elements and weaken ROK.

You should of course reassure Ikeda that we have every interest in maintaining closest possible ties with Japan. Nevertheless, he should be aware trends in US opinion noted above could inevitably affect economic ties and total US-Japanese relations if favorable image of Japan not restored.

We are concerned basically here, as you are, by tendency both Japanese business elements and conservative political leaders to act on basis "business as usual" and downgrade effect of developments during May-June in Japan. Although immediate effect of these developments on our crucial economic relations with Japan has not been too serious, we feel that it will become increasingly difficult to hold the line if public image in US of Japan not improved. That image which perhaps attained all-time high this past winter has as result unfortunate events June dropped disturbingly and comments have taken on critical to unfavorable caste. We have taken care point out Embassy officers here that setback suffered June may in perspective turn out to be only an ephemeral although unhappy experience if the Japanese take necessary steps prove they have not lost sense direction or political orientation and if they bear in mind considerations set forth preceding paragraphs.

Therefore, while we wish avoid placing any direct pressures on Ikeda, we hope you can quietly lead him and other Japanese leaders to awareness of potentially serious public opinion problem facing Japan in US and fact that his actions, which will be closely observed and fully reported here, could have important impact on future ties between US and Japan. We also discussing situation along foregoing lines with Japanese officers in Washington.

Herter

194. Telegram From the Embassy in Japan to the Department of State

Tokyo, July 22, 1960, 1 p.m.

238. CINCPAC and HICOMRYIS exclusive for POLADs, Adm Felt, Gen Booth. COMUS/Japan exclusive for General Burns. Embassy telegram 200.¹ Ikeda sent me word yesterday that he is being followed everywhere (I gathered by both reporters and agents of Socialist Party) and therefore it was impossible for us to meet secretly in Hakone. However, he did wish to have good confidential meeting with me and Yoshida next week, but in meantime asked me to pay brief "courtesy call" as there were one or two things he wished to say to me.

I did so this morning and extended to him personal congratulations and best wishes, assuring him that Embassy and US Govt wished to cooperate with him in every possible way to strengthen Japanese-American relations and repair damage caused by recent upheavals. I expressed hope that if there were any problems in our relations or any things which he felt we might do to be helpful in strengthening ties he would not hesitate to speak very frankly to me about them.

I said there were number of important matters about which I would like to obtain his views and hoped we could meet privately during coming week for fairly extensive survey of situation. In particular, I wished:

A. To obtain his views on domestic political situation and outlook; B. to explain to him impact on American governmental, business, and public opinion resulting from events leading up to cancellation of President's visit (Deptel 125);² C. to talk about ROK-Japan relations, and particularly problem of repatriation. I expressed strong hope that he and his govt would find some way to deal with Calcutta agreement³ so that it

Source: Department of State, Central Files, 794.00/7-2260. Confidential; Limit Distribution. Repeated to CINCPAC, HICOMRYIS, and COMUS/Japan.

¹ In telegram 200 from Tokyo, July 19, MacArthur described his efforts to arrange an early private meeting with Ikeda and his conversation with Naokichi Kitazana, Diet member and Ikeda supporter. (*Ibid.*, 794.00/7-1960) See Supplement.

² Document 193.

³ The renewal of the Calcutta repatriation agreement was then under consideration. In his conversation with Vice Foreign Minister Yamada, according to telegram 201 from Tokyo, July 19, MacArthur suggested that the GOJ avoid renewing the agreement for a full year by adopting another option such as extension for half a year or further repatriation on an individual basis. Yamada agreed to inform the Foreign Minister of the Ambassador's view but said in confidence that he (Yamada) "could not guarantee final position new GOJ would take on this matter which was extremely important in terms of Japanese domestic opinion." (Department of State, Central Files, 294.9522/7-1960) Additional information on U.S. efforts to improve Japan-ROK relations is in telegram 309 from Tokyo, July 27. (*Ibid.*, 694.95B/7-2760) See Supplement.

would not be extended full year, mentioning specifically helpful possibilities were being considered by FonMin Kosaka (Embtel 210); D. to go over certain other problems of common interest where we must cooperate and work together if relations between Japan and America are to be strengthened. (Under this item I will stress that US must retain administrative control of Okinawa and Japan must do nothing to exacerbate situation there.)

Ikeda said it was very important that we have long and good talk together as soon as possible. He hoped to have it next week but possibly it would be following week. He said he wanted President and US Govt to know how deeply and sincerely he regretted Hagerty incident and cancellation of President's visit. He realized this had had deplorably unfortunate effect on American opinion and in our next meeting he particularly wanted to get my ideas as to points Japan should have in mind in its efforts to reestablish in America feeling of confidence in Japan.

I said I would be very happy to give him our views on this (Deptel 125). I added that forthright statements by him and FonMin Kosaka strongly opposing neutralism and calling for closer and stronger relations with US and free world and indicating that while Japan desired good relations with its Communist neighbors there were no fundamental changes in its policies toward ChiCom in offing, had been very well received in US, creating favorable first impression of his new gov't. It would of course be important to follow up on this first good impression but we could talk about that at our next meeting.

Ikeda asked me to assure US Govt that he would do his best to implement policies and measures which would rectify situation in Japan which had been so clearly revealed in recent crisis.

I mentioned to him that Senator Sparkman, who is arriving July 29, hoped to see him, and Ikeda said he would be delighted to see him.

Comment: It seemed quite clear that Ikeda wishes to have very close, intimate and continuing contact with us, which should prove most helpful in working on some of our common problems.

MacArthur

195. Telegram From the Embassy in Japan to the Department of State

Tokyo, July 27, 1960, 7 p.m.

308. CINCPAC for POLAD and Admiral Felt. COMUS/Japan for General Burns. Embtel 307.¹ I opened conversation with Foreign Minister Kosaka this morning by giving him full and frank explanation of impact in recent political crisis in Japan and cancellation of President's visit drawing extensively on Deptel 125.² I said that we fully understood desire of GOJ to improve relations with its communist neighbors but that we hoped they would understand that in any initiatives they took re ChiComs and Soviets there was risk, unless GOJ handled itself carefully, that any such moves might be misconstrued as change in Japan's policy and drift toward neutralism. I concluded by saying forthright public statements by Ikeda and Kosaka opposing neutralism and stressing Japan's desire to strengthen relations with US and free world were very well received, but that Japan's friends abroad were watching to see what Japan did. Kosaka expressed appreciation for frank appraisal and asked me to assure Secretary of Japan's basic policy of strengthening relations with US and its irrevocable alignment with US and West as set forth in reference telegram.

Kosaka said that while there would be no changes in Japan's basic policies toward ChiComs and Soviets, Ikeda government must maintain public posture of reasonableness and desire to improve relations with communist neighbors. He would have very much in mind danger I had mentioned that any moves in direction of technical agreements with ChiComs might be misinterpreted. He was inclined personally to agree that negotiation of any technical agreements such as those relating to postal matters, meteorological exchanges, et cetera would be well to avoid prior to elections.

In talking about Japanese-ChiCom relations and problems, Kosaka seemed to respond much more affirmatively and frankly than Fujuyama did when such matters were discussed with him. As Department will recall latter was often fairly evasive.³

MacArthur

Source: Department of State, Central Files, 694.00/7-2760. Confidential; Limit Distribution. Repeated to Taipei, Moscow, CINCPAC, and COMUS/Japan.

¹ Telegram 307, July 27, summarized MacArthur's conversation with Kosada that day. (*Ibid.*, 694.00/7-2760) See Supplement.

² Document 193.

³ In telegram 310 from Tokyo, July 27, MacArthur reported on discussion of Okinawa during his meeting with Kosaka. (Department of State, Central Files, 794C.00/7-2760) See Supplement.

196. Telegram From the Embassy in Japan to the Department of State

Tokyo, July 28, 1960, 8 p.m.

318. CINCPAC and HICOMRYIS for POLADs, Adm Felt, Gen Booth. COMUS/Japan for Gen Burns. Ikeda asked me to lunch privately with him and Yoshida today. Only Diet member Kitazawa (Embtel 200)¹ was also present, to serve as interpreter. Our conversation paralleled and covered same general ground as my talk yesterday with FonMin Kosaka (Embtels 307–310)² and I made same general points that I made to him.

Ikeda and Yoshida listened intently to my exposition of impact of recent Japanese developments in US (Deptel 125).³ I concluded by saying while we fully understood Ikeda's policy of seeking better relations with ChiComs and Soviets, any overt moves on part of GOJ such as negotiating technical agreements with ChiComs or extending long-term credits on very favorable terms to Soviets at same time Japan is seeking capital in American money markets, could be subject to serious misinterpretation. I also mentioned problems which could arise if Japan started large-scale purchases of Soviet oil in replacement of free world oil.

Ikeda assured me that he understood considerations we had in mind and I gather that FonMin Kosaka had briefed him after our meeting yesterday. Referring to Soviets, he went on to say that two former Vice Parliamentary Ministers of MITI had desired also to proceed to Moscow with Ishii (Embtel 295)⁴ but since neither of these gentlemen was very dependable, he had strongly urged them not to do so, as he was afraid they might start dickering with Soviets on behalf of certain Japanese industrial interests, which would not be helpful and would create additional pressures for favorable credits to Soviet Union. I mentioned that former Vice Parliamentary MITI Minister Harada had told me this morning that he planned to go to Soviet Union and I had poured cool water on idea. Ikeda said Harada had talked to him following his

Source: Department of State, Central Files, 694.00/7-2860. Confidential; Limit Distribution. Repeated to Seoul, Moscow, Taipei, CINCPAC, HICOMRYIS, and COMUS/Japan.

¹ See footnote 1, Document 194.

² Document 195 and footnotes 1 and 3 thereto. Telegram 309, July 27, is in the Supplement. (Department of State, Central Files, 694.95B/7-2760)

³ Document 193.

⁴ In telegram 295 from Tokyo, July 26, MacArthur reported on a courtesy call by Ishii, the new MITI Minister. (Department of State, Central Files, 794.00/7-2660) See Supplement.

call on me and had tentatively decided to cancel his visit to Moscow as result of Ikeda's opposition. Ikeda also said that Tatsunosuke Takasaki had recently approached him and said that when he was in Moscow (Embtel 2580)⁵ he had invited Mikoyan to visit Japan and now wished to reaffirm his invitation. Ikeda replied that Takasaki was not representative of new GOJ and that latter had no present intention of inviting Mikoyan to visit Japan.

I told Ikeda that I thought his govt had made excellent first impression both in Japan and abroad. He expressed appreciation and said that most important first step was to have substantial victory in next elections. He was stressing policy of his govt to improve social welfare of people and strengthen democracy in Japan. He believed he was well qualified to handle Japan's domestic problems in way calculated to obtain maximum support. Recent elections in Aomori, Saitama, and yesterday in Gumma, were tangible evidence of basic stability of Japanese people and their orientation toward US and free world. He believed his govt would gain victory in elections next autumn, following which certain corrective measures would have to be initiated by GOJ re Japan's internal deficiencies and weaknesses. While actual dates of Diet dissolution and elections next autumn were "secret" he implied that elections might occur as early as October but more probably November. Between now and August 20 GOJ would be developing its policies for coming elections, following which GOJ would take its case to people. Ikeda and Yoshida said they fully recognized importance of developing effective means of acquainting Japanese people with basic issues involved in great struggle going on in world today and whys and wherefores of Japan's various domestic and foreign policies. Ikeda added that while he felt quite expert re Japanese domestic political issues, he looked to Yoshida as his main advisor on all foreign policy matters. He wished to assure us, however, that Japan's foreign policy was based on strengthening US-Japan relations, Japan's firm membership in free world and its total opposition to neutralism.

When I spoke about ROK-Japan relations, particularly importance of finding some way of dealing with repatriation to North Korea short of full one-year extension of Calcutta Agreement,⁶ Ikeda said this was very difficult problem and he frankly did not know what would be possible. He had considered fixing cut-off date on registrations some time next

⁵ In telegram 2580 from Tokyo, February 10, MacArthur described his meeting with Takasaki, MITI Minister in the second Kishi cabinet, who informed MacArthur of his pending visit to Moscow. (Department of State, Central Files, 661.9446/2-1060)

⁶ Because of election politics in Japan and a large number of Koreans in Japan apparently desiring to be repatriated to North Korea, the Calcutta Agreement was extended another year to November 12, 1961. (Telegram 1293 from Tokyo, October 28; *ibid.*, 294.9522/10-2860) See Supplement.

autumn. However he and his advisors believed this might result in great inflation of registrations, with over one hundred thousand, which would mean it would take at least two years to complete physical movement of these persons to North Korea which might be worse than one-year extension of Calcutta Agreement. Politically, it was impossible for any GOJ to abruptly terminate repatriation to North Korea as long as there were substantial numbers of persons desiring to proceed there. He was sympathetic and understood ROK emotionalism on repatriation, but Japan had its own problems with respect to this matter which were every bit as serious as ROK feelings.

I also spoke about Okinawan problem in somewhat less detail than I had spoken to Kosaka (Embtel 310) and mentioned Kosaka's constructive reaction yesterday. Neither Ikeda nor Yoshida made any particular comment on Okinawan matter, although they listened to all I had to say and agreed that Okinawa must not become problem of serious contention between us.

My impression is that Ikeda is concentrating most of his time, thought, and energy on Japan's domestic problems and on what his posture should be with respect to them, and is looking to Yoshida to keep eye on foreign policy matters. When I mentioned my very favorable impression of Kosaka, Ikeda smiled and said Kosaka was one of Yoshida's "pupils" and it was quite natural that he should make favorable impression. Ikeda seemed quite confident and sure of himself and was particularly happy about LDP victory in Gumma prefectural election yesterday, since it was first election since he took over.

MacArthur

197. Telegram From the Embassy in Japan to the Department of State

Tokyo, August 9, 1960, 1 a.m.

427. CINCPAC for POLAD. Embtel 4393.¹ In the period since the political upheaval in Japan last May and June, there has now been suffi-

Source: Department of State, Central Files, 794.00/8-960. Confidential. Transmitted in two sections and repeated to COMUS/Japan and CINCPAC.

¹ Document 190.

cient time for intellectual, business and political leaders to reflect on the situation in Japan which underlay the use of force, violence and illegal action and to reach certain conclusions.

Many of them have now concluded that Japan badly needed a psychological shock to awaken it from its torpid complacency: (a) with respect to the nature of basic struggle going on in the world today between the forces of communism and democracy; (b) regarding the extent to which international communism not only influenced or controlled "mass organizations" in Japan such as Sohyo unions, Zengakuren, etc. and could bring to bear in a revolutionary type uprising, but also had infiltrated the universities, intellectual circles, and the press; and (c) the wishful hope that the Japanese could quietly sit out the struggle going on in the rest of the world between communism and democratic forms of government without having any real concern about the objectives or effect of world-wide Communist offensive on the internal prosperity and stability of Japan.

While regretting deeply the cancellation of the President's visit (and particularly its effect on Japan's international standing) a number of intellectual and other leaders feel that the cancellation of the visit was what actually provided the shock necessary to arouse responsible Japanese in all walks of life to an awareness of and a determination to do something about what is and has been actually going on in Japan. In this connection they point out that the pro-Communist forces in Japan have in the past two years twice resorted to peaks of force, violence and illegal actions within and outside of the Diet, and that on neither occasion were Japanese press, public or leaders seriously concerned over the basic implications involved in the substitution of force and violence for the rule of law and parliamentary democracy. (These previous peaks occurred during the abortive police bill debate in October–November 1958 and in November 1959 when Zengakuren stormed the Diet. Additionally throughout entire period there have been steadily increasing efforts by left extremists to discredit Diet and judiciary, to frustrate court processes, to engage in illegal strikes, demonstrations, trespasses and coercive measures.) Just as the Japanese had been complacent about the illegal actions of "the young officers" as they prepared to take over Japan to lead it to destruction in the nineteen thirties, similarly the Japanese had been complacent in 1958 and 1959 over the illegal actions and preparations for a take-over by the extreme left.

Had not the President's visit been cancelled as a result of force and violence, many Japanese are convinced that responsible leaders in all sectors of the national life, would have been prone to shrug off both Communist inroads into the schools and public opinion media and the recent illegal actions as being either exaggerated or partly justified as a result of the "bad" or "unwise" actions of the Kishi govt. Had this oc-

curred there would have been no national awakening, such as has actually taken place, as to the dangers which both (a) democracy and (b) prosperity in Japan face from the pro-Communist elements in Japan which while a minority demonstrated conclusively that they are very well organized and directed and in fact are a real threat to democratic government in Japan. This would have meant that force and violence as a substitute for democracy and the rule of law in Japan would have been further accepted as the norm thus greatly strengthening the potential of the Communist forces in Japan for an eventual take-over.

Another important conclusion reached by many Japanese is that the recent events demonstrated conclusively that the policies of the forces of the left who spearheaded the disorders, including both Sohyo and the Socialist Party, are indistinguishable from those of the Communists. Although overt communism in Japan is very unpopular today (less than 2 percent vote Communist) the appeals of crypto-communism working behind a front of mass organization and individuals with non-Communist "cover" has had a much wider effect. The abrupt switch in the JSP line after Khrushchev's intolerable behavior at Paris, the use of force and violence, including all of the preparations for street revolution, convinced many hitherto trusting Japanese that much of the so-called non-Communist left was actually the captive of international communism. In retrospect for many thinking Japanese the events of May and June in Tokyo have brought Czechoslovakia in 1948 very close.

A third conclusion reached by many responsible leaders is that the cancellation of the President's visit was not in itself a primary objective of the pro-Communist forces in Japan. The basic objective was the overthrow of the Kishi govt as a means of blocking and eventually killing the new security treaty. They maintain that the extreme leftists believed that if they could have forced a cancellation of the President's visit sufficiently in advance of June 19 when final Diet approval became automatic, Kishi would have had to "assume the responsibility" and in the classical Japanese way of thinking, this could have been used publicly with a good probability of success to "force him to resign immediately." The fact that the visit was not cancelled until three days before the treaty ratification was completed by the Diet frustrated this strategy as Kishi, although virtually alone, was able courageously to hold out for this brief period without being forced out of office over the cancellation of the visit.

The practical results of these lessons have already begun to have effect, although there is obviously a great deal to do. The new cabinet has quietly but effectively begun to arrest, prosecute, and restrict the leaders of the union, student, and Communist-front mobs. Whether convictions can be obtained in all cases is perhaps less important in Japan where the social and professional stigma of arrest and prosecution

is unusually severe. Moreover, the government is carrying out this program skillfully and with due care for public opinion and civil liberties, so that there has been little opportunity for the apparatus to maintain that either a witch hunt or martyrdom is involved. Plans are being laid for an expansion of police forces, and the emphasis is on the enforcement of existing laws before additional security legislation is sought. Balancing its restrictive measures, the new cabinet is planning, and has adequately publicized its intentions, to deal with causes of discontent by providing assistance for university salaries, employment, social security, and civil service benefits. The press has not only begun to give the government a fairer hearing and to treat Ikeda and his associates sympathetically, but it has also, and almost for the first time, started to criticize both Communist interventions into Japanese affairs and the immaturity and irresponsibility of Japanese socialism. In the more sober mood of the country, Communist exploitation of this year's Hiroshima anniversary was limited and controlled (Embtel 419),² and leftist agitation over the Grayback submarine incident curtailed (Embtel 423).³

How far these present highly favorable trends will be pressed and whether or not responsible leaders in all sectors of the national life will carry through on their present determination to correct the situation inside Japan remains, of course, to be seen. The root cause of Japanese vulnerability remains the factionalism of the conservatives and this is the great task confronting Ikeda in the period ahead. However, there is no doubt that as of now many for the first time see clearly and have begun to understand that there are basic internal weaknesses which must be corrected if Japan is to prosper in freedom. The fact that many of them attribute their awakening in large measure as a result of the deep shock and psychological soul searching resulting from the cancellation of the President's visit without which it would not have occurred, is also of very considerable interest.

MacArthur

² Telegram 419 from Tokyo, August 8, contained a report on the August 6 Hiroshima anniversary celebrations. (Department of State, Central Files, 894.424/8-860)

³ Not printed.

198. Memorandum of Conversation

Washington, September 12, 1960.

SUBJECT

Japanese Domestic Situation and US-Japanese Relations

PARTICIPANTS

Foreign Minister Z. Kosaka
 Ambassador K. Asakai
 Director of Bureau S. Kondo
 Counselor of Bureau H. Tanaka
 Minister A. Nishiyama
 Counselor of Embassy T. Yasukawa
 Counselor of Embassy T. Kato
 Mr. G. Shimanouchi

Secretary C. Herter
 Under Secretary L. Merchant
 Ambassador D. MacArthur II
 Assistant Secretary J. Parsons
 Dep. Assistant Secretary C. Adair
 Mr. D. Bane
 Mr. R. Sneider
 Asst. Sec. of Defense J. Irwin
 Capt. Howe

1. *Cancellation of President's Visit*

Foreign Minister Kosaka expressed on behalf of the Japanese Government its deep feelings of regret for the cancellation of the President's visit. He said that the Japanese people were very grateful for the tolerance and understanding shown by the U.S. since they recognized that the American public was unhappy regarding the cancellation. Secretary Herter replied that the U.S. Government understood the circumstances requiring cancellation of the visit. However, some people in the U.S. have concluded from this development that the U.S. has lost prestige in Japan and that Japanese friendship for the U.S. has declined. He thought that it would be helpful to reassure the American public that this was not the case. Prime Minister Kosaka agreed fully and said that he would do his utmost to reassure the American public. He pointed out that the Ikeda Government feels that it is not sufficient merely to express regrets but that deeds are necessary. The Ikeda Government considers that the most effective way to demonstrate that U.S. friendship and prestige have not declined in Japan is through a great election victory for the Liberal Democratic Party in the forthcoming Diet elections.

2. *Japanese Domestic Situation*

Foreign Minister Kosaka discussed the underlying causes for the May-June crisis in Japan. He mentioned, first, that the occupation had drastically revised the legal system, educational system, the position of labor organizations, and the mass communication media. The new Con-

Source: Department of State, Central Files, 794.00/9-1260. Confidential. Drafted by Sneider and approved by M and S. The same day Herter and Kosaka discussed the postponement of Eisenhower's visit and the general world situation. (Memoranda of conversation by Bane and Sneider, September 12; *ibid.*, 033.9411/9-1260 and 611.00/9-1260, respectively) See Supplement for both.

stitution emphasized public welfare and respect for human rights, for example, Article XXVIII, which provides for labor rights. The labor organizations, in the name of protecting their rights under the new Constitution, have undertaken activities which impinge upon the public welfare. They have interpreted the Constitution to permit demonstrations and picketing activity, which on occasion have involved violence and force. Demonstrations of this nature have now become a common practice throughout the nation. The police are, furthermore, unable to cope with these demonstrations since under the Constitution and present laws they cannot step in until an act of violence is on the verge of occurring.

Foreign Minister Kosaka said that the situation in education is equally serious. The teachers are organized in a trade union whose pattern of activity is similar to that of an ordinary labor union. The Japan Teachers Union is leftist, powerful and one of the key members of Sohyo. The school children have now become accustomed to seeing their teachers participate in mass demonstrations and picket activities and feel there is nothing wrong with such activities. As a result, the student movement has adopted the same practice and has gotten out of hand. In the field of mass communications, Kosaka said, the major newspapers, which are widely read and very influential, are heavily infiltrated by leftists. Unfortunately, the leftists cannot be fired. However, the business elements in the newspaper world are now trying to reduce leftist influence. The banks, paper mills, and the advertisers are pressuring the newspaper owners to exert a more moderating influence on their papers.

The Foreign Minister said that the Ikeda Government recognizes that they must cope with these basic problems of Japanese society. It feels that the best technique is a careful program of educating the people rather than merely passing new laws. There is a need particularly for public education on the international situation so that the Japanese people will understand the necessity of Free World ties. The Government hopes that through such a program of education it can eliminate the roots of Japan's internal problems.

3. *U.S.-Japan Treaty Relations*

Foreign Minister Kosaka said that the Ikeda Government recognizes that the new U.S.-Japan Treaty is very vital and necessary. He said that he had explained to the Diet the Treaty's necessity and the intention of the Ikeda Government to assume full responsibility for the Treaty. He feels that the Government must emphasize that Japan requested treaty revision since certain people believe that the Treaty was forced on Japan. He commented in this connection that Ambassador MacArthur had been most helpful on the treaty problem.

The Foreign Minister said that recently the Prime Minister had called in the three Chiefs of Staff of the Self-Defense Forces and discussed U.S.-Japanese security relations. One of the key problems that emerged was the question of the Fuji-McNair maneuver area. The Foreign Minister explained that the Japanese Government believes that due to the political sensitivity of this problem and the fact that the U.S. has only used the area occasionally, it would be desirable to return the maneuver area to the Japanese Defense Agency with the assurances that the U.S. forces could use it when necessary. He said he had discussed this problem with Admiral Felt. He said that another politically sensitive problem in the security area was the transfer of non-appropriated workers to the indirect hire system. This problem is a very technical one and is now being studied by the Embassy and the Foreign Office but requires careful handling due to its political sensitivity. Secretary Herter indicated that we would give these matters the most careful consideration.

4. *Ryukyus*

Foreign Minister Kosaka briefly mentioned U.S.-Japanese relations regarding the Ryukyus. He said that under the present situation the Japanese Government did not consider it proper to seek return of administration of these islands and that it appreciated the consideration given by the U.S. to the welfare of the Ryukyus. He mentioned the question of the flying of the Japanese flag in the Ryukyus. He said that the Japanese Government realized that it was permitted to fly this flag over private homes but it would be very helpful if on New Year's Day, the major Japanese holiday, the flag might be permitted to be flown over public schools and other public buildings. Secretary Herter said that we would, of course, carefully consider this question.

5. *Other Matters*

Foreign Minister Kosaka briefly raised several other questions. First, he mentioned that several Japanese shipping companies are facing anti-trust actions before a grand jury in New York. He felt that this could have unfavorable repercussions and asked the Department to look into this question from a political viewpoint. Under Secretary Merchant said that the Department would look into this question.

The Minister mentioned the hope of Japanese business leaders for formation of a joint economic committee in implementation of Article II of the new treaty. He said that the Japanese Government did not support this proposal but hoped that some sort of people-to-people's forum might be organized to take the pressure off the government. Mr. Parsons indicated that we of course would like to consider this problem but that it would appear that the meeting with the Foreign Minister and the sub-

sequent joint communiqué¹ here were effective means of implementing Article II. Ambassador MacArthur thought that the ICA Productivity Teams could be construed as another step to implement Article II of the Treaty. Ambassador Asakai commented that the Japanese businessmen have not given up the idea of seeking closer economic relations with U.S. businessmen such as exists with Canadian and Mexican business groups. Ambassador MacArthur pointed out that when Mr. Adachi had proposed a joint U.S.-Japan economic group to the U.S. Chamber of Commerce, the U.S. Chamber had not been too interested. Mr. Parsons mentioned that another factor to consider was the need to avoid any U.S.-Japanese organizations that might act in violation of U.S. laws prohibiting restraint of trade. Ambassador MacArthur suggested that perhaps Mr. Kosaka, while in New York, could explain the Japanese businessmen's desires to American business groups and that he would do likewise. It was agreed that neither government should discourage such efforts and that both would look into what steps should be taken to encourage closer ties between the U.S. and Japanese business elements.

¹ Dated September 12; for text, see Department of State *Bulletin*, October 10, 1960, pp. 561-562.

199. Memorandum of Conversation

Washington, September 12, 1960.

SUBJECT

Trade Problems

PARTICIPANTS

Foreign Minister Z. Kosaka
 Ambassador K. Asakai
 Director of Bureau S. Kondo
 Counselor of Bureau H. Tanaka
 Minister A. Nishiyama
 Counselor of Embassy T. Yasukawa
 Counselor of Embassy T. Kato
 Mr. G. Shimanouchi

Under Secretary L. Merchant
 Ambassador D. MacArthur II
 Asst. Sec. J. Parsons
 Deputy Asst. Sec. C. Adair
 Mr. D. Bane
 Mr. R. Sneider
 Capt. T. Howe

Mr. Merchant opened the discussion of trade problems, mentioning that the U.S. was disappointed by the pace of trade liberalization on

Source: Department of State, Central Files, 411.9441/9-1260. Confidential. Drafted by Sneider, approved by Parsons (in draft) and Adair and in M on September 29.

the part of Japan. He said that we were very conscious, of course, of the pressures for protectionism which every industrialized country is exposed to. We recognize that these pressures exist in Japan and hope that the Japanese Government can resist them. There are likewise pressures in the United States for greater protection against foreign imports, and the American Government is therefore engaged in a constant struggle to maintain a liberal trade policy. Mr. Merchant stressed that the United States Government needs the support of its trading partners in order to resist effectively protectionist pressures from American industries. He urged the Japanese Government to move as rapidly as possible with trade liberalization, since this is vital to the maintenance by the U.S. of a liberal trade policy. Mr. Merchant expressed the hope that Japan would make progress in this area in the months ahead.

Mr. Adair pointed out that there was considerable public interest in the trade liberalization question at the present time due to the impending Geneva tariff negotiations and the need in another year for Congress to renew the Trade Agreements Act. He expressed the hope that Japan would in particular reduce the number of items on which they sought tariff increases under Article XXVIII of GATT.¹ He mentioned that Japan's resort to Article XXVIII was causing considerable concern in this country and that there were pressures on the U.S. Government to use this Article. However, the U.S. Government preferred to utilize Article XIX.

Mr. Kosaka expressed Japan's gratitude for the expansion of U.S.-Japanese trade, and its awareness that this trade is the key to Japan's economic advances. He said that the Ikeda Government recognized the need for trade liberalization and that it was not afraid of internal political pressures against this move. It planned to increase the number of items liberalized from 40 to 80 per cent in the next three years. However, the pace of liberalization will be affected by the peculiar characteristics of the Japanese economy. Mr. Kosaka pointed out that 38 per cent of the labor force are farmers, while 46 per cent work in the industrial sector. Furthermore, factories of thirty or less employees manufacture 97 per cent of Japan's industrial goods and employ 40 per cent of the industrial labor force. Liberalization will have the most serious adverse effects on agriculture and small to medium-sized business, where the great percentage of the labor force is concentrated and where efficiency is lowest and there is a low rate of productivity.

Under these circumstances, Mr. Kosaka said, the Japanese plans for liberalization represent a big step forward. The Japanese Government recognizes that the resort to Article XXVIII would result in a slight raise

¹For documentation on GATT negotiations, see vol. IV, pp. 152 ff.

in tariffs for some items but nevertheless there would be the great increase in trade resulting from the elimination of exchange quotas on these items. He pointed out that the proposed tariff increases were very small; for example, the agricultural interests desired an added 10 per cent duty on soybeans, but this was held to 3 per cent. Mr. Kosaka concluded by urging that we take a long range view of the problems involved in Japan for trade liberalization and recognize, in addition, that due to the forthcoming Diet elections trade liberalization is currently a politically sensitive issue.

Mr. Adair reiterated that a bad impression is created by the Japanese request for the renegotiation of tariff concessions previously granted to the U.S. but which have not been effective up to this time because of Japanese quota restrictions. In addition, the Japanese interest in persuading the European trading countries to discontinue application of GATT Article XXXV in trade with Japan would be damaged.

Mr. Kosaka referred to the Article XXXV problem and Japanese hopes that the European countries would discontinue its application. He said that Japan is willing to prevent market disruption and flooding of markets through voluntary measures on its part. Mr. Merchant confirmed that the U.S. wishes to assist the Japanese efforts to persuade other countries to discontinue application of Article XXXV in trade with Japan.

200. Memorandum of Conversation

Washington, September 16, 1960.

SUBJECT

Trade and Related Economic Subjects

PARTICIPANTS

Department of Commerce

Mr. Frederick H. Mueller, Secretary of Commerce

Mr. George H. Becker, Jr., Special Assistant to the Secretary

Mr. D. Kearns-Preston, Far Eastern Division

Mr. Saul Baran, Far Eastern Division

Department of State

Douglas MacArthur II, U.S. Ambassador to Japan

Mr. David M. Bane, Director, Office of Northeast Asian Affairs

Miss Thelma E. Vettel, Acting Officer in Charge, Economic Affairs, Office of
Northeast Asian Affairs

Japanese

Minister Zentaro Kosaka, Minister of Foreign Affairs

Mr. Koichiro Asakai, Ambassador E and P of Japan

Mr. George Shimanouchi, Japanese Ministry of Foreign Affairs

Mr. Tetsuro Ohata, Commercial Counselor, Embassy of Japan

Mr. Hidemichi Kira, First Secretary, Embassy of Japan

U.S.-Japan Trade

Minister Kosaka opened the conversation stating that the Japanese Government was pleased that the United States had purchased so much from Japan in 1959 and was also happy to note that statistics of the first half of this year indicated that Japan will be buying much more from the U.S. in 1960. In this connection he stressed the importance to the relations between the two countries of an expanding mutually beneficial trade. He said that the Japanese understood the problems faced in the U.S. as the result of sharp influxes of certain important commodities and was conscious of the need to avoid flooding U.S. markets. He said it was for this reason that Japan had instituted its voluntary export controls for the purpose of orderly marketing in the U.S.

Secretary Mueller responded that the U.S. was appreciative of Japan's efforts to achieve orderly marketing of its exports. He said that we know that foreign trade is important to the Japanese economy and understand that the Japanese are taking these measures in order to protect an important market in the U.S. Mr. Mueller acknowledged that trade is relatively more important to the Japanese economy than to our own, but said that trade is increasingly important to the U.S. economy. He pointed out that although the U.S. balance of trade is favorable, its balance of payments is unfavorable principally because of our Mutual Security Program. It has therefore become essential for us to emphasize our export program.

Minister Kosaka reminded the Secretary of the importance of small business in the Japanese economy. He pointed out that 38 percent of the Japanese labor force are farmers and 46 percent industrial workers. 97 percent of Japan's industry and 40 percent of the industrial labor force are engaged in small business (factories with 30 or fewer employees). This fact causes a number of problems. Small businesses are susceptible to pressures from foreign buyers which sometimes result in copying of designs, etc. To solve this problem, for example, the Japanese Government has established design centers and has taken other measures to avoid unfair competition. The Minister also referred to the problem of the invocation of Article XXXV of the GATT against Japan by certain

European countries and pointed out that this problem is compounded by the fact that the newly developing African countries intended to carry on the invocation of Article XXXV. Minister Kosaka expressed the belief that the application of Article XXXV against Japan had retarded the normal expansion of Japanese trade with Western Europe, noting that Western Europe accounted for less than 11 percent of Japan's trade as compared with its trade with Africa which amounted to 12 percent of Japan's total trade. He requested U.S. assistance in obtaining the discontinuation of application against Japan of Article XXXV.

Liberalization of Trade and Payments

Secretary Mueller pointed out that over a long period of time the U.S. has led in the move against the application of Article XXXV against Japan. He emphasized that we have also been trying to obtain liberalization of trade and payments restrictions in general. In this connection he said that we are somewhat disturbed by Japan's notification of intention to withdraw or modify tariff concessions under Article XXVIII of the GATT. He remarked that it is difficult, when answering the complaints of U.S. industry regarding Japanese imports, to explain Japanese restrictions against imports from the U.S. Mr. Mueller noted that statistics for the first six months of 1960 showed a 48 percent increase of U.S. exports to Japan.

With respect to trade liberalization Minister Kosaka emphasized that Japan was not retreating from its program for liberalization, emphasizing that action was being taken to remove restrictions on those items in which the U.S. had expressed most interest. For example, he pointed out that pig iron would not be subject to quota restrictions from October and that soon soyabean imports would be liberalized. He said that it was not Japan's intent to direct restrictions against the U.S. He said the Japanese Government has problems with respect to the farm population as well as small and medium sized business. He pointed out, for example, that the soyabean producers had requested an added 10 percent duty on soyabeans but that the Government had held this to 3 percent. He also expressed the view that although the withdrawal and modification of tariff concessions under Article XXVIII would increase some of the tariff rates this action would result in the removal of quotas on those items, and, in the last analysis, would mean increased trade in the items.

Secretary Mueller asked why soyabeans could be produced in the U.S. and transported to Japan cheaper than they could be produced in Japan, where costs are generally low. Minister Kosaka pointed out that in the U.S. soyabeans are produced on a very large scale, whereas in Japan they are produced on such a small scale that the comparative cost is high. The Minister added that Japanese oil producers desire U.S. beans

and are anxious to buy more. He believed that with the removal of import quotas on soyabeans, there will be an increase in imports from the U.S.

Trade with Communist China

In response to Secretary Mueller's query, Minister Kosaka acknowledged that there was a "clamor" for the revival of Japanese trade with the Chinese Communists by "certain" Japanese. However, he said, the Japanese Government believed this was based on inaccurate knowledge on the part of certain Japanese of the situation within Communist China. He said that Japanese users of certain special materials, such as lacquer, were vulnerable, but they are very few in number. The problem of these users, he said, has been expanded by the press all out of its proper proportion. He said that the Japanese Government is responsible to some extent for not having informed the public more fully about the true situation. On the other hand, the Minister said, the Chinese Communists want from Japan such commodities as cement, rails, steel, etc., for use in building up their own economy. But they want to sell to Japan items such as rice, which Japan does not need. He reiterated that the public should be better informed.

Secretary Mueller said he had heard rumors that the Japanese Government was investigating possibilities for trade with the Chinese Communists, and he was glad to hear the Minister's views on this matter. He expressed the view that if the Japanese became dependent upon such a political source as Communist China, trade would become a political, rather than an economic matter. Minister Kosaka remarked that the Ikeda Government should have a stronger view on this subject than its predecessor.

United States Export Import Bank Financing for Arabian Oil Company

Secretary Mueller asked about the Arabian Oil Company's recent approach to the U.S. Export Import Bank. Minister Kosaka said that this was really a matter within the jurisdiction of the Ministry of International Trade and Industry. He said that the Arabian Oil Company was now producing at a rate of about 400,000 kilolitres a year; the target in five years is 10 million kiloliters. In ten years time it is estimated that Japanese demand for crude oil will have reached 96 million kiloliters. With the increasing demand for crude the Japanese hope to be able to obtain some of their requirements without the expenditure of foreign exchange. The Minister did not believe this would have any effect on the investments made by U.S. oil companies. With respect to the matter of Export Import Bank financing of certain storage and distribution equip-

ment, the Minister said that Mr. Waugh¹ told the Japanese during his recent visit to Japan, that there was no precedent for making such a loan for oil, but that he would consider it upon his return to Washington in view of Japan's dependence on trade. He said the Japanese Government hopes some arrangement can be made. He assured the Secretary that the Japanese Government has no intention of causing any damaging effect on U.S. investments.

Secretary Mueller explained that the policy of the Export Import Bank has been not to make any loans of this kind even to our own nationals, and he pointed out the difficulty which could result from an exception from that policy.

¹Samuel C. Waugh, President and Chairman of the Export-Import Bank of Washington.

201. Memorandum of Conference With President Eisenhower

Washington, September 20, 1960, 8:30 a.m.

OTHERS PRESENT

Ambassador MacArthur
Colonel Eisenhower

The Ambassador opened by expressing his regrets that the President's visit to Japan last June had been cancelled. The President said that not all had been lost. He had received floods of letters from the Japanese expressing their regrets. The Prime Minister of Japan had been included in these letters.¹ Although the politicians had tried to exploit the setback to their advantage, recent developments have more or less put them in their place.

The Ambassador said that riots of the same nature had taken place in 1958. The disturbances then had been over proposed changes in police laws. Again last January, when the Mutual Defense Treaty had been signed, mobs had stormed the airport and forced Kishi to take a back road to his residence. Up to this time the leadership in Japan has been

Source: Eisenhower Library, Whitman File, DDE Diaries. Secret. Drafted by John Eisenhower.

¹Not found.

inclined to brush these matters under the rug. The papers and trade unions had been very tolerant. This incident they could not brush under the rug and all elements are doing something about it. The Ambassador expects that police laws will be strengthened.

The Ambassador continued that Kishi failed to understand public opinion. His arbitrary actions had combined with the fact that he had been in the Tojo cabinet to bring about his downfall. Ikeda is different and a big victory for his party is expected in the November election, particularly if he can limit the number of candidates who run in his own party.

The President said he thought that politicians in this country are little better than irresponsible. The Ambassador agreed. He had had lunch with a Kennedy² advisor and had expressed the hope that developments in Japan would not be made into domestic political issues. He had pointed out that the demonstrations were not primarily against the U.S. The Kennedy advisor had said he would do his best to avoid making this an issue but could make no promises.

The Ambassador expressed his wish that the President could still make the trip to Japan. The President said that Ikeda had expressed the same wish in a letter.³ The Ambassador said that a time had not been pinpointed, but that the invitation was sincere and the President could visit Japan either before or after elections.

The President pointed out that a trip to Japan would have to be a long one. As a result, he could not stay long. He is booked up for the month of October and for the month of November through the 24th. There could be a possibility of a visit to Japan early in December, although it is still possible he will meet de Gaulle and Macmillan at that time. He summarized it is doubtful that he can visit Japan while President. For four or five months after leaving the Presidency he might take a trip. He admitted that he will miss having the Boeing-707 to travel around in. The Ambassador pointed out the trip to Japan is an easy 14-day voyage by water.

The Ambassador then reported that relations between Japan and Korea are improving. He himself had seen Kosaka the other day, who promises to be a fine Foreign Minister. Kosaka had visited Korea⁴ and

² John F. Kennedy, Senator from Massachusetts and Democratic candidate for President.

³ Delivered by Kosaka on September 12; for text and the President's September 16 reply, see *Public Papers of the Presidents of the United States: Dwight D. Eisenhower, 1960-61*, pp. 699-700.

⁴ Kosaka paid a good will visit to the Republic of Korea September 6-7. (Telegram 292 from Seoul, September 6; Department of State, Central Files, 033.9495B/9-660) See Supplement.

was criticized for this move. The Ambassador does not, however, consider the criticism serious. He expects Kosaka to be a better Foreign Minister than Fujiyama and feels that the departure of Syngman Rhee will be an aid to relations.

In answer to the President's question, the Ambassador said he had been in Japan for four years. He has enjoyed his tour and considers the Japanese great people, although they are difficult to understand, being so different from us. Although the shortage of land inhibits agriculture, they are industrializing well and they appreciate greatly the President's understanding of their problems.

The President noted that he had cited problems faced by the Japanese in his Gettysburg College speech as far back as April 1959.⁵

The conversation then turned to family matters, and in closing, Ambassador MacArthur said he had seen his uncle (General Douglas MacArthur) recently and had been asked to express the General's appreciation for an invitation to the Crown Prince's dinner.⁶

John S.D. Eisenhower

⁵ Entitled "The Importance of Understanding" and delivered on April 4, 1959; for text, see *Public Papers of the Presidents of the United States: Dwight D. Eisenhower, 1959*, pp. 309-316.

⁶ The President gave a state dinner in honor of the Crown Prince and Princess on September 27.

202. Memorandum of Conversation

Washington, September 30, 1960.

SUBJECT

Visit of Japanese Finance Minister

PARTICIPANTS

Government of Japan

Mr. Mikio Mizuta, Japanese Finance Minister

Mr. Masao Kiya, Chief of the Foreign Exchange Bureau, Ministry of Finance

Source: Department of State, Central Files, 033.9411/9-3060. Drafted by Vettel and approved by U on October 13.

Mr. Yoshisuke Isoda, Financial Commissioner in the Ministry of Finance
Mr. Yusuke Kashiwagi, Financial Secretary, Embassy of Japan

United States

Mr. Douglas Dillon, Under Secretary of State
Mr. David M. Bane, Director, Office of Northeast Asian Affairs
Miss Thelma E. Vettel, Acting Officer in Charge, Economic Affairs, Office of
Northeast Asian Affairs

Minister Mizuta opened the conversation by expressing the hope that the Under Secretary would extend the same cooperation and assistance to him as he had to the Minister's predecessor, Minister Eisaku Sato. The Minister said that since the unfortunate June disturbances in Japan the atmosphere had entirely cleared up and that shortly the Diet would be dissolved and elections would take place. The Minister expected "very good results" from the elections. He characterized the present Ikeda government as "pro-American" and expressed the belief that after the elections that government can do more for United States-Japanese relations.

The Minister then reviewed recent developments in Japan. On the political side, he said, the situation had been stabilized. On the economic side, with the support and cooperation of the U.S., the situation was going well and the Japanese hoped for a large growth in their economy over the next few years. The Minister said that to attain this desired growth Japan needs foreign capital and that during his visit to this country he has been making contacts in an effort to obtain such foreign capital.

With respect to trade and exchange liberalization, the Minister said that the Japanese Government has prepared a program which will liberalize commodity import restrictions over a period of 3 years and invisible import restrictions over a period of 2 years, with the objective of at least 80 percent liberalization during this period. He added that discrimination against dollar goods would be entirely removed by the end of this year. The Minister requested U.S. assistance in obtaining removal of restrictions on Japanese imports by other countries.

The Under Secretary expressed deep appreciation for the visit of the Crown Prince and Princess. He said that their visit to Washington had fully borne out the good reports which had been received regarding their visit to the West Coast. He said that this had been one of the most successful visits primarily because of the picture presented by the Crown Prince and Princess who reached the hearts of the American people.

The Under Secretary said that we feel that we can work very well and closely with the government of Prime Minister Ikeda since we know him well and believe that his government has an appreciation of the great problems and issues of the day which is very similar to ours. He

expressed the belief that the Ikeda government shares our desire to remain free and to develop institutions of democracy and freedom, rather than to go in the other direction by imposing controls on all the people. It is for these reasons that we believe that the U.S. and Japan can cooperate closely together in our mutual interests. We prefer to think of our relationship with Japan as based upon mutual goals and attitudes rather than the fact that the Japanese Government is considered to be "pro-American".

With respect to trade liberalization, the Under Secretary welcomed the steps already taken by Japan and was glad to hear of the program outlined by the Minister since it would move toward the goals which we think are attainable now that the Japanese economy is developing so well. The Under Secretary added that, while we realize that after having a regime of controls for a good many years it is impossible to get rid of them all at one time, the U.S. hopes that the Japanese Government would keep this matter under continuous study and review with the objective of moving as rapidly as possible. While 3 years are all right, the Under Secretary expressed the hope that conditions would be better than expected and that it would be possible to complete this program even faster than planned.

Minister Mizuta referred to the question of Japan's raising tariffs in order to speed up the liberalization of commodity imports. He said that the proposed tariff increase on soyabeans and a few other commodities (under Article XXVIII of the GATT) was not for the purpose of restricting trade, but rather to enable liberalization of quota restrictions on those commodities. He said that these were necessary to ease the adjustments within the Japanese economy which would result from liberalization. He added that the Japanese Government expected the volume of trade to increase as a result of these actions.

The Under Secretary recognized that, upon moving from a closed economy to a free one, adjustments occurred such as price levels etc. On the other hand, he said, Article XXVIII is a very powerful and dangerous instrument, and it is the belief of the U.S. that it must be used with great discretion and not too often; it can be used to make a tariff as restrictive as a quota. He pointed out that the U.S. has been under pressure on this subject and has tried to resist using Article XXVIII. He explained that the sensitivity on this subject in the U.S. stems primarily from the fact that we negotiated tariff concessions in order to gain accession to the GATT for Japan; Japan's withdrawal or modification of those concessions now creates uncertainty in the U.S. and raises a question as to what the trade policy of Japan really is. He said that this is something which Japan must decide for itself, but he emphasized that it is a delicate operation and that the U.S. hopes that it will be used with discretion.

With respect to Japan's trade with other countries, the Under Secretary said we recognize that Japan should be treated in a non-discriminatory fashion. He said that the U.S. has tried to keep its markets open and pointed to the fact that Japan's exports to the U.S. have been growing. He said that the U.S. has also tried to help with the other countries and has always spoken up in the GATT, and at every opportunity has talked individually to other countries in favor of non-discriminatory treatment for Japanese exports. He pointed to our success with the French and with Chancellor Adenauer in obtaining some relaxation of restrictions against Japanese imports. He said that we would continue with these efforts since we feel strongly that this is how the problem can best be handled. He added that the U.S. also believes exports must be handled carefully to avoid flooding markets and expressed appreciation for what the Japanese Government and business has done with respect to U.S. markets and what he assumed they were also doing with respect to other markets.

Minister Mizuta expressed appreciation for U.S. efforts on behalf of Japan. With respect to proposed tariff increases he pointed out that in the case of automobiles the increase would not affect American cars. With respect to soyabeans, he said that the tariff increase would of course be restrictive if it were a 40 percent increase; the Japanese are, in fact, asking for only a 3 percent increase.

With respect to Japan's need for foreign capital, the Under Secretary said our Embassy at Tokyo has reported that steps have been taken by the Japanese Government to facilitate equity investment and to make the operation of foreign businesses in Japan a little easier. He welcomed these steps and expressed the hope that this tendency would continue. He said there is a great interest in Japan among U.S. business firms which could result in considerable investment there if they are welcomed.

The Under Secretary referred to the concern of American oil companies which operate in Japan over the proposal which we understand is being considered by the Japanese Government for bringing in as "yen oil" the crude oil produced in the Persian Gulf by the Arabian Oil Company. The Under Secretary said that we recognize basically that this oil should and must go to Japan and be used there, and that it will increase in quantity as production develops. What the American oil companies desire is that the importation of this crude be handled in a way that is fair and non-discriminatory to avoid undue difficulties for them. The Under Secretary expressed the hope that this concern be taken into account by the Japanese Government in finding a solution to this problem.

Minister Mizuta said he believed the situation was being explained to the American oil companies in Japan. He emphasized that, with the prospects for Japan's future economic development, requirements for

petroleum would so increase over the next several years that imports from the Arabian Oil Company would not result in decreased imports from the American oil companies.

The Under Secretary referred to the Minister's discussion with Secretary of the Treasury Anderson on September 29 regarding the U.S. GARIOA claim.¹ While not wishing to repeat the points made by Secretary Anderson, the Under Secretary emphasized our great interest in reaching a settlement of this claim. Although he recognized that negotiations prior to the forthcoming Japanese elections would not be practical, he expressed the hope that after the elections we can sit down and settle this claim, which is about the only major remaining problem outstanding between the two countries. The Under Secretary welcomed the assurances which we have received on this score since Mr. Ikeda has become Prime Minister and expressed the hope that settlement could be reached soon after the November elections. In response to the Minister's inquiry, the Under Secretary said he had full knowledge of the Minister's conversation with Secretary Anderson on this matter.

¹ A brief summary of the conversation between Anderson and Mizuta on September 29 was transmitted in telegram 650 to Tokyo, October 5. (*Ibid.*, 033.9411/10-560) See Supplement. Regarding the GARIOA claim, understandings for continued negotiations toward a final settlement by representatives of the two governments were reached in June 1961.

203. Telegram From the Embassy in Japan to the Department of State

Tokyo, December 16, 1960, 4 p.m.

1752. Japanese press features report Mr. Dean Rusk¹ will shortly hold private talks with certain Japanese to review US policy for Japan and formulate future policy. In light of this and since new governments assuming responsibility in both Japan and US, it seems important and

Source: Department of State, Central Files, 611.94/12-1660. Confidential. Transmitted in five sections and repeated to Naha, Yokohama, Fukuoka, Nagoya, Sapporo, and Kobe.

¹ Secretary of State from January 1961 to January 1969.

urgent to summarize Japanese-American postwar relations and assess situation and problems new US administration will face in Japan over next four years. However, to project future it first necessary to examine briefly evolution of our post-war relations with Japan to see where they now stand.

I.

When second Eisenhower administration was inaugurated in 1957, Japanese-American relations were just entering the third and critical phase of our postwar relations with Japan. Policies which had served well in earlier phases were not altogether adequate for the new period and Japanese-American relations were not on an entirely satisfactory basis. In first of these three phases, occupation period (1945-1952), we had had two basic objectives: (a) to bring about democratic reforms so Japan's vigorous people would not again fall under total agrarian [*totalitarian*] leadership and (b) to help this war devastated nation attain economic stability, an essential condition precedent to social and political stability so that it would not fall victim of Communist subversion.

In second phase which began in 1952 Japanese sovereignty was legally restored by peace treaty. However, this restoration of sovereignty was in some respects nominal because Japan was still heavily dependent on United States and felt it had to do very much as we wished in both domestic and foreign matters. Diplomatically, Japan was largely isolated; economically it was still receiving grant aid from us and its commercial trade balance was heavily adverse; in security matters it had scarcely begun to share burden of its own defense. Furthermore, many vestigial remnants of our occupation period had inevitably carried over into this second phase.

As we entered third and critical phase of our relations with Japan four years ago in which a fully sovereign Japan stood restored as one of leading nations of free world, there was need to put our relations on sounder basis. For certain aspects of our occupation policy in form of one-sided agreements and unilateral rights and privileges had survived the period of their usefulness and, despite benefits they had afforded, were beginning to be too costly, politically, to maintain. Japanese had a whole list of complaints and grievances stemming from occupation period and were progressively beginning to chafe under what they considered to be unequal or discriminatory treatment which did not take into full account either Japan's sovereign and legitimate interests or its remarkable growth and recovery. After Kishi took office in February 1957

he listed many of these complaints or grievances to Ambassador. They included:

1. Girard case in which United States seemed unwilling to honor its international commitment to Japan under administrative agreement and turn Girard over to Japanese jurisdiction.

2. Presence of too many members of our armed forces in Japan which was creating pressures for withdrawal of all US forces and bases from Japan.

3. Complaints against large number of areas and facilities our military authorities were holding which were needed by Japanese economy.

4. Opposition to continuing payments of "support costs" for US military forces in Japan. Progressively many Japanese were calling these "occupation costs" since no other country where we had troops stationed was making such payments.

5. War criminals problem where US still held almost one hundred individuals in Sugamo Prison even after other countries including Republic of China and Philippines which had suffered greatly had paroled their war criminals. Many Japanese viewed this as an effort on our part to maintain a "living stigma" of Japan's war guilt.

6. Insistence we transfer administration of Bonin Islands to Japan and if that not possible we at least permit return dispossessed inhabitants of Bonin Islands (whom, with exception of those having some Western blood, we had refused to repatriate) or alternatively offer them monetary compensation.

7. Strong public demands by GOJ that we return administrative control of Okinawa and Ryukyu Islands to Japan.

8. Strong and emotional insistence we cease testing nuclear weapons in Pacific.

9. Insistence that we modify security treaty which had been negotiated while Japan was under occupation and which many Japanese had come to regard as having been "imposed" on Japan and as being a one-sided instrument which gave United States rights and privileges which it enjoyed in no other country, including right to commit Japan to an act of belligerency and war without her knowledge or consent.

10. Concern over lack of US cooperation with Japan in Asian economic development typified by rejection "Kishi plan."

11. Major anxiety lest United States, on heels of cotton textile agreement in 1956, adopt broad and far-sweeping trade restrictions against Japanese imports into US that would make it difficult or virtually impossible for Japan to expand its trade which was essential for economic and social progress.

12. Finally, strong feeling on part of Japanese that if Japanese-American relations were to be really meaningful they must be based on

equality and mutual respect and United States must treat Japan as equal partner and not as subordinate and must cease taking Japan for granted.

These then were major Japanese grievances against United States with Japanese progressively becoming more vocal in their complaints on both our attitude and our actions. It was clear in 1957 that we must move expeditiously and with flexibility to meet foregoing situation if we were not to risk collapse of Japanese-American partnership. What have we done since then to redress situation:

1. We turned Girard over to Japanese jurisdiction and our action was upheld by our Supreme Court.

2. We withdrew all ground combat forces, substantially reduced other forces so that now we have less than half as many forces stationed in Japan as in early 1957. This took steam out of anti-base movement except for extreme left.

3. We returned to Japanese hundreds of areas and facilities our military had retained.

4. In new treaty arrangements we eliminated support costs for US forces. (By this action we removed serious point of friction and at same time obtained continued rent-free use of privately owned military facilities and areas for which GOJ willingly pays \$17 million annually.)

5. War criminals in Sugamo Prison have all been paroled in accordance with practice of our other allies.

6. We obtained Congressional authorization for \$6 million compensation for dispossessed Bonin Islanders.

7. While not returning administration of Okinawa to Japan, we reformed our land acquisition policy from lump-sum payments to rentals and instead of excluding Japan from Ryukyuan affairs as theretofore, began to work together in appropriate instances with both Japan and Government of Ryukyus in economic and social development of islands, thus letting air out of "reversion" balloon.

8. We suspended nuclear tests in Pacific thus taking into account Japanese views.

9. We agreed to far-sweeping changes in security treaty favoring Japan to make it consistent with our treaty engagements with other allies and also keep it fully consistent with Japanese interpretation of Japanese constitution.

10. Although not agreeing to Kishi plan SEA economic development, we cooperated with Japanese in Asian economic development, which is so important to Japan, in projects such as Orissa and through off-shore procurement.

11. Despite strong pressures from American protectionist groups we maintained liberal trade policy with respect to Japan, and Japanese

exports to America have almost doubled in past four years and correspondingly Japan is now our second largest export market.

12. In our dealings with Japanese we have sought to treat them on a basis of equality and mutual respect. We worked to secure their admission to UN and election to Security Council and recently supported their candidate for ICA. We have also consulted closely with them on policies in all parts of world. And when Japanese balance of payments were in such serious trouble in 1957 we helped with Export-Import Bank and DLF loans to about \$325 million to tide them over until upswing of Japanese economy. We tried to demonstrate we were a good partner.

II.

As result of these actions, some of which took several years because of differing views within our government, problems which four years ago risked embittering relations and destroying Japanese-American partnership have either been solved to Japanese satisfaction or dealt with by us in manner aimed at keeping them within manageable proportions. Most Japanese appreciate that we have tried to treat them as equal partners and this sentiment, coupled with Japanese realization that they also need our friendship and cooperation, was largely responsible for total failure of pro-Communist and anti-American elements to transform turmoil of last May and June into broadly based anti-American movement. This relatively satisfactory state of our relations also prompted Ikeda last July, in response to press query at his first press conference after becoming Prime Minister, to reply that he had no suggestions to make to United States for changes or modifications of its policy toward Japan since American policy served best interests of both countries. FonMin Kosaka reiterated this the other day, in other words at present there are no immediate and burning issues to plague our relations. There is a very cooperative and pro-Western Japanese Government in power and Japanese people are generally friendly and, much more important, feel their own interests are being served by Japanese-American partnership.

III.

However, there is no room whatsoever for complacency on our part or to feel that just because we have solved major problems of past nothing need be done in future to hold Japanese-American partnership together. In first place, Japan remains target no. 1 in all of Asia for Moscow and Peking, whose supporters inside and outside Japan are working ceaselessly to divide Japan and United States and to exploit to hilt inevitable differences which will always occur even between close friends and partners. Moreover, in Japan there is a widespread spirit of latent neutralism which Socialists have recently succeeded in exploiting to some extent. This latent neutralist sentiment, which is more a "mood"

than a "policy" supported by Japanese public, is encouraged by an intellectual community which is in large part fuzzy-minded and abstractionist. Furthermore, there are also certain problems which although now within manageable proportions will never be totally solved because they are inherent in nature of Japanese-American partnership and the somewhat differing kind of interests of two countries with respect to the specific problems. It is this type of problem that we must watch with utmost care and be prepared to make timely and constructive modifications with respect to our actions and policies before such differences become aggravated and serious public friction ensues.

Most important problems in this category appear to be:

1. US-Japan trade relations. Economic facts of Japan's life dictate that Japan must trade to live and therefore must finally end up where and with whom she can earn a living. If Japan cannot have access to a fair and reasonable share of our and other free world markets, on basis of course of reciprocity, then Japan will be forced into unwilling accommodation with Communist Bloc, with assets of this great major industrial complex added to present formidable Communist Bloc capabilities. While Japan must reciprocate a liberal trade policy toward us, it is imperative that we avoid a policy of restrictionism and that we also continue to encourage other free world countries to be more liberal re Japanese imports. For most fundamental, and by far most essential tie between our two countries in Japanese view is not security but that of trade and commerce which is Japan's daily bread. In period immediately ahead we must be particularly careful in developing policies to meet our balance of payments problem not to strike a major blow at Japan's economic stability and economic ties with us.

Moreover, Japan can make great contribution to massive problems free world faces in Asia and Africa by its moderating influence and its contributions of technology and economic cooperation. However, it can make this substantial economic contribution only if Japan itself is economically sound and this depends on its trade and foreign earnings.

2. US-Japan military security ties. Japan's cooperation in this field is important to us not because of material contribution Japan makes to free world defense in terms of size and power of its military forces (which for indefinite future will remain modest in size), but because without our ability to use Japanese island complex for deployment and logistical purposes, our ability to maintain free world strength in the western Pacific as a deterrent to Communist aggression and as an important morale factor for our free Asian allies would be both seriously impaired and made infinitely more expensive. Perhaps even more important is fact that for foreseeable future Japan's security alignment with free world can only be attained through security ties with us. Japan is unwilling to have military ties with other free nations, and if Japan's

security ties with us were ended and she became militarily neutral, impetus toward political neutralism would be greatly accelerated. And latent mood of neutralism represents an important aspect of problem with which we must deal in maintaining existing security ties which for present are fully accepted as necessary although with no great enthusiasm.

Had we waited longer to adjust our security arrangements with Japan we would have been in real trouble. However, as result of new security treaty and related arrangements our security ties are now generally satisfactory to Japan although we cannot rule out possibility of Japanese desire for some further adjustments in next several years. Moreover, as long as we have forces in Japan inevitably frictions and problems will arise such as Fuji-McNair Maneuver Ground,² Japanese labor on our bases, facilities and areas, incidents involving US servicemen, etc. All such matters have potentially serious political implications, and if not dealt with in timely fashion and in constructive manner acceptable to Japanese public opinion they will soon become inflamed and be exploited by pro-Communists and neutralists to destroy Japanese-American security ties. In dealing with such problems it is imperative we not stand rigidly on past procedures, practices, or arrangements, but examine these problems with open mind and flexibility in order to reach agreement with which Japanese can live even if it means some modifications involving less satisfactory arrangements than we now have. In view of strong latent spirit of neutralism in Japan, our security ties represent a vulnerability in certain respects which unless handled with wisdom could be exploited to rupture Japanese-American partnership. Over long term and in light of cold war our security relations with Japan are more important as a major link in Japan's alignment with US and free world than as a military base platform.

An important factor in Japanese-American security cooperation has been MAP which we have extended to Japan. While Japanese recognize eventually they must assume entire burden for modernizing and

²The Fuji-McNair Maneuver Ground, consisting of about 51,000 acres on the eastern slopes of Mt. Fuji, was a facility provided the USFJ under the old Administrative Agreement signed in 1952. The USFJ scheduled firing exercises for July-September 1960 but were hampered by sit-ins and demonstrations by local residents, who presented petitions had to be negotiated in view of the signing of the new Administrative Agreement. Petitions to the U.S. Embassy in Tokyo, arguing that a new lease with the explicit consent of lessors had to be negotiated in view of the signing of the new Administrative Agreement. Petitions were also presented to the Japanese Foreign Ministry, and the GOJ wished to avoid such agitations in the pre-election period. Foreign Minister Kosaka suggested to MacArthur that since the United States rarely used the site, it could be returned to the Japanese Self Defense Agency and that the GOJ would grant the United States permission to use the area for maneuver when requested. No change in the legal status of the ground, however, was effected in 1960. Documents related to the subject are in Department of State, Central File 794.56311.

maintaining their own forces, we should not arbitrarily eliminate all military assistance for next several years in certain specified cases where it is very much in our own security interest that Japan increase its capabilities (i.e., ASW, air defense, etc.) For arbitrary use of axe at this juncture would not only be exploited by opponents of our security ties but would also be serious blow to modest Japanese military build-up which is slowly but steadily occurring and which GOJ desires. While we can privately encourage GOJ in steps to develop Japanese forces, we must avoid at all cost giving public impression that it is we who are insisting on "remilitarization of Japan" and our public posture should be that size of Japanese forces is for Japan to determine.

3. Communist China. We must recognize that this is most sensitive subject for any Japanese Government and relations could rapidly deteriorate over this issue if not handled skillfully. Japanese people universally view Communist Russia and Communist China in totally different perspectives. Russia continues to be regarded with fear and suspicion as traditionally hostile, barbaric, Western power, whereas Chinese people are regarded as fellow-Asians to whom Japan owes much of its own culture, with whom it has had economic and other ties for many centuries, and with whom Japan must live in harmony regardless of nature of Chinese regime. Furthermore, myth at rice roots that all Japan's economic problems would be solved if only there were close trade and other relations with ChiComs is believed by numerous Japanese, many of whom also believe it is US which prevents GOJ developing trade and friendship with ChiComs. We do not believe GOJ will seriously consider political recognition of ChiComs in near future unless we change our policy or unless additional major free world allies of US do so, or unless ChiComs get into UN, because Japan has its own problems in this matter in terms of its treaty with and recognition of Nationalist China. However, in coming period, for domestic political reasons if for nothing else, will certainly seek to expand trade and other contacts with ChiComs and may also even enter into official agreements with ChiComs in technical fields including postal exchanges, meteorology, safehaven for fishing vessels, etc. In our discussion and handling of such developments we must be careful to avoid creating public impression that on basis of hostility toward ChiCom regime we are trying to dictate and prevent GOJ from developing trade and friendlier relations with China. At same time we must also recognize that if, in coming period, majority of UNGA favors admission of ChiCom to UN and we then exercise veto, there will be very adverse effect on many Japanese as well as on other Asians regardless of merit of our action. When we press GOJ to support our policies and actions re ChiComs, we must use great care to avoid creating public impression we are trying to force Japan to follow our policy. For any such feeling would seriously damage not only US posi-

tion but also present pro-Western GOJ, if latter gave impression it blindly and subserviently following our lead. Indeed, today main point in leftist and press attacks against GOJ foreign policy is that in UN and elsewhere it blindly follows our policy.

4. Okinawa. As result our change in land acquisition policy and our new and constructive attitude re GOJ participation with US and Govt of Ryukyus in certain economic development, health, education, and other Ryukyuan matters, sentiment for reversion of Ryukyus to Japan which continues below surface is now within manageable proportions. However, we must recognize that until administration is eventually returned to Japan, problem of reversion will be a constant irritant in Japanese-American relations. There has recently been substantial increase in left wing activity in Japan calling for reversion of Okinawa, and Japanese Socialists are spearheading drive by draft resolution in Diet calling for reversion. If this matter becomes inflamed, not only will Okinawa become an undependable base, but relations between Japan and America can be seriously damaged. There are eight hundred thousand Japanese inhabitants of Ryukyus, and whenever majority of them protest against actions or policies of US, ninety-three million Japanese respond in sympathy. Therefore, key to keeping Okinawa as dependable military base and avoiding having it become major issue of dispute between Japan and America is for our authorities in Ryukyus to keep Okinawans reasonably satisfied [and] have flexible outlook as political or economic problems arise. We must avoid simply standing on past practices or policies simply because they are now in effect. We must frankly recognize that we waited dangerously long to modify certain of our policies in Okinawa re land acquisition, Japanese participation in certain Ryukyuan matters, and almost had an incipient "Cyprus"-type situation on our hands three years ago. We must be prepared to deal with future situations with flexibility and must also continue to bring Japan into picture to maximum extent possible for major argument GOJ now has against Socialist and Leftist insistence on reversion to Japanese administration is that Japan is now working effectively in cooperation with US and GRI in matters affecting economic development, health, welfare, and education of Japanese inhabitants of Ryukyus, and therefore return of administrative control at this juncture is not necessary.

5. GARIOA. While above four issues represent continuing and long-term problems that will be with us indefinitely, GARIOA represents immediate and very difficult problem on which we are pressing for settlement. It is particularly sensitive in this period as we substantially cut back dollar spending in Japan. Anti-American elements here are already preparing to use GARIOA settlement as major weapon with which not only to attack Ikeda but also to strike at Japanese-American relations and settlement must be handled with care, and above all it

must be one we believe will be acceptable to Japanese people and Diet. If we mishandle GARIOA we will get no settlement and will afford our enemies club with which to assail Japanese-American partnership. As Japanese official thinking on terms of GARIOA settlement becomes clearer we will submit recommendations with view to possible solutions³ in keeping with our own vital interests, but at same time having maximum chance of acceptability in Japan.

IV.

Conclusion

Japan is one of four major industrial complexes in world. Militarily, Japanese Island complexes vitally important to maintenance our and free world deterrent military strength in western Pacific and Asia. Japan is making substantial contribution to Asian economic development which is indispensable in blocking Communist gains, and will do more. It is, in fact, at present only positive element of real economic and industrial strength in free Asia. Japan's continued alignment with free world is essential. However, at present such basic alignment must in first instance be maintained largely through Japan's alignment with US. For in field of military security, Japan will not in foreseeable future be willing to have military ties with any country except US, and severing of US-Japan security ties with ensuing military neutrality would greatly increase mood of neutralism which is latent and widespread in Japan. For this reason, even should we be obliged to accept less satisfactory arrangements from purely military viewpoint, continuation of security ties is most important as one of principal ties in Japan's alignment with US and free world.

Japan's most vital self-interest and its strongest tie with free world is trade. American market is essential and as long as Japan's daily bread depends largely on our cooperation and friendship, we do not believe majority of conservative Japanese people will wish chase Communist rainbow. In other words, Japan's continuing alignment with West and free world will in first instance depend to great extent on degree of understanding and leadership which US exercises in dealing with our overall relations with Japan, particularly trade, security arrangements and other problems cited above. An essential requirement is to give Japanese conviction we view Japan as equal, whom we respect and not as formerly occupied country that we expect to follow along in our wake.

There are at present no burning issues between Japan and America. We have in Japan conservative middle-of-road people headed by staunchly pro-Western government that believes Japan's enlightened

³ See footnote 1, Document 202.

self-interest requires friendship and cooperation of US, and hence Japanese cooperation with US. As contrasted with some desperately difficult situations in other parts of world where we often have little to work with and cannot exercise decisive influence through our policies and actions as there are other major forces present, in Japan we would seem to have necessary tools at our disposal in terms of wise and flexible policies. Therefore, in absence of unpredictable international developments or serious economic depression affecting Japan the key to maintaining Japanese-American partnership in coming troubled period would seem in final analysis to depend largely on statesmanship we exercise in future in meeting Japanese-American problems.

MacArthur