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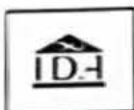
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THE REVERSION OF OKINAWA: A CASE STUDY IN INTERAGENCY COORDINATION (U)

Peter W. Colm
Rosemary Hayes
Joseph A. Yager

July 1972

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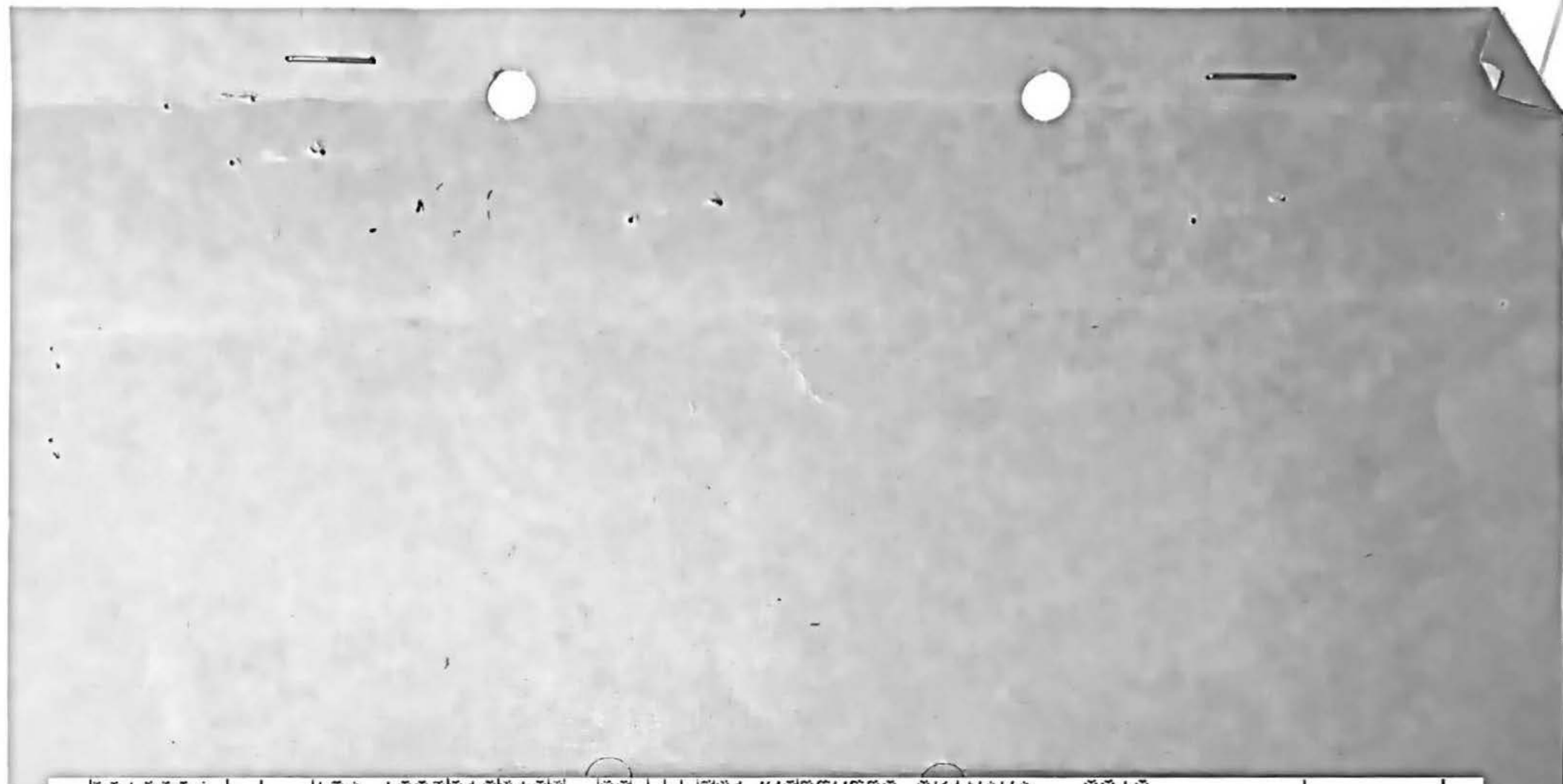
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ABSTRACT

At first, the US administration of Okinawa and the rest of the Ryukyu Islands was a minor adjunct to the occupation of a defeated Japan. By 1951, however, when the peace treaty with Japan was signed, the United States had come to view the island as a major strategic outpost. Under the peace treaty, the United States in effect obtained the right to rule the Ryukyus indefinitely, with Japan retaining only "residual sovereignty." Two years later in 1953, the United States returned the northern part of the island chain to Japan, but took the occasion to proclaim its intention of retaining control of the remainder, including Okinawa, "so long as conditions of threat and tension exist in the Far East."

The US position in the Ryukyus did not come under heavy pressure from the Japanese Government or the local population until after 1960. Even then, the problem was not perceived in terms of whether or not the islands should be returned to Japan in the near future, but rather in terms of how much autonomy should be given to the local government, how much money the United States should spend on improving the living standards of the island people, and--most controversial of all--how much recognition should be given to the islands' residual ties with Japan.

In 1961, an interagency task force headed by Carl Kaysen of the White House staff studied these and other problems in the Ryukyus and recommended greater local autonomy, increased US expenditures, and a larger economic aid role for Japan. These recommendations were approved by President Kennedy, but implementation of the last one was delayed for two years by the High Commissioner, General Caraway, who feared that it would enable the Japanese to subvert the US position on Okinawa.

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Despite the various ameliorative measures taken by the United States, dissatisfaction with the status quo in the Ryukyus mounted both in Japan and on the islands themselves. In mid-1965, fearing serious damage to US-Japanese relations, Ambassador Reischauer wrote Secretary of State Rusk that time was running out for the United States on Okinawa. Reischauer urged that studies of future US requirements on the island be undertaken, including examination of the fundamental question: Could US bases on Okinawa function effectively under Japanese administration?

Reischauer's recommendation led to the formation of a joint State-Defense working group in January 1966 to study various aspects of the US-Japanese relationship. Two months later, this arrangement was transferred to the newly formed Interdepartmental Regional Group, Far East (IRG/FE). Both in the short-lived State-Defense working group and in the IRG/FE, an impasse over policy on Okinawa appeared to be rapidly developing between State and Defense.

The threatened major interdepartmental confrontation, however, failed to materialize. In June 1966, a new Ryukyus Working Group, reporting to the IRG/FE, was formed and instructed to study Okinawan public opinion, Japanese policy toward the Ryukyus, and possible measures to satisfy Okinawan and Japanese aspirations. Work on more basic (and highly controversial) policy questions was deferred.

In September 1966, the Senior Interdepartmental Group (SIG) considered a paper on the above topics which had been prepared by the Ryukyus Working Group and approved unanimously by the IRG/FE. The SIG approved the paper's recommendations that local Ryukyuan autonomy be expanded and Japan's role in Ryukyuan affairs increased, without impairing the essential integrity of the US administration or the operational capability of the US bases. The SIG requested that the Ambassador to Japan and the High Commissioner (1) submit a joint plan to the IRG/FE for carrying out these recommendations and (2) report jointly to the IRG every six months on reversionist pressures and measures taken to contain them. The SIG also directed the Ryukyus Working Group to prepare by December 1966 a further study on the future of the bases, including the military consequences of returning

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the Ryukyus to Japan. This Top Secret study had the effect of moving official US thinking further along the road toward reversion.

In July 1967, the Japanese Government for the first time formally requested that the US Government open talks on the future of the Ryukyus and the Bonins. This request, and the impending visits of Foreign Minister Miki and Prime Minister Sato in September and November, respectively, brought the reversion question to a head. After extensive interagency consultations, the Japanese were told that, while the US Government agreed to the principle of reversion of the Ryukyus, a decision on its timing and circumstances could not be made until after the 1968 US elections. In the meantime, an Advisory Committee to the High Commissioner was established to help conform conditions in Okinawa to those in Japan and prepare the way for reversion. (The United States, however, agreed to begin negotiations immediately for reversion of the Bonins.) During 1968, the reversion question was held in abeyance, although useful behind-the-scenes consultations continued among key US officials in an effort to achieve a wider area of agreement on terms and timing.

The Okinawa problem was high on the agenda of the Nixon administration when it took office in January 1969. An interagency paper on US-Japanese relations (NSSM-5) was considered by the National Security Council on April 30. On May 28, the President directed that preparations be made for early negotiations with the Japanese with a view to agreeing on reversion of the Ryukyus in 1969 and actually returning administration of the islands in 1972. The negotiations were to seek maximum free conventional use of the military bases, particularly with respect to Korea, Taiwan, and Vietnam. The sensitive question of whether nuclear weapons could be stored on Okinawa after reversion was set aside for later presidential decision.

In mid-June three interagency working groups were set up to coordinate the impending negotiations. Richard B. Finn, the State Department Country Director for Japan, chaired a group on the draft communiqué, which would announce the reversion decision at the conclusion of Prime Minister Sato's visit to Washington, scheduled for November. The

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communiqué (or associated statements) was to contain in generalized language whatever assurances concerning the use of the Okinawa military bases might be agreed upon. Robert W. Barnett, Deputy Assistant Secretary of State for East Asian Affairs, chaired a group on the economic and financial aspects of reversion. According to guidelines agreed upon by this group, the United States was to receive fair reimbursement for US assets on Okinawa that would be transferred to Japan, and there was to be no balance-of-payment loss from reversion (particularly from the exchange for yen of the dollar currency circulating on Okinawa). Dennis J. Doolin, Deputy Assistant Secretary of Defense for International Security Affairs, chaired a group on the turn over to Japan of local defense duties in Okinawa. This group also prepared a set of guidelines providing that Japan should take over air defense and internal security responsibilities for Okinawa, along lines similar to those applying in Japan proper.

The negotiations with the Government of Japan had three aspects. There were cabinet-level talks between Foreign Minister Aichi and Secretary of State Rogers in June and September on the broad principles involved, and between Finance Minister Fukuda and Secretary of the Treasury Kennedy in September on the financial aspects. The detailed negotiations were begun in Tokyo in late July, when Richard Sneider was assigned to the embassy as Special Assistant for that purpose. Sneider's negotiations led to agreement on all essential aspects of reversion except the question--deferred for later decision by the President himself--of whether the United States would be permitted to store nuclear weapons on its Okinawa bases. The financial and economic principles for reversion were negotiated separately by a Treasury Department official, Anthony J. Jurich, and were not be included in the communiqué because the Japanese Government did not want to give grounds for the impression that it was "buying" Okinawa from the United States.

Prime Minister Sato visited Washington in late November, and on November 21 the communiqué was issued announcing that agreement had been reached on the reversion of Okinawa to Japanese administrative control in 1972. The communiqué stated that the US-Japanese Mutual

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Security Treaty and related agreements on US use of bases in Japan proper would also apply to US bases in Okinawa. In addition, the President stated in the communiqué that the United States would carry out the reversion in a manner "consistent" with Japan's policy in regard to nuclear weapons. Prime Minister Sato in turn stated that the reversion should not prejudice the security of the Far East. In terms more specific than had ever been stated publicly, Sato said that the security of the Republic of Korea was "essential" and that of Taiwan "also a most important factor" for the security of Japan itself.¹ Japan agreed gradually to assume responsibility for the defense of Okinawa as part of Japan's defense effort.

In retrospect, the most remarkable feature of interagency handling of the Okinawa problem was the avoidance of a bitter controversy between the State and Defense Departments. In the early 1960s, anyone familiar with the Okinawa problem and with the different attitudes toward it in the State and Defense Departments would have predicted that somewhere in the future lay a violent interdepartmental controversy over the timing and terms of reversion. Indeed, precisely such a controversy appeared to be building up in 1965-66 as the US Ambassador to Japan pressed for action to meet rising Japanese and Ryukyuan dissatisfaction with the status quo and as two successive high commissioners in Okinawa made clear their firm resistance to any degradation of the US military position on the island. The threatened second battle of Okinawa, however, was never fought. After a series of probes and minor skirmishes, all parties concerned joined in an orderly, reasoned attack on a common problem.

There is no simple explanation for this happy, and at one stage unexpected, turn of events. Sheer luck, in the form of a fortuitous conjunction of key personalities, played a part. But a number of other more substantial factors were also involved, which point to generalizations (or "lessons") of possibly wider applicability. These generalizations cannot be proved from the history of the handling of the Okinawa problem. They are presented here only as hypotheses of

1. By agreement with the United States, Sato reiterated these statements in somewhat stronger form in a speech before the National Press Club delivered on the day the joint communiqué was issued.

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possible use to officials facing other problems of interagency coordination²:

1. The decision-making process on a foreign policy problem should ideally be guided by individuals who have a strategic concept for conducting a two-front negotiating campaign with the concerned foreign government and within the US Government.

2. Interagency agreement should be achieved as soon as possible on the basic relevant facts and on priorities among competing US objectives. At least a passive consensus should also be sought early in the decision-making process on a solution to the underlying policy problems.

3. Taking up issues in proper sequence is important. Addressing an issue prematurely can cause unnecessary difficulty and impede progress. Sometimes, reformulating an issue or shifting from one issue to another can avoid an impasse. Setting aside a controversial issue for later decision at the highest level can open the way to the solution of other issues.

4. Formal coordinating machinery usually cannot make hard policy decision, but it can reduce parochialism, lessen risks of bitter confrontations late in the decision-making process, keep the middle level of government informed, focus staff work on the right problems, and monitor action on decisions.

5. The "options" approach in interagency papers is more realistic and useful than the "agreed recommendations" approach. By focusing on options, a thorough analysis of problems is more likely and the "lowest common denominator" phenomenon can be avoided.

The history of the Okinawa problem also has something to say about the role of the State Department. It suggests that State has some special advantages in dealing with the Defense Department and that, contrary to common belief, State Department leadership can be effective in interagency deliberations.

2. Chapter IV deals with these and several other hypotheses at greater length and explains how they were derived from the history of the Okinawa problem.

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INTRODUCTION

This paper is one of a series of studies of interagency decisionmaking commissioned by the Department of State.

This paper recounts the interagency coordination processes in Washington and the field which led up to the decision to return Okinawa to Japanese administration, and analyzes those coordination processes in an effort to derive both broader generalizations concerning governmental decisionmaking and specific lessons possibly applicable to future interagency problems. We were not asked to study the US-Japanese negotiations on the reversion of Okinawa as such, but to focus on the internal functioning of the executive branch of the US Government.

The first three chapters deal with the historical record of events leading up to the reversion decision. Chapter I briefly summarizes the evolution of the Okinawa problem, beginning with the US occupation of the island in 1945. Chapter II reviews the policy deliberations and studies during the last three years of the Johnson administration, when the Okinawa problem was a subject of active interagency concern. Chapter III tells how the Nixon administration arrived at the reversion decision which was announced in the Nixon-Sato joint communiqué of November 21, 1969. Chapter IV examines the Okinawa problem in retrospect and asks what generalizations or "lessons" may be drawn from it that might be of value in handling future interagency problems.

The first three chapters are based largely on the written record revealed in those classified files of the State and Defense Departments that were made available to us. Some questions of fact were resolved by interviews with key participants in the interagency coordination process. Interviews, however, proved to be most useful as a source of ideas for Chapter IV. That chapter, it must

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be emphasized, is speculative and highly subjective. The judgments expressed there are solely those of the authors. We recognize that some readers may draw different lessons from the historical record.

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I

HISTORICAL BACKGROUND

A. MILITARY GOVERNMENT ORGANIZATION

The US occupation of the Ryukyus began in World War II following the American conquest of Okinawa in June 1945. As a result of the massive disruption and devastation wrought during the Battle of Okinawa, the occupying authorities were initially concerned with problems of relief and security. Because Okinawa was to be used as a staging area for an assault against the Japanese home islands, military considerations were also of paramount concern. Following Japan's acceptance of unconditional surrender in September 1945, the occupation of the Ryukyus was overshadowed by the massive efforts involved in the occupation of the four home islands of Japan proper and, for the next several years, there appears to have been no clear-cut US policy regarding the duration of the Okinawa occupation. With the steady postwar deterioration in US-Soviet relations, the Communist victory on mainland China, and finally the outbreak of the Korean war, Washington clearly came to realize the strategic significance of Okinawa and the US presence there, and US administrative control of the island came to be thought of as continuing indefinitely. The United States steadily built up its military presence on Okinawa until it had, by 1968, more than 100 installations and other facilities there, at a cost of about one billion dollars. Okinawa had thus become one of the most important US military bases.

Before 1945, the Ryukyus had been administered by Japan as a prefecture. Following the Japanese surrender, the islands came under the administrative responsibility of the US Supreme Commander in Tokyo, General MacArthur. He, in turn, delegated those responsibilities to the US military government in Okinawa. On orders from General MacArthur, the Ryukyus were administratively separated, in early 1946, from Japan,

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and in July 1946, the US Army took over responsibility from the Navy for the military government of the Ryukyus.

Between 1946 and 1950, administrative authority over Okinawa rested with the US Army. Until October 1950, the deputy commander for military government, who was responsible to the commanding general, Ryukyus Command, was in control of the military government. In 1950, the commander-in-chief, Far East, became the top military government commander and the military government duties were transferred to the US Civil Administration of the Ryukyus (USCAR). The commander-in-chief, Far East, became governor, and the commanding general of the Army's Ryukyus Command became deputy governor. A civil administrator charged with the day-to-day operations of the government (this position was filled by a member of the US armed forces until 1962) was also designated. In June 1957, an Executive Order established a high commissioner system for the Ryukyus. According to the Executive Order, a high commissioner "shall be designated by the Secretary of Defense, after consultation with the Secretary of State and with the approval of the President, from among the active duty members of the armed forces of the United States." The high commissioner customarily was the commanding general of the Army forces in the Ryukyus. Thus, there was no real change in the administrative system following the issuance of the 1957 Order; in effect, the Executive Order formalized existing arrangements for the administration of the Ryukyus.

Legally, the authority for the administration of the islands was vested in the Secretary of Defense. He in turn delegated this responsibility to the Department of the Army as executive agency. The individual serving as high commissioner exercised authority over USCAR and was also the CINCPAC's representative in the Ryukyus. USCAR, composed of military officers and civilians, had its own administrative departments and extraterritorial courts and initially supervised the local Government of the Ryukyu Islands (GRI) in considerable detail. The GRI had a legislative, executive, and judicial branch. Thus, there were in effect two levels of administrative authority in the Ryukyus--that of the United States (USCAR) and that of the local inhabitants (GRI).

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The US high commissioner had ultimate power in all fields. Until November 1967, he appointed the five judges of the Ryukyus' highest court, and he had the power to transfer any case from a Ryukyuan to a USCAR court, which had the power to reverse decisions of the Ryukyuan courts. In addition, the high commissioner could, for specific reasons, veto any bill, remove from office any public official, annul any law within 45 days after its enactment, and proclaim ordinances on his own authority.

In 1945, the Ryukyus were divided into sixteen military government districts for administrative purposes, eleven on Okinawa and five on the outlying islands. Temporary local governing bodies were formed in the four Ryukyu Island groups.¹ In September 1945, elections were held for mayor and councilmen in each of the eleven districts on Okinawa. During 1946, these district "governments" were replaced by the city, town, and village structures that existed before the war, and the prewar municipal mayors and councilmen were then returned to office. (By February 1948, municipal governments with elected mayors and assemblies were in existence throughout the Ryukyus.)

In August 1945, the military government headquarters had begun to prepare for a central Ryukyuan government by establishing an Okinawan Advisory Council consisting of fifteen local leaders who served as a link between the military government and the civilian population. In April 1946, this council was transformed into the Central Okinawa Administration (redesignated the Okinawa Civilian Administration in December 1946) and included thirteen executive and administrative departments, a court system and an advisory body known as the Okinawa Assembly. In December 1949, Provisional Government Assemblies, each composed of thirteen members appointed by the military government, were established for all four guntos. The Okinawa Civilian Administration was replaced in September 1950 by the Okinawa Gunto Government. Elections were held at that time for governor and assemblymen

1. Each island group is referred to as a gunto.

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in all four guntos. In April 1951, the military government, at the request of local political parties, united the four Ryukyu Island groups by establishing a Provisional Central Government and appointing a chief executive and a deputy chief executive.

The GRI was established in April 1952 following USCAR Proclamation No. 13 of February 29, 1952, which provided for independent Ryukyuan executive, legislative, and judicial organs, a popularly elected legislature, and a chief executive to be appointed by the United States "pending the time such office shall become elective." A legislature of thirty-two members had been elected in March 1952. It should be emphasized, however, that the high commissioner retained ultimate authority over all GRI actions.

The executive branch, headed by the chief executive and his deputy, was composed of nine departments. The thirty-two-man legislative body convened every February for a period of five months. The judicial branch was composed of magistrate courts, circuit courts, and the Court of Appeals. These courts had jurisdiction over all persons in the Ryukyus except US citizens. Sixty municipalities, each having its own municipal government, assisted the GRI in carrying out its administrative duties.

Until 1965, the chief executive of the Ryukyuan government was appointed by the high commissioner. After 1965, he was elected by the members of the legislature. Following an executive order, issued by President Johnson in 1968, the position of Chief Executive came to be filled by popular election.

B. EARLY REVERSION SENTIMENTS

A movement for the reversion of Okinawa to Japanese control began developing in the early 1950s. In fact, the reversion question was one of the major issues the Japanese hoped to have resolved at the San Francisco Peace Conference of 1951. As a result of the conference, however, the US position as the "sole administering authority" for the Ryukyu Islands was sanctioned. As stated in Article 3 of the peace treaty that emerged from the conference:

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Japan will concur in any proposal of the United States to the United Nations to place [the Ryukyu Islands] under its trusteeship system, with the United States as the sole administering authority.... 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.

Although the treaty gave the United States the right to exercise de facto sovereign powers over the Ryukyus, Japan retained what John Foster Dulles, chief US negotiator of the treaty, described as "residual sovereignty" over the Ryukyus, that is, the United States could not transfer its sovereign powers over the Ryukyu Islands to any nation other than Japan. Because of divergences of views both within the United States Government and among the Allied powers at the San Francisco Peace Conference, Dulles presumably made this remark to allay fears that the United States intended to annex the islands permanently.

The United States, in recognition of the political relationship of Amami O Shima to Kagoshima Prefecture in southern Kyushu, restored that northern island group to Japanese control in December 1953. At the time of the reversion of Amami O Shima, however, the United States reaffirmed its intention to maintain control of the rest of the Ryukyus "so long as conditions of threat and tension exist in the Far East."² Throughout the Eisenhower, Kennedy, and part of the Johnson administrations, the need for continued US control of Okinawa was justified in this manner, i.e., security requirements in the Far East.

Sentiments within Japan and Okinawa for increased Japanese participation in Ryukyuan affairs and for the reversion of the Ryukyus.

2. Text of Dulles statement announcing reversion of Amami O Shima, New York Times, December 25, 1953.

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continued to grow throughout the Eisenhower administration.³ In the late 1950s, the Japanese began to express a desire to participate formally in an economic assistance program for the Ryukyus. In September 1958, Foreign Minister Fujiyama formally proposed economic aid while on a trip to Washington; in 1959, the Government of Japan (GOJ) provided \$125,000 to the GRI and sent twenty-four teacher-consultants to the islands for a one-year period. Among other things, the Japanese desire to aid in the development of the Ryukyus pointed up the inadequacy of US resources allocated for the Ryukyus.⁴ Officials in USCAR recognized the Japanese offer as an attempt to fill the void created by the grossly inadequate US funding of programs for the Ryukyus. Early in his term as high commissioner (1961-1964), General Caraway articulated his concern with what he described as a deteriorating situation in the Ryukyus--one in which the United States was being "outmaneuvered" by the Japanese desire to "buy ever greater interest" in the Ryukyus, which would serve to guarantee Japan's position with the Ryukyuans. Caraway argued that the millions the United States had invested in Okinawa would be "worthless or drastically depreciated" if the reversion campaign

3. During Prime Minister Kishi's visit to Washington in June 1957, the question of reversion was raised with President Eisenhower. A joint communiqué released on June 21, 1957, stated in part:

The Prime Minister emphasized the strong desire of the Japanese people for the return of administrative control over the Ryukyu and Bonin Islands to Japan. The President reaffirmed the U.S. position that Japan possesses residual sovereignty over these islands. He pointed out, however, 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. He stated that the United States will continue its policy of improving the welfare and well-being of the inhabitants of the islands and of promoting their economic and cultural advancement.

4. In FYs 56-59, the US Bureau of the Budget allowed 66, 44, 44.5 and 69 percent, respectively, of the amounts the Department of the Army considered necessary to administer its programs for the Ryukyus.

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gained more momentum, and he concluded that the only way to redirect or retard the reversion momentum was through increased economic assistance. He attributed to US officials in Washington the facile assumption that US military installations on Okinawa were secure, when, in fact, it was not because Washington was "unwilling or unable to organize itself to guarantee the economic and political climate required to keep the Ryukyuan people manageable under American rule."⁵

The situation, as Caraway saw it, continued to worsen following the Kennedy-Ikeda meeting in June 1961. Hopes were raised in both Japan and Okinawa that, as a result of that meeting, Japanese participation in Okinawan affairs would increase.⁶ From the high commissioner's viewpoint, such increased participation would further an erosion of US administrative control of the Ryukyus.

In early August 1961, Ambassador Reischauer (US Ambassador to Japan, 1961-1966) traveled to Okinawa to discuss the situation there with General Caraway. The ambassador agreed on the need to improve US relations with the Okinawan people, but he stressed the concomitant need to handle the Okinawa situation in a way that contributed to the US-Japanese partnership concept.

C. THE KAYSEN REPORT

As a result of General Caraway's expression of concern regarding the vulnerability of the US position in Okinawa, both the Department

5. Army Staff Communications Office, High Commissioner to Department of the Army, HCRI 7-36, July 13, 1961. CONFIDENTIAL

6. The Kennedy-Ikeda joint communiqué included the following paragraph:

The President and the Prime Minister exchanged views on matters relating to the Ryukyu and Bonin Islands, which are under United States administration but in which Japan retains residual sovereignty. The President affirmed that the United States would make further efforts to enhance the welfare and well-being of the inhabitants of the Ryukyus and welcomed Japanese cooperation in these efforts; the Prime Minister affirmed that Japan would continue to cooperate with the United States to this end.

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of the Army and the Office of the Secretary of Defense began to give serious consideration to measures to alleviate the situation. Caraway had suggested the establishment of a special task force to investigate Ryukyuan requirements for additional US economic aid. In July 1961, the Army proposed the establishment of such a survey group, and in early August the Department of State and the American Embassy in Tokyo concurred with that proposal.⁷ On August 4, Carl Kaysen of the National Security Council staff met with Secretary of the Army Stahr, Under Secretary of the Army Ailes, and Deputy Under Secretary for International Security Affairs Haugerud to elicit their views as to what was needed to remedy the situation in the Ryukyus. All agreed on the establishment of a task force as a proper step toward that end.

On August 11, a task force was created by National Security Action Memorandum (NSAM) No. 68, signed by McGeorge Bundy. According to the NSAM, the task force was established "to examine the present situation and US programs in the Ryukyu Islands":

The Task Force will investigate the extent to which economic and social conditions contribute to the dissatisfaction of the Ryukyuans, what measures we can undertake to improve economic and social conditions, and what specific steps are needed to make such a program effective. In carrying out its task, the group will bear in mind the importance to us of (a) Okinawa as a military base, (b) continued friendly relations with Japan, and (c) our responsibility to the people of the Ryukyus under the peace treaty with Japan.

The task force was to be chaired by a White House representative and composed of representatives of the Departments of State, Defense, and Labor and the International Cooperation Administration (ICA). The areas to be investigated by the group included public health and sanitation; social welfare; emigration and resettlement;

7. On August 1, Secretary of State Rusk, in a cable to the American Embassy in Tokyo stated: "In line with Undersecretary Ball's conversation with HICOM we are prepared to recommend establishment of a special task force to study problems and make recommendations for improvements in such fields as public works and services, including social services, and agriculture and fisheries."

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training of the labor force; education; public works; and political problems, such as GRI organization and autonomy and GRI relations with USCAR and with the Japanese.

The task force headed by Carl Kaysen and a working group headed by John Kaufmann were appointed in September. Both groups consisted of representatives of the Departments of State, Defense, and Labor, and ICA. The working group spent the first three weeks in October in Okinawa holding discussions with High Commissioner Caraway, the civil administrator, the USCAR staff, the chief executive of the GRI and his staff, committees of the Ryukyuan legislature, and private citizens and groups. Carl Kaysen and a few working group members traveled to Tokyo in mid-October to hold discussions with Ambassador Reischauer. Kaysen also held discussions with the Prime Minister and the Minister of Foreign Affairs.

In November, the working group completed papers dealing with what they considered to be the major issues. Some preliminary conclusions reached by the working group were relayed in a message from General Caraway to the Department of the Army. According to Caraway, the group had concluded that the United States should have "more organized and positive relations" with the Government of Japan and that Japan should absorb as much as possible of (a) the general irridentist sentiment and (b) the organized leftist sentiment that were working against the US position. It was believed that the GOJ could act as a buffer between the US position and the above-mentioned forces by taking a more active role in promoting the welfare and well-being of the Ryukyuans. Kaysen also suggested that an economic assistance program might be presented to the GOJ as a joint US-GOJ responsibility. It was further suggested that greater autonomy be given the GRI, thus allowing it to act as a "shock absorber" rather than a "transmission belt" to USCAR of outstanding issues and problems.

The final task force report, issued in December 1961, was based on the assumption that the United States must retain exclusive control over the Ryukyus for an indefinite period. According to the report, it was imperative that the United States take the steps necessary to minimize the possibility of a deterioration in the domestic situation

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in Okinawa. The report attributed the source of problems in the Ryukyus to the fact that the Ryukyuans were anxious for the return of Japanese administration, that the social and economic situation in the Ryukyus compared unfavorably with that of the four home islands of Japan, and that the GRI did not wield enough power. It pointed out that, in comparison with the situation in Japan proper, there were obvious shortcomings in the areas of Ryukyuan education, health, and welfare and pensions, and that a minimum requirement for continued US administration was the "immediate narrowing and eventual elimination" of these differences.

The report also pointed out that the perceived economic disadvantage of the American administration was magnified by the fact that in recent years (since 1958) the GOJ had made public offers of assistance to the Ryukyus and that the United States rejected more of those offers than it accepted.⁸ Thus, it was concluded, an organized system of cooperation should be established that would provide a means for Japan to help the United States raise the Ryukyuan standard of living. To reduce the inevitable friction between USCAR and the GRI, a considerable increase in the degree of GRI autonomy was recommended. It was also suggested that more financial assistance was needed to diversify the Ryukyuan economy.

In general, the task force recommendations fell into three categories:

- (1) US dealings with Japan in regard to the Ryukyus.
- (2) The levels and types of external aid for economic and social development in the Ryukyus.
- (3) Relations between the GRI and USCAR.

8. By way of example, the report pointed to FY 62, when the GRI selected an aid list of \$19 million in projects for support from Japan. USCAR screened the list to choose projects "with relatively little political appeal" and forwarded a \$2.6 million request to Japan. Tokyo then suggested \$8.6 million in assistance; however, the Japanese amount was again reduced to \$2.6 million.

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In the first category, it was suggested that the United States (a) reach an agreement with GOJ providing for Japanese assistance to US-approved programs in economic and social development of the Ryukyus for an indefinite period of time, and (b) establish US-Japanese policy committees for joint consultation regarding the GOJ contributions.

Regarding the levels of US aid to the Ryukyus, a program of increased US assistance was suggested that included raising the ceiling on US assistance to \$25 million annually.⁹

As for improving relations between the GRI and USCAR, the report recommended, inter alia, some reorganization within USCAR, the appointment of a civilian as civil administrator, and the delegation to the GRI of as much autonomy as possible.

Based upon the task force recommendations, President Kennedy issued a series of directives in March 1962 to the Secretaries of State and Defense and to the Director of the Bureau of the Budget. In NSAM 133 of March 5, Kennedy directed the Secretary of State, inter alia, to initiate negotiations with the GOJ "to provide a framework for continuing Japanese contribution to economic assistance to the Ryukyus that minimized interference with US administrative control." The President directed the Secretary of Defense to present to Congress an amendment to raise the ceiling of the Price Act and to adjust upward the wages paid by the military services to Ryukyuan employees.¹⁰ Kennedy directed the high

9. In 1960, Congress had passed the Price Act, which set the ceiling on US aid at \$6 million annually. The task force report called for amending that Act. Among programs to be funded with the increased aid were higher teacher and government employee salaries; the establishment of a retirement system for teachers and government employees; improving health insurance, medical facilities, and disaster relief; and an increase in the capitalization of both the Central Bank of the Cooperatives and the Ryukyuan Development Loan Corporation.

10. In a note sent to Secretary McNamara on March 5, Kennedy stated: "As you know, both Dean Rusk and my brother think that the Okinawa situation is hurting our relations with Japan seriously, and we should do what we can to improve it as quickly as possible."

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commissioner to speed up the process of delegating more responsibility to the GRI. Finally, he amended the 1957 Executive Order as follows: the civil administrator is to be a civilian; the chief executive of the GRI is to be nominated by the legislature before appointment by the high commissioner; the term of office of the legislators is to be lengthened from two to three years; and the number of legislators and the boundaries of the election districts are to become matters for determination by the legislature.

Between 1961 and 1964, certain of the programs ordered implemented by President Kennedy were successfully undertaken. For example, in FY 62 and FY 63, the United States contributed \$1 million toward increased pay for Ryukyuan teachers; in FY 62, teachers received a 14 percent pay increase. In FY 63, Ryukyuan employees of US forces received a 12 percent pay increase and a retirement annuity was established. It was not until April 1964, however, that agreement was reached regarding the implementation of the directive calling for the formalizing of a cooperative relationship with the GOJ for providing economic assistance to the Ryukyus. The task force had recommended the establishment of a Consultative Committee and a Technical Committee to serve as the means for joint consultation regarding Japanese contributions to Ryukyuan development. The Consultative Committee, it was suggested, should be composed of the Minister of Foreign Affairs as the chief Japanese representative, the director-general of the Prime Minister's office, and the US Ambassador to Japan. This committee would meet at the request of either government to coordinate policies for cooperation in providing economic and technical assistance. The Technical Committee would be composed of a representative of the high commissioner (who would serve as chairman), an official designated by the director-general of the Prime Minister's office, and the chief executive of the GRI or his representative. This committee would meet at the request of either government to consider problems arising from the implementation and administration of the GOJ's economic and technical assistance to the Ryukyus.

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Beginning in the summer of 1962, Ambassador Reischauer began holding discussions with the Japanese Foreign Minister regarding the level of Japanese aid and the establishment of both a consultative and a technical committee along the lines discussed above. However, a disagreement arose between the Tokyo embassy and High Commissioner Caraway regarding who would serve as Japan's representative on the tripartite Technical Committee, and until that dispute was resolved, the United States could not complete a written understanding with the Japanese Government establishing a pattern of bilateral cooperation.¹¹ Agreement was finally reached in April 1964 on the establishment of a Consultative Committee, and in July of that year, the Technical Committee was established.

This dispute regarding the Japanese representative on the Technical Committee reflected more basic disagreements between Ambassador Reischauer and the high commissioner, General Caraway. The ambassador argued that the United States should not obstruct Japanese generosity to Okinawa, thereby negating the cooperative relationship envisioned by the President. Reischauer charged that US military authorities in Naha felt that every effort should be made to limit Japanese activities in the Ryukyus, that Japanese interests were contrary to those of the United States, and that the Japanese constituted a subversive element and were to be treated as such. Reischauer accused Caraway of limiting Japanese aid to the extent possible and channeling the remainder into

11. The Tokyo embassy thought that the Japanese assigned to the GOJ Liaison Office in Okinawa should represent Japan on the committee, while the high commissioner felt the Liaison Office should not have a role in the Japanese aid program. Instead, the high commissioner suggested that a group of technicians be sent annually from Japan to Okinawa to consult with the United States on the Japanese aid program. While the technicians were in Okinawa, they could meet with representatives of the GRI and the high commissioner, and thus constitute the tripartite committee.

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the least conspicuous areas.¹² As will be described below, the short-sightedness of US policy in Okinawa came to be seen by Ambassador Reischauer as part of an overall myopic US policy toward Japan.

12. Reischauer cited as examples the fact that the United States refused to approve any increase in Japanese technical assistance programs for training Okinawans in Japan and for sending Japanese technicians to Okinawa. The United States also refused to authorize the construction by Japan of additional hospital facilities on Okinawa or to allow an expansion of activities at the Japanese-sponsored model farm. Numerous other conflicts arose between Reischauer and Caraway regarding the amounts and types of Japanese participation in Okinawan affairs.

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II

THE OKINAWA PROBLEM IN THE JOHNSON ADMINISTRATION

A. STATE-DEFENSE DIFFERENCES, 1965-1966

In July 1965, Ambassador Reischauer articulated his concern with what he perceived to be US indifference in its policy toward Japan. In a memo to the Secretary of State, the ambassador argued that continued good relations with Japan were of vital importance to the United States, that Okinawa was the most contentious issue in the US-Japanese relationship, that Japanese cooperation in continued US administration of the Ryukyus was absolutely essential, and that a confrontation over the Ryukyus would do incalculable damage to all other aspects of the US-Japanese relationship. Reischauer suggested that Washington begin to engage Tokyo in a dialogue that would be the basis for a new relationship--perhaps leading to the reversion of the Ryukyu Islands. Maintaining that time was running out for the United States in Okinawa, he suggested that studies of future US requirements in the Ryukyus be undertaken, including an analysis of whether administrative responsibility for the Ryukyuans could be assumed by Japan without impairing the value of the bases to the United States.

On September 25, Secretary of State Rusk, in a memorandum to Secretary of Defense McNamara, indicated that he shared Ambassador Reischauer's views and suggested the United States undertake a two-pronged attack on the problem:

- (1) Remove available irritations in the US-Japanese relationship.
- (2) Undertake high-level talks with the Japanese to review common interests in the Far East and to stimulate the Japanese to a larger role in the promotion of those interests.

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Before undertaking such talks, however, Rusk suggested that the State Department and the Defense Department undertake confidential studies of the US-Japanese relationship. Specifically, Rusk suggested studies of the Japanese defense forces, the overall US-Japanese strategic relationship, and the US position in the Ryukyu Islands. In regard to the Ryukyus, the study was to include an analysis of whether administrative responsibility for the Ryukyuan population could be carried out by Japan without impairing the value of the bases.

On October 11, Secretary McNamara accepted Rusk's proposal, and on October 13, the Joint Chiefs of Staff also agreed that such studies should be undertaken. However, in concurring with the response, the JCS underscored the need for an adequate appreciation of the essentiality to US security interests of US jurisdiction over the Ryukyus. A month later, on November 10, Assistant Secretary of State William Bundy, in a memorandum to Deputy Secretary of Defense Vance, recommended that an interdepartmental group be organized to conduct the studies, and he proposed the terms of reference for the study of the Japanese defense forces. John McNaughton, Assistant Secretary for International Security Affairs, indicated his concurrence with Bundy's proposal on November 22 and was designated to represent DoD on the joint study group for the Ryukyuan portion of the study. He was to be assisted by the Deputy Under Secretary of the Army for International Affairs. (The joint State-Defense Working Group held its first meeting on January 20, 1966.)

On November 24, McNamara formally asked the JCS for their views on the Ryukyuan question. On December 23, the Joint Chiefs completed a comprehensive study of the future of the US administration of the Ryukyus, which was to become the basis of DoD's position on the Okinawa question. The JCS argued that reversion, whether under the current US-Japan Mutual Security Treaty or under a special base-rights agreement with a status of forces arrangement, would be unacceptable for the foreseeable future. The principal conclusions reached in the study were the following:

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- (1) Reversion would so degrade the US strategic posture and so seriously impair the US military position in the Far East that exclusive US jurisdiction over the Ryukyus would continue to be essential to US security interests for the foreseeable future.
- (2) Because of the threatening and unsettled situation in the Far East, it would be unrealistic to attempt to draw up a timetable for reversion.
- (3) In order to prevent direct imposition of political limitations by another country upon the utilization of US forces on Okinawa, the United States must retain unilateral control of the island. This would be essential for as long as the United States wanted to maintain Okinawa as a major base.
- (4) The Japanese reluctance to share proportionately in the free world defense in the Pacific strengthened the requirement for continued sole US jurisdiction.
- (5) The United States should continue to transfer to the Government of the Ryukyu Islands administrative functions that do not adversely affect US security interests.
- (6) Economic assistance from Japan and the United States should continue, but the United States should have basic control over Japanese aid.
- (7) The political situation in Japan and Okinawa appeared to have improved since July 1965 when Ambassador Reischauer expressed alarm over that matter.

There is reason to believe that the DoD expected the State Department to push as rapidly as possible for further autonomy for the islands, with the ultimate goal of reversion within a few years. The US military was opposed to any measures that would result in a transfer of administrative authority to Japan, but an attempt was made within the DoD to ascertain in what areas greater autonomy could be granted without jeopardizing US control. On January 14, 1966, the Army's Deputy Chief of Staff for Military Operations (DCSOPS), in response to the needs of the State-DoD Working Group, sent the Deputy Under Secretary of the Army (DUSA) a list of suggested areas in which the GRI could be given greater autonomy. The list included such items as further diminution of USCAR participation in the GRI legislative process, expanded criminal jurisdiction for the GRI courts, increased

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GRI supervision of immigration, and enhanced GRI authority over the granting of pardons.¹

The examination of the overall US-Japanese relationship was removed from the State-DoD Working Group forum in March 1966, when President Johnson ordered the formation of a Senior Interdepartmental Group (SIG) to assist the Secretary of State in discharging his authority for certain interdepartmental matters.² On March 16, a memorandum from the SIG staff director to the Secretaries of State and Defense, the Administrator of AID, the Director of Central Intelligence, Director of USIA, and the Chairman of the JCS recommended that the IRG/FE (Far East) undertake a series of studies dealing with US-Japanese relations. The memorandum gave the IRG/FE this general policy guidance: the key aim of US foreign policy is "to maintain the closest political, economic and security ties with Japan, and to encourage it to assume more and broader responsibilities in its own national interests." Studies on the following subjects were to be completed by May 15, 1966:

- Japanese defense forces
- Ryukyu bases
- US-Japan Mutual Security Treaty
- Overall US-Japan relationship.

1. On February 25, USCAR, in a letter to DCSOPS, Civil Affairs Directorate, commented on and concurred with many of these suggestions for greater GRI autonomy.

2. As a result of National Security Action Memorandum 341, signed March 2 and directed to the Secretaries of State and Defense, the Administrator of AID, the Director of Central Intelligence, the Chairman of the JCS, and the Director of USIA, the Secretary of State was assigned the authority and responsibility for the overall direction, coordination, and supervision of interdepartmental activities overseas (excluding authority over US military personnel operating in the field). The SIG, which was to assist the Secretary in discharging this responsibility, was to consist of the Under Secretary of State as executive chairman, the Deputy Secretary of Defense, the Administrator of AID, Director of CIA, Chairman of the JCS, the Director of USIA, and the Special Assistant to the President for National Security Affairs. Interdepartmental Regional Groups (IRGs) were to be established on a geographic basis as regional subgroupings of the SIG.

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The paper on the Ryukyu bases was to enumerate future requirements in the Ryukyus, including an analysis of whether administrative responsibility for the local population could be transferred to Japan at a future date without impairing the value of the US bases, and whether such a transfer seemed conducive to a more secure political environment for the US bases there.

Following the SIG directive, it was agreed that State would prepare a draft study on the Ryukyu bases in light of the tentative DoD views expressed in the December 1965 JCS study of the future of US administration of the Ryukyus.

In April 1966, the State Department circulated a proposed draft of the Ryukyus paper, taking issue with the JCS conclusions as to the unacceptability of reversion. In summary, the State draft reported the following:

- (1) US policies in the Ryukyus had not been adequately responsive to Ryukyuan aspirations for autonomy or to Japanese desires for a greater role in Ryukyuan affairs.
- (2) Political instability and civil disaffection existed in the Ryukyus, and there was mounting pressure within Japan for a return of administrative rights to Japan (with necessary US base rights guaranteed). The GOJ was likely to propose such an arrangement to the United States in the near future--perhaps in a year or two.
- (3) If the GOJ was given an effective role in Ryukyuan affairs not impinging on US base requirements, it would use its influence in support of US objectives in the islands. If not, the GOJ might be forced by domestic pressures to assert itself in ways contrary to US interests.
- (4) A working group should be established to undertake confidential studies on possible alternative courses open to the United States in the Ryukyu Islands and to make policy recommendations to the IRG and the SIG. The group should undertake a detailed assessment of what facilities, rights, and controls were essential for military purposes, as well as an assessment of the feasibility of a negotiated return of administrative rights to Japan with a provision for continued unrestricted US military rights in the islands.

Ambassador Reischauer was opposed to the suggestion regarding the establishment of a working group. In a telegram to the State Department dated May 24, Reischauer argued that no useful results could

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emerge from a Ryukyus working group so long as the Defense Department continued to ignore the judgment of State and the Embassy that the present situation on the Ryukyus was probably not tenable beyond the next two to five years. Reischauer reiterated the State Department position that the existing political situation could not be counted on for too much longer and that the United States must be prepared to accept a certain limited diminution of its theoretical rights in the Ryukyus in the hopes of thereby assuring practical exercise of at least the most essential of its rights over the bases for a much longer period.

The reluctance of the Defense Department to accept any diminution of US rights over the Ryukyus was understandable, according to Reischauer, but the question was essentially not how to prevent a slight diminution of rights occasioned by a carefully defined return of administrative authority to Japan or some alternative actions, but rather how to prevent a situation in which the United States would lose the bases entirely and with them the immensely valuable relationship with Japan. Reischauer contended that the Defense position ignored that point entirely. He then pointed out that the question of the Ryukyu bases was essentially a political one and the role of the State Department ought to be predominant in the matter. He elaborated this point by stating that the problem in the Ryukyus was part of the overall relationship with Japan. Serious friction with Japan over the Ryukyus could prove a major reason for a breakdown of relations with Japan, which would then force abandonment of both the bases in Japan and in the Ryukyus. For that reason, he doubted that a working group could serve a useful purpose, since its conclusions would most likely continue to reflect basic differences that were already apparent. Reischauer preferred that some action recommendation be made that would result in a decision on the basic problem of a unified US view on policy towards Japan, within which a realistic study of alternative long-range solutions to the Ryukyu problem could be made and plans laid for future motion toward one or more of those solutions.

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The DoD took strong exception to most of the arguments and recommendations contained in the State draft and concluded that it was incompatible with the JCS study of December 1965. The DoD and JCS reaction to the State draft centered on the following points:

- (1) Reversion under any arrangement would derogate substantially the strategic value of US bases and would seriously impair the US military posture in the Far East.
- (2) US policy looked to maximum possible accommodation of Ryukyuan and Japanese desires under continued US control.
- (3) The degree of urgency and concern emphasized in the State paper for return of administrative rights was not shared by the JCS. The GOJ does not support a separation of the military bases from US administrative rights.
- (4) Dissatisfaction with the US administration is limited to only certain elements in Japan and the Ryukyus.
- (5) The establishment of a full-time high-level working study group was unnecessary. The study should be accomplished within existing DoD-State arrangements under the aegis of the IRG and the SIG.

In May, CINCPAC responded to the State draft in a cable to the JCS which reaffirmed its support for the JCS position as set forth in the December 1965 study. The basic CINCPAC position was that any Ryukyu study must be based on the premise that as long as the United States has a responsibility for maintaining peace and security in the Far East, it must maintain a strong position within the Western Pacific. Thus, the United States must have unrestricted use of the bases on Okinawa, which could not be ensured if Japan assumed administration of the island.

CINCPAC argued that the State position suggested several alternatives, each of which would inevitably hamper the effectiveness of the US base structure. References to the return of the Ryukyus to Japanese administration, it was stated, should be rejected as an unworkable arrangement. It was further argued that even if Japan could be persuaded to grant the United States extensive rights in return for Japanese assumption of normal administrative control, US enjoyment of the rights would be subject to continual "nibbling." Agitation for the elimination of any rights would, it was argued,

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begin immediately after the granting of administrative control. As to a suggestion contained in the State draft that civil administration of the Ryukyus be separated from the administration of its military bases, CINCPAC argued that this would be misrepresented by the Japanese as a prelude to transfer of sovereignty and could start an accelerating progression toward loss of control. It would, furthermore, greatly reduce any leverage the United States might have in future bargaining with Japan to obtain long-term strategic use of the bases. In addition, it was argued, there did not seem to be much practical possibility that US concessions to reassertion of Japanese sovereignty would be balanced in the foreseeable future by a commensurately increased Japanese security role in the Pacific.

In May 1966, the high commissioner forwarded his response to the State draft. In a cable to the Department of the Army, General Watson (HICOM, 1964-1966) argued that unimpeded use of the Ryukyu Islands must not be degraded solely to meet the expressions of national interest by Japan. Increasing nationalism in Japan must, according to Watson, coincide with the assumption of a more positive attitude than Japan so far exhibited toward free-world collective security. Watson agreed that the US objective should be to strengthen the GOJ's position domestically, but no course to do so had been suggested that did not at the same time degrade the US military posture in favor of some uncertain gains which might derive from a piecemeal political accommodation. Gradual transfer of administrative control was seen as "salami" tactics--giving away bit by bit of assets that would be needed later in bargaining for Japanese agreement to assume a more positive defense role.

Under Secretary of the Army McGiffert was also opposed to State's proposal regarding further study of the facilities, rights, and controls in the Ryukyus essential to US military objectives. (He was, however, willing to support further study of accommodating legitimate Japanese interests, short of sharing administrative authority of the Ryukyus.) McGiffert urged that the DoD adopt a policy of opposition to the designation of a special working group to study the basic

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question of the acceptability of reversion in the immediate future and suggested that use be made of existing instrumentalities for such studies as might be required. Following discussions with representatives from ASD/ISA in May, the Under Secretary modified his position on this question and agreed that studies on the basic question of reversion under a base-rights arrangement would be acceptable, but only after preliminary studies had been completed on less basic issues, such as public attitudes on the question in the Ryukyus and in Japan, Ryukyuan autonomy, and accommodation to Japanese interests in the Ryukyus.

On May 27, a revision of the State Department draft was transmitted by McGiffert to ASD/ISA. ISA accepted the revised draft and it was then sent to the State Department for approval. After extensive consultation and compromise, State and DoD agreed to forward an interim report to the SIG proposing the establishment of an inter-agency working group to conduct a study on the Ryukyuan bases.³

Meanwhile, at the IRG/FE meeting held on May 25, William Bundy reported that the Ryukyu bases study had not been completed and suggested that he report to the SIG that the Ryukyu paper involved a major examination that could not be completed in the available time.

On June 3, State accepted with minor changes, the DoD position as stated in McGiffert's draft. An agreed State-DoD draft, which was forwarded as an interim report to the SIG on June 4, proposed the creation of a study group to examine in detail the bases question and acknowledged that the IRG/FE had not completed the study of future US requirements in the Ryukyus. The interim IRG/FE report also stated that the United States should not, as long as unrestricted use of the Ryukyu bases was vital to the security of the Far East, initiate a change in its present policy of retaining administrative

3. It had become obvious by early May that due to differences between the State Department and DoD, the IRG/FE would not have completed by May 15 a study on the Ryukyu bases as directed by the SIG in its memorandum of March 16.

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authority but should accommodate, as feasible, Ryukyuan aspirations for autonomy and a greater role, short of participation, in the administration of the islands. However, there was, the draft pointed out, increasing Japanese and Ryukyuan concern with the current situation. The United States must therefore keep a close watch on sentiments for reversion. Accordingly, before final report and recommendations could be submitted to the SIG, further study should be given to the following:

- (1) Attitudes in the Ryukyus and in Japan.
- (2) The likelihood and probable nature of changes in these attitudes.
- (3) What clarification and expansion of policy guidance with respect to the Ryukyus is appropriate.
- (4) Appropriate courses for the United States to take in response to likely Japanese initiatives.

The interim report stated that the 1965 JCS study, together with any other documents submitted by US agencies concerned with the problem, should be used as references.⁴ The working group conducting the study should consist of representatives of the State Department, the White House,⁵ ASD/ISA, DUSA, and the JCS. The group would be chaired by the State Department⁶ and would make recommendations to the IRG/FE by July 15, 1966, on the following:

- (1) Public opinion and official attitudes in the Ryukyus and Japan with respect to the Ryukyus, and an assessment of possible changes over the next four to five years and the effect of such changes on overall US-Japanese relations.
- (2) What steps might be taken to deal with--

4. According to the original DoD draft, the JCS study was to serve as a "substantial component of the study." State insisted that this wording be deleted and substituted the above, which was then accepted by DoD.

5. The State Department added the White House representative to the suggested working group.

6. The State Department specified that its representative would act as chairman of the group.

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- (a) Ryukyuan aspirations for greater autonomy.
- (b) Japanese desires for a greater role in Ryukyuan affairs.
- (c) Japanese pressures for a return of administrative authority in the next several years.

In light of the conclusions the working group was to reach, the IRG would report to the SIG and might then direct the working group to make further studies of:

- (1) The degree of impairment of the effectiveness of the bases that would result if a transfer of administrative authority became necessary.
- (2) Contingency plans to assure continuation of the performance of necessary functions in the Ryukyus or elsewhere if administrative control was transferred to Japan.
- (3) The cost of any necessary removal of facilities or construction of substitute facilities in the Ryukyus or elsewhere.
- (4) Assessment of the feasibility and costs of a partial transfer of administrative authority.

B. SIG-IRG ACTIONS, JUNE-SEPTEMBER 1966

On June 7, the SIG met to consider the interim IRG report. At that time, formal approval was given for the establishment of a Ryukyus Working Group (and presumably also its staff system). The working group held its first meeting on June 14, 1966. The group agreed that the DUSA/IA (International Affairs) would prepare the initial draft report on public opinion and official attitudes in the Ryukyus, and the preliminary draft examining ways to deal with Ryukyuan and Japanese aspirations. The State Department was to prepare the initial draft on Japanese public opinion and official attitudes and an assessment of possible steps to contain Japanese pressures for reversion.

7. Richard Sneider of the State Department served as chairman. Also present were Captain Boyles, representing Mr. Steadman, OASD/ISA; Captain Rizza of the JCS, representing General Baker; James Thompson of the White House; and Thaddeus Holt, DUSA.

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The first State Department draft on Japanese public and official attitudes on the Ryukyus, which was circulated on June 29, 1966, was generally pessimistic regarding the future of the US administration of the Ryukyus. It described the rise of nationalism in Japan and the rise of reversion sentiments as problems for the Japanese Government and predicted that the Japanese focus on the Ryukyus would sharpen over the next five years and desires for reversion would intensify. A major confrontation between US authorities and the Ryukyuan people backed by Japanese public opinion would become an increasing danger. Such a confrontation would very likely lead to a breakdown in the cooperative relationship between the United States and Japan. In analyzing events within Japan, the report noted that events there were moving toward a Japanese initiative for a basic change in the status of the Ryukyus. The trend was seen as clear and unlikely to be reversed. The report predicted that a critical point was likely to be reached within the 1966-71 period. Reversionist pressures could mount rapidly, it was argued, if the Japanese found the door closed to further Japanese involvement in the Ryukyus or if there was significant popular dissent in the Ryukyus.

The draft report discussed areas in which GOJ participation could be increased and in which greater autonomy could be delegated to the GRI and the Ryukyuans. Specifically, it recommended expanding the advisory role of the GOJ in several fields, such as education and public health; suggested that Ryukyuans be permitted to participate in the Japanese social security system; and suggested that the Consultative Committee be more fully employed as a forum for frank discussions of the full range of matters relating to internal Ryukyuan administration. It further recommended that unlimited GOJ economic assistance be sought and that a direct advisory role on economic planning and development be granted the GRI. The report noted, however, that these measures would not permit indefinite US administrative control or even prolong the present status, under optimum conditions, much beyond a five-year period. It urged that any actions under consideration be evaluated in terms of their effect

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on the return of administrative control to Japan within this relatively short period. It argued that a crisis-free period during the "transition to reversion" would enhance Japanese and Ryukyuan acquiescence in current base rights in the Ryukyus. It would also buy the maximum time politically feasible for sole US administration of the area and for allowing the current trend in Japanese defense thinking to evolve to the point that the GOJ would be able to agree voluntarily to arrangements which would preserve the essential core of US base rights in the Ryukyus under Japanese administrative control.

The DUSA/IA draft on public opinion and official attitudes in the Ryukyus toward continued US administration of the Ryukyu Islands was also circulated on June 29. Like the State draft, it was pessimistic in its assessment of the future of the US administration. It noted that the people and the political parties in the Ryukyus desired reversion, but that the majority wanted reversion within the context of US-Japanese cooperation. A growth of anti-US feeling and possible events that might hasten that growth were described. These events were said to include, inter alia, congressional refusal to raise the ceiling on aid to Okinawa to \$25 million by amending the Price Act, a major military training accident causing death and destruction of property, increased use of the bases for Vietnam operations, and a US failure to permit direct election of the chief executive when the incumbent's term expired in 1968.

High Commissioner Watson took exception to many of the arguments and recommendations contained in the State-DUSA/IA drafts. In general, he argued that the drafts failed to focus on the primary US national objective in the Ryukyus, namely the long-term maintenance of an effective military base. He maintained that the study did not effectively relate the proposed courses of action to the primary objective. General Watson did not agree with the State Department view that the status of Okinawa was already in a transitional phase; he argued that the current phase was not one of actual transition, but rather one of forging policies that would later guide transition. For the United States, it was a period of preparing to negotiate

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for the best long-term arrangements possible, while maintaining an effective base. If the United States gave away its position piecemeal, it might then find itself unable to counter an offer from Japan for a reversion base-rights agreement that would give the United States little more freedom in using the bases than it then enjoyed in Japan proper. In sum, the high commissioner felt that many of the proposed courses of action suggested in the drafts would result in an unacceptable derogation of US authority.

In a memorandum to DUSA on July 13, the Army's DCSOPS also disagreed with the State Department conclusion that events were moving toward reversion and that to prevent an unmanageable situation, the United States should move quickly to expand Ryukyuan autonomy and increase Japanese participation in Ryukyuan affairs. He argued that the situation was not that bleak and that by effective administration in Naha and firm, astute diplomacy in Tokyo, events could be kept in hand for an indefinite period. This was where, according to the memo, the emphasis of the study should lie.

On July 23, the working group completed a second draft of the study. Although similar to the first, the second draft was more in tune with the conclusions reached by the JCS in their study of December 1965. Accordingly, the draft recommended the following as guidelines for future US actions:

- (1) Preserve the military effectiveness of the base structure.
- (2) Maintain the US administration.
- (3) Increase Ryukyuan autonomy in an orderly and deliberate manner.
- (4) Ensure that the GOJ recognizes the need to maintain the effectiveness of the US bases and the need for a smooth transition to eventual reversion.
- (5) Welcome close consultation with the GOJ on civil administration not affecting the operation of the bases.
- (6) With the assistance of the GOJ, continue to increase the economic and social-welfare standards of the Ryukyuan people.

High Commissioner Watson commented on the second draft in a cable dated August 1. Again he disagreed with the conclusions reached in the draft, and again he asserted that the draft failed to focus

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adequately on the primary US national objective, i.e., long-term maintenance of an effective military base under unrestricted US control. By long-term, he stated that he meant a dependable arrangement lasting twenty-five years, since the causes of international friction in the Far East were long-range in nature. In the short run, the United States should seek to maintain the maximum effectiveness of the base and the development of the most advantageous negotiating position to obtain a desired and acceptable long-term agreement. Watson reported that USCAR believed that effective use of the base could be maintained for the interim period by gradually making appropriate concessions until the GOJ proposed acceptable terms for a long-term agreement. He objected to undertaking certain measures suggested in the draft which he felt would take the United States too far down the road to reversion. He argued that granting concessions to the Japanese in the Ryukyus, coupled with greater measures for increasing Ryukyuan autonomy, should be phased and timed to minimize any "snowballing" effect and to avoid losing the essential elements of US control. (CINCPAC and CINCUSARPAC supported these views.)

Ambassador Reischauer disagreed with the HICOM's position. In a cable to Secretary Rusk on August 6, Reischauer concurred with the second State-DUSA/IA draft and made no suggestions for changes. He argued that the HICOM's proposed changes would fundamentally alter the nature of the draft and that he, Reischauer, would not concur in the paper if those changes were adopted. Reischauer insisted that US objectives in the Ryukyus be seen in terms of the overall US national objectives in the Far East, which he contended were adequately reflected in the paper. Alleging that US policy in the Ryukyus had been to grant concessions only when forced to by adverse circumstances, he recommended that the United States expand Ryukyuan autonomy and increase Japanese participation as rapidly as possible to ensure good GOJ-US relations.

On August 7, CINCPAC aired its attitudes on the draft. In general, CINCPAC argued that as long as the United States was responsible for

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maintaining peace and freedom in the Far East, and as long as the Communist nations continued aggressive opposition to US objectives, the United States must maintain a strong position in the Western Pacific. For that purpose, the United States must have unrestricted use of the US bases on Okinawa, which could not be ensured if Japan assumed administrative control of the island. Therefore, CINCPAC recommended that there be no transfer of administrative authority over the Ryukyus unless further study of the implications of such a transfer clearly indicated the feasibility and desirability of such a transfer. CINCPAC also felt that the guidelines in the draft for the types of administrative functions that could be turned over to the GOJ were too sweeping. Finally, CINCPAC asserted that the 1965 JCS study should continue to prevail as the basic doctrine for the US presence in the Ryukyus and that the US objective should be to continue to maintain full and unfettered US military operating rights in the Ryukyus.

In August, J-5 began preparing a revised version of the draft, based on comments received from the field. This draft was then sent to Richard Sneider, chairman of the Ryukyus Working Group. A coordinated revision was agreed upon by the working group on August 18 and approved without dissent by the IRG on August 24. The draft entitled "Our Ryukyuan Bases" was sent to the SIG for discussion at the September 13 meeting.

The new report concluded that pressures for reversion were rising in Japan and in the Ryukyus; a crisis resulting in unmanageable demands for reversion was not, at present, likely given effective handling by the United States of local problems; pressures for change in the nature of the US administration toward a larger Japanese role are strong, but satisfaction of these demands within the framework of continued US administration will help contain reversionist pressures and prolong the acceptability of the US administration; current trends in Japan and the Ryukyus point toward the possibility within the next five years of a major Japanese initiative for the return of administrative control, probably following a settlement in Vietnam; the likelihood was growing that by the "1970 period,"

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the GOJ would be prepared to negotiate, with sufficient public support, an agreement on the Ryukyus providing for special US base rights. Such rights would include maximum freedom of operational action essential for US security needs, thus permitting the retention of an effective US base complex in the area for an extended period after reversion.

More specifically, the report included the guidelines for US action as appeared in the revised draft of July 23, and included a list of specific actions that could be undertaken to increase the GRI's authority. Regarding the amounts and types of GOJ assistance desired by the United States, the report stated that GOJ economic assistance should continue to be sought "in amounts that are absorbable and useful." It also recommended that the GOJ be permitted to assist USCAR and the GRI in economic planning and development and suggested that the Consultative Committee is more fully employed as a forum for frank discussions on a full range of matters relating to the Ryukyus.

At its September meeting, the SIG approved the recommendations contained in the paper:

(1) Actions to counter pressures in both Japan and the Ryukyus as set forth in the paper should be undertaken. The United States should constantly maintain a sense of forward motion and should expand local Ryukyuan autonomy and increase the Japanese role in Ryukyuan affairs without impairing the essential integrity of the US administration or the operational capability of US bases.

(2) At the same time, the United States should emphasize to the Japanese Government the importance of maintaining the operational capability of the Ryukyuan bases, keep reversionist pressures within manageable proportions, and seek the advice, cooperation, and assistance of the GOJ in accomplishing these objectives.

The SIG then requested that the high commissioner and the US Ambassador in Tokyo jointly submit to the IRG a plan for carrying out the actions recommended in the working group's report. (The plan was to be forwarded to the IRG by December 15, 1966.) It was also agreed that they would submit a report to the IRG every six months assessing reversionist pressures and actions taken to contain such pressures.

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The IRG/FE Ryukyus Working Group was also requested to submit a report to the IRG on December 15, 1966, on the following⁸:

- (1) The degree of impairment of effectiveness of the bases in the Ryukyus and of the overall US defense posture that would result if transfer to Japan of administrative authority over the Ryukyus became necessary.
- (2) Plans to assure continued performance of necessary functions, in the Ryukyus or elsewhere, if administrative control was transferred.
- (3) The cost of any necessary removal of facilities or construction of substitute facilities in the Ryukyus or elsewhere.
- (4) Assessment of the feasibility and associated monetary and other costs of a partial transfer of administrative authority.

On September 21, the Ryukyus Working Group adopted a draft outline of the study as requested by the SIG. The working group assigned the J-5 representative the responsibility for overall preparation of the initial draft.⁹ The outline included the following areas to be analyzed by various members of the group:

- Relevant political considerations in the Ryukyus and Japan--State-Army.
- Effect on military functions of the transfer of administrative authority to Japan--JCS.¹⁰
- Effect on nonmilitary functions of a transfer of administrative authority to Japan--CIA-Army.¹¹
- Comparison of US base rights in Japan and the Ryukyus--ISA-State.

8. When submitted, this report was classified Top Secret and will, therefore, not be summarized in this paper. Its general effect was to move official Washington thinking further down the road to reversion by crystalizing key issues and lessening some concerns.

9. The following were members of the IRG Ryukyus Working Group at this time: Richard Sneider, chairman, State Department; Morton Halperin, ISA; Col. James Cavender, J-5, JCS; Alfred Jenkins, White House; Richard Davis, CIA; Thaddeus Holt, DUSA/IA.

10. This was to include an analysis of current functions in the Ryukyus; functions to be performed in a post-Vietnam environment; contingency functions in various cases, e.g., partial transfer, complete transfer; costs and degradation of transferring each function.

11. This would include the same analysis outlined in footnote 10.

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- US-Japan Prior Consultation Agreement and implications for the Ryukyus--State-ISA.
- Analysis of Japanese and Ryukyuan attitudes in public negotiations on reversion of administrative authority--State-Army.
- Transfer of administrative authority, including consideration of possibilities and difficulties of partial transfer and possible scenario for reversion--working group.

C. FIELD ACTIONS, 1966-67

The first semiannual ambassador-HICOM report on the level of reversionist pressures in Japan and in the Ryukyus and on actions taken to avoid exacerbating local dissatisfaction with US administrative control was submitted to the SIG in December 1966. The key conclusion of the report was that while reversion pressures continued to rise, those pressures could be contained for some time by putting the prospect of reversion into more concrete terms than the "millennium" implied in the standard US policy statement conditioning reversion on the end of "tension in the Far East." The report emphasized that USCAR was bending over backwards to maintain low-key operations that would not aggravate local sensitivities. It described a number of actions which had been taken to increase local autonomy and Okinawan identification with Japan and to minimize irritations stemming from the US physical presence. It also noted that before the end of the year, HICOM intended to recommend amending the Executive Order to broaden the pardoning power of the GRI and provide for the direct election of the chief executive.

The joint embassy-HICOM plan for carrying out actions recommended in the IRG's working group report was completed in January 1967. The report noted that a joint working group had been established in order to implement the recommendations of the IRG report. The newly formed group was to consist of the political, public affairs, and economic counselors from the embassy in Tokyo and the political adviser, HICOM's special assistant, and the directors of USCAR's public affairs and liaison departments from Okinawa.

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The embassy-HICOM joint report also discussed the current status and prospects of the several actions set forth in the IRG working group report. The joint report particularly noted that a paper was being prepared to enable a change in the Executive Order to provide for direct election. Due to the upcoming legislative election in November 1968 and the need to choose a new executive thereafter, it was considered advisable to reach a decision on the issue before the November elections.

In a letter of February 23 to Under Secretary of the Army McGiffert, General Unger (High Commissioner, 1966-1969) reported that he was following the recommendation made in the IRG working group report regarding plans for the direct election of the chief executive sometime before the 1968 Ryukyuan legislative elections. Unger agreed that it would be most politically advantageous to amend the Executive Order at a predetermined date in early 1968 in preparation for the legislative elections in November 1968. He felt that within that basic time frame, the United States could coordinate plans with the local Democratic Party to insure that the party got maximum political mileage from such a major concession to popular desires.

Unger expressed his thoughts on long-range planning for the Ryukyu bases in a memorandum of February 24, 1967, to the Secretary of the Army. Referring to the IRG working group report, Unger concluded that inherent in the report was a calculation that in a confrontation between Japan and the United States over the Ryukyus, the Okinawa bases would be of less importance than the long-range US interest in Japan as an Asian great power to balance the growing power of China. It was Unger's interpretation that because of a need to be prepared for such an eventuality, the SIG agreed that the IRG/FE should investigate and report on the impact of the transfer to Japan of total or partial administrative authority in the Ryukyus. Unger reported that in order to supplement actions of the IRG working group, he and Ambassador Johnson had recently begun considering suggestions designed to maintain Japan's cooperation

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and to deal with Japan on a basis of partnership. These suggestions included:

- (1) Joint use of the base with the Japanese Self-Defense Forces.
- (2) Participation by the GOJ in selected areas not associated with the security of the base.
- (3) Joint financing of various enterprises.

Unger noted that the purpose in selecting areas of cooperation was to provide a safety valve for reversionist pressures and to prolong US administration.

Regarding long-term security interests in the Pacific, Unger argued that so long as China threatens to dominate the region and until a "local balance of power" develops, the United States will need a base in the Western Pacific to assist in the defense of the area. The base in the Ryukyus was thought to fill this requirement effectively. Furthermore, Unger noted that the United States had a large investment in the Ryukyus and removal or transfer rearward at any time in the near future would involve a loss of strategic advantage and great expenditure. He felt that given continued Japanese cooperation and an expanding economy in the Ryukyus, the United States should be able to withstand reversionist pressure and continue administration control until 1970 and possibly beyond. However, he argued, development of detailed studies for alternate sites and fall-back positions should not be delayed.

Unger then suggested that the time had come to look elsewhere in the Ryukyuan chain for areas to meet US needs for further expansion of the military base if required and possibly for transfer of some of the components now on Okinawa. He recommended the following:

- (1) A thorough engineering study of other large islands in the Ryukyus, specifically Ishigaki and Iriomote for alternate sites for selected facilities now located or planned to be located on Okinawa.
- (2) Long-term leased rights for exclusive US use of such areas if engineering studies prove their suitability.
- (3) That any expansion of present base facilities requiring acquisition of additional land be accomplished where possible by reclamation of tidelands.

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Unger's recommendations regarding relocation of Okinawan facilities brought disagreement from commanders in Hawaii. On March 9, 1967, General Dwight Beach, CINCUSARPAC, reported CINCPAC's views and his own on the relocation issue in a letter to General Johnson, Army Chief of Staff. Beach argued that relocation within the Ryukyus would neither meet GOJ goals nor provide even an interim solution to the continued US need for a forward base in the Pacific. It was CINCPAC's view that as an alternative to continued use of Okinawa, the United States should base its planning on the use of Guam. In that regard, Beach noted that a team from CINCPAC had visited Guam in February to survey what was available there. (The survey was concerned with current requirements and the development of post-Vietnam plans for both force deployments and supply locations.) Beach then noted that the only drawback to the use of Guam was the fact that the price of property had been driven up; the Navy and Air Force owned all the land currently under military control on Guam and both services had plans for relocating there if and when the United States withdrew from Vietnam, Okinawa, and the Philippines. Thus, he felt that there was some merit in looking into US military utilization of the islands of Saipan, Tinian, and Rota, all about 100 miles from Guam.

On April 11, 1967, Admiral Sharp, CINCPAC, reaffirmed his position in a memorandum to the Secretary of the Army. Sharp argued that the United States should consider Guam and the other islands in the Marianas group. He felt that future base development in areas belonging to the United States was greatly to be preferred to an investment of additional capital for permanent facilities in the Ryukyus, which were destined for ultimate reversion.

As inconsistencies in the various service positions on relocating facilities on Okinawa became obvious,¹² General Johnson, Army Chief of Staff, called for a reappraisal of the US use of the Okinawa base.

12. The Army was looking for alternate sites in the Western Pacific, while the other services continued to expand their facilities on Okinawa.

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In a memo dated June 6, 1967, Johnson noted that unrestricted use of the Ryukyus was the most desirable military situation for the United States but that strong political forces were in motion which might require the selection of alternative sites. Johnson suggested that the JCS analyze possible alternatives and promulgate a JCS position on the subject. He also noted some changes in the Japanese outlook that could lead to increased pressures for reversion. The GOJ was undecided about the degree or form of administrative control it wanted, but had come to believe that reversion in some form was necessary to quiet the growing public clamor. Johnson thus suggested that the JCS assess the impact of reversion and examine four alternatives:

- (1) Continued US operation of the bases within the context of the 1960 Treaty of Mutual Security, extended to cover US bases in the Ryukyus.
- (2) Continued US operation of the bases under special base-rights terms similar to those then in effect in the Philippines.
- (3) Establishment of an enclave-type base structure on Okinawa, or possibly on one of the other islands in the Ryukyus, under exclusive US jurisdiction.
- (4) Relocation of US bases elsewhere in the Western Pacific where restrictions would not exist.¹³

In May 1967, the second semiannual embassy-HICOM report assessing reversionist pressures and actions taken to contain those pressures was released. The report noted that during the period under review, the pressures in Japan for reversion had grown markedly and that the GOJ was considering the necessity of finding a way to accommodate US base requirements under conditions of reversion. The report stated that it was probable that Japan would take the initiative on the reversion issue by offering a special base agreement in

13. By mid-August 1967, Under Secretary McGiffert had withdrawn his previous support of General Unger's suggestion that consideration be given to surveying other islands in the Ryukyus for alternative sites. Upon further consideration, General Unger had also revised his views of the appropriateness of other islands in the chain as possible sites for additional military installations.

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return for reversion within the next year or two. The increase in pressures for reversion in Okinawa, it was noted, was a result of agitation for educational reform and the growing alliance of anti-base leftist parties and other mass organizations in the Ryukyus.

The embassy-HICOM report also noted that there had been discussion within the GOJ of the possibility of offering a special base agreement (application of Security Treaty without provision for consultations) or a type of enclave reversion under which the United States would retain full jurisdiction within specified areas. In late March, it was reported, the Prime Minister's office and the Foreign Ministry had come to an agreement that Japan, in seeking a return of administrative jurisdiction, would exclude major military bases from the scope of the transfer and permit the United States to retain direct jurisdiction over those areas. In addition, the Foreign Ministry was reported to believe that an attempt should be made between late 1967 and mid-1968 to work out an agreement with the United States on the jurisdictional question. If agreement was not reached by mid-1968, the Foreign Ministry believed the issue should be dropped and further negotiations withheld until the question of the post-1970 status of the Mutual Security Treaty was settled.

In a July meeting of Ambassador Shimoda, Assistant Secretary Bundy, and Deputy Assistant Secretary Berger, Shimoda noted a rise in public pressure on the GOJ for some kind of reversion arrangement and outlined the two main Japanese alternatives: an enclave arrangement and the special base arrangement. Shimoda supported a special base arrangement and felt that Sato also did. Shimoda argued that a change in the status of the Ryukyus should occur before 1970, and he hoped the GOJ would have established a concrete position on the question in time for Foreign Minister Miki's visit to Washington in mid-September. The final decision on the question, Shimoda hoped, could be settled during Prime Minister Sato's visit to Washington in November.

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D. JAPAN PRESSES FOR REVERSION

On July 14, 1967, the Foreign Office presented an aide-memoire on the Ryukyus to the Tokyo embassy which called for the American and Japanese Governments to begin to explore a solution to the problem of Okinawa and the Bonins.¹⁴ Regarding Okinawa, the Japanese note called for an examination of "possible means which could provide for accommodation between the national desire of the Japanese for the return of the administrative right over Okinawa and the military role which Okinawa should play." It called for: a search for a formula that would enable restoration of administrative rights to Japan while arranging for the continued existence of the military bases, an agreement on interim measures for improving the administration of the Ryukyus, and an agreement on an early return of the Bonins and other Western Pacific islands to Japan.

As Ambassador Johnson assessed the situation within Japan in mid-August 1967, the United States was being confronted with a clear-cut Japanese request to move toward resolution of the Ryukyu and Bonin questions. The GOJ wanted to begin discussions immediately and was, Johnson felt, prepared to consider special arrangements for the military bases which would give the United States greater freedom of action than it had with the bases in Japan proper. Johnson felt that the Japanese would like negotiations for the reversion of the Ryukyus completed so as to permit their return by 1970.

In the face of Japanese pressure for some movement on the reversion issue, the State and Defense Departments considered

14. Although this represented the first formal Japanese request for US consideration of the reversion question, the issue was openly pressed by the GOJ as early as 1965. The matter was raised during the Sato visit to Washington in January of that year, and the following note was made of the reversion question in the communiqué released after the meetings: the Prime Minister "expressed the desire that as soon as feasible, the administrative control over these islands [Ryukyu and Bonin] be restored to Japan."

In August 1965, Prime Minister Sato again raised the issue, and with it expectations, by declaring while on a visit to Okinawa that "the postwar period of Japan will not terminate until Okinawa is returned to Japan."

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submitting a formal request for White House guidance regarding the US response to the Japanese. State/EA and ASD/ISA composed a draft action memorandum from Secretaries Rusk and McNamara to President Johnson asking that the President authorize a favorable response to the Japanese request that reversion negotiations be undertaken. As best we can determine, the memorandum was never sent to the President. However, its contents and comments on it reveal the state of thinking within the government on the reversion question.

In a memorandum to Secretary Rusk explaining the action memorandum, William Bundy (EA) urged Rusk to alert the President to the seriousness of the Japanese proposal. Bundy recommended that the United States inform Japan that it was prepared to negotiate, provided that the Japanese give advance commitments to assure broad freedom of action for use of the bases, especially in regard to Vietnam, and that they enlarge Japan's political and economic role in Asia. It was Bundy's contention that the prospects for reaching an agreement would never be better than they were at the time. (He anticipated actual reversion would not take place until 1969 or 1970, however.) In his memorandum to Rusk, Bundy also mentioned that he had discussed the position recommended in the action memorandum with Walt W. Rostow of the White House staff and Henry Owen of the Policy Planning Council, and that they both supported the recommendations. However, William B. Macomber, Assistant Secretary for Congressional Relations, had "serious reservations" about acting at present on the reversion issue in light of current congressional opposition to the Panama Canal Treaty. Macomber preferred to wait until the Panama treaty debates were completed. Macomber had furthermore suggested that a joint resolution by Congress on the reversion question be sought. Bundy then noted that the draft action memorandum was being forwarded by ISA to Secretary McNamara for his approval, and that it was his understanding that McNamara was inclined to move with reversion if the United States could get the "right price." McNamara had notified Bundy that he would not act formally on the issue until he received the JCS view on the subject, which Bundy noted had

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heretofore been to keep the Ryukyus and Bonins until political pressure forced the United States to return administrative rights.

On August 10, McNamara approved the draft action memorandum for President Johnson, subject to review of the JCS position and several modifications in the recommendations. Specifically, McNamara preferred that the advance commitments sought from the Japanese be set forth in the following terms:

- (1) Japan will support US use of the Ryukyus for US military purposes and support US Pacific commitments.
- (2) Japan will agree to new special arrangements in which it will give US political support for conventional military and other activities in the Ryukyus.
- (3) Japan will enlarge its regional political and economic role in Asia and provide, over the next several years, a substantially greater economic contribution to the development of Asian countries.
- (4) The United States will retain the island of Iwo Jima as a military base.

The final version of the draft action memorandum described the situation in the following terms:

We are confronted by a clear-cut Japanese request to begin to move toward resolution of the Ryukyus and Bonin questions. They wish to commence discussions now looking to an early return of the Bonins and other Western Pacific Islands and the subsequent return of the Ryukyus. They are apparently prepared to consider the special arrangements for military bases in the Ryukyus which would give us greater freedom of action than we have with respect to the present bases in Japan. However, only through discussion with them will we be able to determine whether the special arrangements to which the Japanese Government will be able to agree will meet our minimum military requirements.

The memorandum then requested a presidential decision on whether or not to commence negotiations on the reversion question and what prior commitments were required.

The memorandum went on to describe the background of the reversion issue and noted that the Japanese wanted reversion by 1970, when the terms of the Mutual Security Treaty permitted either party to denounce

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it on one year's notice. (The Japanese did not want the reversion issue and the question of the future of the Security Treaty to come to a head at the same time.) The two major courses of action examined by State and Defense were outlined: (1) reject the Japanese request, and (2) inform the Japanese that the United States would enter into negotiations provided certain advance commitments (those insisted upon by Secretary McNamara) were obtained. Since an effort to retain the current status of the islands was thought to involve unacceptable and unnecessary risks, the action memorandum recommended the following:

- (1) That the President authorize the second course of action outlined above.
- (2) That the United States be prepared to withdraw nuclear weapons from the Ryukyus if, during the discussions, the Japanese insist and if they agree to make other commitments set forth above.
- (3) That if negotiations for the return of the Ryukyus are not possible at present, the President should authorize negotiations for the return of the Bonins and other Western Pacific islands, provided Japan agreed to US retention of the island of Iwo Jima as a military base.
- (4) That, if the President approved the foregoing, he should authorize the State and Defense Departments to consult with key congressional leaders prior to entering into future discussions with the Japanese.

The memorandum then examined the alternatives available. It argued that applying the US-Japan security treaty arrangements to the Ryukyus would not be adequate for US needs--the Japanese Government would have to agree to allow the United States to mount operations in the defense of Southeast Asia and Taiwan from the Ryukyus.

The memorandum further pointed out that the nuclear question was likely to be the major obstacle to any agreement on special arrangements. It noted that the Defense Department had studied the question and that Secretary McNamara had concluded that, because the US arsenal of nuclear weapons at other locations in the Pacific was sufficient for contingencies and because the United States could resupply

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weapons speedily from the United States if necessary, removing all nuclear weapons from Okinawa would not represent a significant degradation of the US capability. Thus, the United States should be prepared to withdraw the nuclear weapons, if the Japanese insisted. It was also argued that it would be advantageous to enter negotiations early--the US bargaining position would never be better. Furthermore, the return would be a powerful incentive for Japan to undertake broader responsibilities in Asia. The Japanese, it was cautioned, should, however, be urged to do substantially more in the area. Regarding the Bonins, it was suggested that they be returned in a "package" with the Ryukyus. The memorandum noted that the islands could be returned by Executive Agreement, but congressional opposition was anticipated; however, there would be substantial support for reversion if Japan made the commitments suggested above.

Ambassador Johnson had made several suggestions in regard to the memorandum, most of which were incorporated into the draft, but Bundy had noted problems with two of his comments. Specifically, Johnson did not want to require prior Japanese commitment for an expanded Japanese regional role and economic contribution. He did not see how the United States could bargain for a greater political or economic role in Asia against a return of the Ryukyus. That is, he felt it would be counterproductive to make advance commitments by the Japanese a price for reversion. Bundy, on the other hand, had argued for reversion as a "political plus" that offered an incentive for a larger regional role and aided the administration in answering arguments that Japan was not carrying its share of the burden in Asia. Johnson also did not want the United States to tie returning the Bonins to returning the Ryukyus. He urged that the United States authorize the return of the Bonins and the other Western Pacific islands irrespective of actions taken on the Ryukyus. Bundy argued that reversion of the Bonins and the Ryukyus should be tied together so that the United States would get what bargaining advantage it could from the Bonins reversion. He felt that if the United States committed itself to the return of the Bonins, Japan would interpret it as a commitment

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to the reversion of the Ryukyus. However, if it proved impossible to work out the reversion of the Ryukyus, Bundy was prepared to break out the Bonins from the "package" in order to buy time on the Ryukyus.

By the first of September, Ambassador Johnson had assessed the situation in Japan in more critical terms, arguing that public opinion on Okinawa's reversion had moved to "a new level of pervasiveness" with the opposition and several major newspapers hardening their position and urging the GOJ to request immediate reversion with a complete ban on nuclear weapons and without freedom for the United States to conduct military operations without prior consultation. Johnson felt that the opposition and the media had, for the moment, the initiative in building a national consensus and that the key issue in the debate was the opposition to nuclear weapons. Johnson noted, too, that Sato's position on the question seemed to be more and more obscure, and he (Johnson) had no indication of whether Sato would push the United States on the reversion issue.

It was apparent by mid-1967 that the main issue regarding Okinawa was not whether administrative rights would be returned to Japan, but when and under what conditions reversion would take place. This point of view was reflected during the August 28 SIG meeting, when the question of Okinawa's reversion was discussed. Joseph Barr, Under Secretary of the Treasury, argued that from a financial standpoint the United States had an urgent need for assistance from the Japanese in the form of a reduction of the imbalance in US international payments, including the deficit on military account. He argued that the United States should make a hard run at the Japanese and that the United States had a strong bargaining position. He thought that if the United States was not prepared to demand a quid pro quo for reversion, then perhaps it should delay reversion to a more propitious time. Paul Nitze, Deputy Secretary of Defense, commenting on Barr's suggestion, stated that Japan should be confronted with the necessity of accepting more regional responsibility in Asia. Barr then suggested that a discussion of the reversion question be deferred until the United States had the "whole bag"

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ready, and that the United States should use all its leverage to gain a complete settlement of the problem, including US financial aspects.

General Johnson, for his part, also felt that the United States was in a position to, and indeed should, make strong counterdemands to the Japanese and not simply respond to their demands. He argued that some people were of the opinion that the Japanese would agree to higher defense contributions if the United States handled the reversion case adroitly. Under Secretary of State Katzenbach then observed that on the question of reversion the United States was in a stronger position to push for a hard bargain than it would be two or three years later, when political pressures may well have weakened the US negotiating posture. That is, Katzenbach was arguing for immediate progress on the reversion issue. The question of timing was then raised. Notice was taken of the fact that the elections in the Ryukyus were to be held in 1968, while those in Japan were likely to be held in 1970. The opposition in Japan could gain control, it was felt, if some tangible progress toward reversion was not forthcoming. Katzenbach then noted that the United States had a "diminishing asset" as far as negotiations were concerned--1968, an election year (in the United States), would not be a good year for this type of negotiation.

E. THE MIKI VISIT, SEPTEMBER 1967

Meanwhile, preparations were being made for Foreign Minister Miki's visit to Washington. President Johnson solicited the views of Secretaries Rusk and McNamara as to what, with reference to the Miki visit, the United States hoped to obtain from the Japanese. In his reply to the President, Rusk stated that the United States wanted Japan to assume its share of the political and economic burdens of regional responsibility. He said that the State Department did not seek a greater Japanese military role, other than for Japan's own defense, but that Japan's actions should contribute to effective fulfillment of the US military and security commitments in Asia. This was felt to be especially applicable regarding any

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solution to the Ryukyu and Bonin issues. Rusk then proposed the following US position during the upcoming talks with Miki:

- (1) Adopt a "listening brief" on the Ryukyus and Bonins, leaving the way open for more conclusive talks with Prime Minister Sato in November, but pointing the Japanese in the direction of interim steps to reduce the disparities in the standard of living in Okinawa and Japan and thus ease US problems with the 1968 Ryukyuan elections and Japanese public opinion.
- (2) Spell out the heavy burden the United States shoulders for both security and economic development in Asia.
- (3) Press the Japanese to take a greater share of regional leadership, of the financial burden of economic assistance, and of redressing the imbalance in the US balance of payments.

More specifically, Rusk listed the following as major objectives to be sought from the Japanese:

- Support on key Vietnam issues.
- Continued support and responsible action on Vietnam with greater economic aid to the Government of Vietnam.
- Adherence to the nonproliferation treaty.
- Matching contributions on major East Asian economic development programs, including the Asian Development Bank Special Funds.
- Significant reduction in the US bilateral balance of payments deficit which had resulted, in part, from increased military-related expenditures in Japan during the Vietnam conflict.

Rusk argued that basically the United States wanted a more "mature and responsible" attitude on the part of Japan toward the threat posed by Communist China and by internal instability in the countries on the periphery of China. Japan should be made to understand that the US ability to maintain continued support from Congress and the American public for the US commitments in Asia could depend on Japan's assuming responsibilities commensurate with its stake in regional security and stability.

McNamara, in his reply to President Johnson, argued that during the Miki visit the United States should listen to any proposals Miki might present on the reversion problem and then explain to the Foreign

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Minister that the issues were much larger than the narrow subject of reversion. The basic question was not whether reversion should occur, but whether Congress and the US public would support the following:

- (1) Extension beyond 1970 of what McNamara quoted as the "one-sided" US-Japanese security treaty.
- (2) Retention of US military bases in the Ryukyus for the protection of Japan.
- (3) Retention of stockpiles of nuclear weapons in the Pacific for the protection of Japan.

McNamara suggested that the President propose to Miki that the United States be permitted to compete on equal terms with Japanese manufacturers for the sale of military equipment to the GOJ. The objective should be to increase Japanese purchases of US military equipment from the current \$60 million per year to about \$200 million. In summary, McNamara urged that the US approach to the Japanese be based on the following: the US bases in the Western Pacific are for the protection of the Japanese as much as they are for the defense of the United States, and it would be impossible for the United States to maintain the bases unless the Japanese moved gradually toward sharing the "very heavy political and economic costs of providing security to the area."

In a joint State-Defense message of September 6 to the ambassador in Tokyo and the high commissioner on Okinawa, the position the United States planned to take during the Miki visit was spelled out. As described in the message, the United States would adopt a "listening brief" with Miki on problems relating to reversion of the Ryukyus and Bonins and would be willing to discuss possible interim measures to reduce disparities, thereby easing US problems in both Japan and the Ryukyus. Furthermore, the United States was prepared to take a forthcoming attitude on any specific interim measure the Japanese might propose as long as such measures did not infringe on the US tenure of administrative authority.

In mid-September, Foreign Minister Miki met in Washington with Secretary Rusk and other US and Japanese Government officials. During the course of the discussions, Miki stated that great expectations

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for progress on the reversion issue had been aroused in Japan and that the greatest difficulty would ensue if no steps forward were taken. A lack of progress on the issue could, Miki contended, endanger the political life of the Sato government. Secretary Rusk countered by stating that the United States was ready to receive any suggestions with respect to partial steps that would make clear that the United States anticipated reversion but was unable to give any answer on the Okinawa question before 1969, at the earliest, because of the forthcoming presidential election and the attitude of Congress toward the Vietnam situation. That is, the United States agreed to the principle of reversion, but a decision as to the timing or the circumstances of reversion could not be made prior to 1969. Rusk told Miki that there was "no possibility" of reversion in the immediate future. Miki inquired as to whether or not the nuclear base on Okinawa was an absolute requirement, and Rusk replied that it was indeed an absolute requirement. In conclusion, it was agreed that the problem should be pursued further during the Sato visit in November.

F. THE SATO VISIT, NOVEMBER 1967

In preparation for the Sato visit, the State Department considered the issues which it anticipated would arise. Regarding the Ryukyus, the State Department was prepared to enter negotiations for the return of administrative rights subject to the following GOJ undertakings:

- (1) Agreement to US retention of all current military facilities and other areas as necessary.
- (2) Assurances of effective use of this action to stem pressures for immediate reversion of the Ryukyus.
- (3) Agreement to assume gradually responsibility for assisting in maintaining current facilities and for expanding, over a period of time, ASW and other defense operations in the area.

The State Department was not prepared to make any specific commitment on the reversion issue at the time. State felt that recent GOJ proposals, such as for "interim measures" to be undertaken by the

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United States, took the United States too far down the road to a specific commitment. Rusk is reported to have felt that an expression of willingness to enter into negotiation for reversion as described above, coupled with the return of the Bonins, would provide a manageable basis for handling the Ryukyus problem.

On November 10, Rusk informed President Johnson on the issues which were likely to arise during the course of the Sato visit. Rusk told the President (in a memorandum) that Sato would reiterate Japan's hopes for an early return of the Bonins in exchange for a general understanding that the return of Okinawa would be feasible when Japan was able to assure effective US use of the bases there to fulfill its security commitments. Sato would not seek immediate reversion, but would hope for sufficient forward motion to satisfy public opinion. Rusk felt that Sato hoped to dispose of the Okinawa issue prior to 1970 and thus prevent the opposition from peaking its attacks on the Ryukyuan question when the security treaty was being debated.

Rusk suggested that President Johnson might want to inform Sato that:

- (1) The United States was prepared to return the Bonins, but wished to reserve the right, during negotiations for their reversion, to discuss the contingency of possible nuclear storage on the islands.
- (2) The United States was unable at the present to make any commitment on reversion of the Ryukyus given the key role of the bases in the Vietnam conflict and in deterring Communist China. But, the United States was prepared to work out arrangements and the language within this framework to meet Sato's problems with public opinion at home.
- (3) The United States was prepared to review the status quo of the Ryukyus periodically, but any future resolution of the issue must provide the necessary commitments from Japan to assure that effective means, including nuclear storage, are available for the United States to carry out its security commitment to Japan.

Along with Rusk's suggestions regarding the Sato visit, the State Department (EA) also provided a background paper for the President on the Sato visit. Dated November 8, 1967, the paper

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laid out the State Department recommendations regarding the reversion issue and suggested that in addition to an agreement to enter negotiations on arrangements for accomplishing a return of the Bonins, the following be entered into:

- (1) Agreement to a new public statement on reversion relating it to the mutual security interests of both countries.
- (2) Agreement to review periodically with the Japanese the status of the Ryukyus taking into account the desires of the Japanese and Ryukyuan people for reversion and the need to maintain and strengthen the security of the East Asian region.
- (3) Agreement to interim measures, not derogating the US responsibility for governing the Ryukyus, for further identifying the Ryukyuan people with Japan and promoting their economic and social welfare specifically by:
 - Establishing an advisory committee to the HICOM, composed of representatives of the United States, Japan, and the GRI, to be charged with a responsibility for developing recommendations for removing barriers between Okinawa and Japan and minimizing stresses likely to arise at such time as administrative rights are restored to Japan.
 - Broadening the role of the GOJ Liaison Office to permit broad consultations with the HICOM.

During his visit, Prime Minister Sato consulted with both President Johnson and Secretary Rusk. During his conversations with Rusk on November 15, the Ryukyu question was discussed. Rusk informed Sato that the United States was in a "sensitive position" because anything that weakened the US position in Vietnam would be badly received by the Congress and the public, that Communist China's nuclear weapons added a new dimension to the US security commitments to Japan, Korea and other nations, and that, given the forthcoming 1968 presidential elections, there were constitutional limitations to what commitments the President could make in the name of his successor. Even assuming that Johnson would be reelected, a commitment beyond the election date might be criticized by his opponent. Sato noted that he was aware of these problems, but still desired some steps forward on the issue. Rusk in turn impressed upon Sato the need to act with the backing of the congressional leaders,

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whether or not specific legislation was involved. He then noted that the sense of Congress at that time was that there should not be any dramatic movement for immediate reversion of the Ryukyus.

In the joint communiqué issued on November 15 following the Sato-Johnson talks, it was announced that negotiations for the reversion of the Bonins were to begin immediately. Following reversion, the Mutual Security Treaty provisions were to be extended to the US facilities there. Regarding the Ryukyus, no reference was made to security conditions in the Far East as a factor in Okinawa's reversion. Rather, the Prime Minister emphasized that agreement on the reversion question should be reached "within a few years."¹⁵ It was agreed that the two governments would "keep under joint and continuous review" the status of the Ryukyus, "guided by the aim of returning administrative rights over these islands to Japan." It was also agreed that an Advisory Committee to the high commissioner would be established for the purpose of further identifying the Ryukyuan people with Japan proper and to promote the welfare of the Ryukyuan residents. This action was intended to help conform conditions in Okinawa to those in Japan proper, thereby minimizing "the stresses which will arise at such time as administrative rights are restored to Japan."

G. 1968: REVERSION IN ABEYANCE

There were no further basic policy decisions or shifts on the reversion issue until the Nixon administration came to office. The steps taken by the Johnson administration, as announced in the 1967 joint communiqué, seemed to placate the Japanese somewhat, and the reversion issue remained relatively quiescent throughout 1968. Indeed, in August 1968, Ambassador Johnson was able to report that he saw no significant moves in prospect with respect to the basic

15. The phrase "in a few years" caused some confusion in Japan, because in the Japanese-language version of the communiqué it read, literally, "in two or three years."

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reversion issues and that he saw something of a "truce" in effect with the Japanese Conservatives heavily involved in assisting the Okinawan Conservatives in their campaign for the fall elections.

Throughout 1968 (as had been true during much of 1967), frequent, informal contacts took place among senior US civilian and military officials who were involved in the Okinawa reversion issue. In particular, Ambassador Johnson, Admiral McCain, and the members of the Joint Chiefs of Staff were in frequent contact on an informal and individual basis. The value of this sort of contact should be noted, for in this case it helped to move these officials to something of a consensus on the reversion issue.

There was, however, one notable difference of opinion within the US Government in 1968 over US policy on Okinawa. The issue which became the bone of contention was the stationing of B-52s.

The first B-52s were deployed to Okinawa on February 5, 1968,¹⁶ in response to the seizure on January 23 of the USS Pueblo by North Korea. On the first of February, the Secretary of Defense had authorized the deployment of fifteen B-52s from Omaha, Nebraska, to Kadena AFB.

Almost immediately (February 10), the GRI passed a resolution calling for an immediate withdrawal of the B-52s. The stationing of the B-52s on Okinawa became a highly controversial act and served as a focus for anti-US political activities in Japan proper and in Okinawa throughout 1968 and 1969.

In spite of the political implications, the role of the B-52s was expanded in February when the JCS authorized the use of Kadena-based B-52s for sorties over Vietnam. The use of Kadena continued to grow in importance throughout early 1968 as the sortie rate rose. In early April, in response to the deteriorating situation in Vietnam, Deputy Secretary of Defense Nitze approved an increase in the B-52

16. Prior to that time, B-52s had used Kadena AFB only as a haven when typhoons forced the closing of the field on Guam.

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sortie rate from 1200 to 1800 per month, approximately 400 of which were flown from Kadena.¹⁷

As opposition to the continued use of Kadena mounted in Okinawa, some officials in the US Government began to press for the removal of the B-52s. Under Secretary of the Army McGiffert, for one, was concerned with the price the United States might have to pay over the long run in terms of administering Okinawa if the B-52s stayed.¹⁸ Deputy Secretary of Defense Nitze also recognized the serious political implications of continued use of Kadena, and in April and again in June 1968 he requested that the JCS review the feasibility of reducing the sortie rate and of restricting B-52 operations to Guam and Thailand. On both occasions, the JCS recommended a continuation of 1800 missions a month and continued use of Kadena.

The JCS argued in the following terms for the continued use of Kadena.¹⁹

- (1) The B-52s were sent to Okinawa in response to the Pueblo crisis, which had not yet been satisfactorily resolved.
- (2) Withdrawal under Japanese political pressure could result in permanent constraints on US action.
- (3) Military considerations overrode the political fact that continued use of Kadena allowed opposition elements in both Japan proper and Okinawa to discredit the conservatives and the United States.
- (4) It was cheaper to fly B-52s from Okinawa than from Guam.
- (5) The increased flight time from Guam reduced operational flexibility.
- (6) The Okinawa base offered a capability for rapid reaction not otherwise available in the Western Pacific.

17. In 1966 and 1967 the sortie rate had been increased from 400 to 600 to 800 a month. In November 1967, it was raised to 1200.

18. Memo of April 15, 1968, to the Deputy Secretary of Defense.
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19. JCS memorandum to Secretary of Defense, July 1, 1968. SECRET

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The JCS noted that 1800 sorties could be flown per month without using Okinawa if the base at U-Tapao in Thailand was expanded. However, the continued use of Kadena was thought necessary to support US policy.

A specific issue on which the anti-B-52 forces focused was the effect of the bombers on the November 1968 elections in Okinawa. The IRG investigated this issue, and, in a paper entitled "US Policy on Forthcoming Ryukyu Elections" (approved by the SIG, July 1968), concluded, inter alia, that the election of the Okinawa Liberal Democratic Party (OLDP) candidate was "of crucial importance" to the United States and, the military situation permitting, the B-52s should be temporarily removed so as to remove the actual and potential adverse effect of their presence upon the election prospects of the OLDP.²⁰ The JCS did not concur in the recommendation for the removal of the B-52s and in fact continued to call for a sortie rate of 1800 a month through December 1968 with continued basing at Kadena.

The State Department, the Department of the Army, and High Commissioner Unger himself were by mid-1968 in favor of a removal of the B-52s at least temporarily, during the November elections. The JCS view prevailed, however, and the planes were not removed for the election, and indeed were not phased out until the fall of 1970. How significant a factor the B-52s were in the election for chief executive (the OLDP candidate was defeated and opposition candidate Choby Yara was elected) is beyond the scope of this paper. It is noteworthy, however, that for almost two years, the JCS position on the B-52 question (priority of the Vietnam effort) was supported in the face of the possible detrimental effects of such policy actions on US-Japanese relations and on the continued US military presence in Okinawa.

20. In the words of the report, "... if the military situation permits, the withdrawal of the B-52s at a time sufficiently prior to the election, so as to reduce the impact of that basing on the election, and avoiding if possible new military operations likely to arouse public concern...."

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III

THE YEAR OF DECISION--1969

A. POLICY DECISIONS

When the Nixon administration entered office in 1969, it faced the necessity of making the decision on the reversion of Okinawa that had been deferred by the Johnson administration until after the election. The need for action was widely understood among US officials concerned with the Okinawa problem and with US-Japanese relations. Not only had Prime Minister Sato staked much of his political future on a settlement of the Okinawa issue, but events within Okinawa were also building up to a threatening level, including the possibility of a general strike against the presence of US B-52 bombers. By January 1969 a strong consensus had already developed within the US Government that it would be necessary to agree to reversion in order to maximize the useful life expectancy of US military facilities not only in Okinawa but also in Japan proper.

There were, however, some problems that, if not resolved, could block agreement in 1969 on the reversion of Okinawa. These problems involved the timing of the reversion; the status of US military facilities in Okinawa; whether the United States could continue to store nuclear weapons on Okinawa; and whether the United States could retain the right to conduct freely combat operations from the bases in support of its military obligations throughout the Far East, but most importantly in support of contingencies in Korea and Taiwan and current operations in Indochina.

Most of the Japan specialists in the Department of State believed that no Japanese government could formally agree to the storage of nuclear weapons on Okinawa once it reverted to Japanese administration, although there was at the outset some hope that a formula

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might be devised whereby the United States would have the right to reintroduce such weapons under crisis conditions, and whereby it would continue to have relatively free use of the bases for conventional military operations. Prime Minister Sato and Foreign Minister Aichi had made various statements early in 1969 implying that the GOJ might agree to some kind of transitional status for Okinawa, whereby the United States would temporarily retain its unhampered use of the bases before they came fully under the restrictions that applied to US military facilities in the home islands of Japan.¹ However, even at that time State Department specialists, particularly Ambassador U. Alexis Johnson, expressed doubt that the Japanese could "deliver" on such an agreement,² and by March 20 the US embassy in Tokyo was reporting that Prime Minister Sato's position on the details of reversion was becoming "murky."

The question of what base rights were vital to the US defense posture in the Far East was controversial within the US Government. The JCS believed that nuclear storage and free conventional use of the Okinawa facilities were essential. At the same time, various studies had been made that indicated that restrictions on the utilization of the bases would not necessarily be crippling, whereas it would become politically more and more costly to utilize the facilities on the same basis as in the past. The Nixon administration looked upon these problems as part of broader questions of US relations with Japan and Japan's future role in East Asia--something Nixon as a candidate had discussed in a major article in Foreign Affairs in October 1967. This viewpoint was in line with the thinking of the Sato administration that the time had come to set a firm

1. On January 11, Aichi told Ambassador Johnson that the GOJ might propose a formula whereby the United States would agree to "homeland" level in principle (i.e., no nuclear storage and no prior agreement to the reintroduction of nuclear weapons, with a requirement for prior consultations for conventional military operations as well), but with an understanding that the United States had a temporary right of nuclear storage and free conventional use of the Okinawa bases. On January 21, Aichi made a speech carrying a similar implication.

2. Ambassador Johnson's report of the January 11 interview with Aichi.

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date for the termination of US administration of Okinawa, which the GOJ viewed as the last vestige of the occupation and therefore inconsistent with Japan's status and prestige in Asia.³ Not only the State Department, but also, for example, the Department of the Army was inclined to weigh a possible loss in strategic flexibility against political gains.⁴

1. NSSM-5

It was against this background that the newly reorganized National Security Council on January 21, in one of its first actions, instructed the East Asian Interdepartmental Group (IG--successor to the IRG) to prepare a National Security Study Memorandum (NSSM) on US policy alternatives relating to Japan and the reversion of Okinawa. Most of the NSSM was to be drafted by Richard B. Finn, State's Country Director for Japan. By late February an early draft of the sections on Okinawa was being sent on a closely held basis to the embassy in Tokyo and to HICOM on Okinawa.

While the NSSM was under preparation, a number of apparently unrelated efforts were made to establish the dimensions of the problems that would be involved in the reversion of Okinawa. The Department of the Army completed a lengthy study in April 1969 dealing with various secondary problems (i.e., other than the major strategic questions): the attitude toward reversion of the Republics of China and Korea and of the United Nations; the possible format of reversion negotiations (whether the GRI would be a party to any agreement); the range of financial problems involved (dollar-to-yen conversion, various US claims and assets in Okinawa); and a wide range of military-related problems (land and labor requirements,

3. The point was made, for example, by Ambassador Shimoda in a call on Secretary Rogers, February 4.

4. Memo dated April 9, 1969, from the Chief of the Ryukyuan Affairs Division, ODCSOPS/International and Civil Affairs, commenting on the fact that Sato no longer mentioned special transitional arrangements in regard to the "homeland" level for Okinawa after reversion and that therefore a balance had to be struck between political and military considerations.

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status of third-country nationals employed or in training on US facilities, status of military and USIA communications facilities, sea and air traffic controls, and problems of applicability of the US-Japan Mutual Security Treaty (and Status of Forces Agreement). Also considered were civil problems, such as the question of textile quotas for Okinawa and the status there of private US firms and individuals.⁵ Although it was made available to other concerned agencies, there is no indication that the US embassy in Tokyo received a copy of the Army study until much later.

On April 24, the Deputy Chief of Mission of the embassy in Tokyo wrote to the Country Director expressing his concern over the relative lack of study of the various administrative problems that would arise, as opposed to the major problems that he supposed would be solved fairly readily. The embassy submitted a paper prepared by FSO R. E. Armstrong on "Okinawa: The Economic, Legal, and Administrative Aspects of Reversion" that independently covered some of the same ground as the Army study mentioned above. Armstrong mentioned also the relative lack of Japanese concern or knowledge of the problems involved in reversion. The problems treated by Armstrong included land problems, including base delimitation and the post-reversion need of the Japan Self-Defense Forces for facilities; legal problems, including adjustments in the Okinawan legal system to bring it into line with that of Japan before the SOFA could work; economic and fiscal problems, including dollar-to-yen conversion and balance of payment implications; civil air agreements; routine organizational problems the GOJ was likely to face in extending its administration to the islands, and similar problems the United States would face due to the relative lack of contact with Okinawa matters in the embassy in Tokyo, and the fact that HICOM worked through Defense rather than State Department channels. Armstrong's memo recommended the assignment of a senior Foreign Service Officer to

5. This study was prepared by Edward O'Flaherty, Special Assistant for Ryukyuan Affairs, International and Civil Affairs Directorate, ODCSOPS.

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the Ambassador's staff to negotiate directly with the Foreign Ministry at the vice ministerial level; he suggested that a legal specialist also be provided.⁶

The Japanese had been apprised by Assistant Secretary of State Bundy of the forthcoming review of US policy toward Japan, in a "general way," as early as January 24; while the NSSM was not otherwise discussed with the GOJ, there were numerous contacts with Foreign Minister Aichi and others in which the Japanese urged that a firm date be set for reversion. The embassy in Tokyo, in addition to recommending the assignment of a senior US negotiator, reported on April 24 that the Japanese were similarly prepared to designate a senior official to handle the negotiations. The embassy said it would be necessary to draw HICOM and the GRI into the negotiations--but as "junior partners" since the GOJ did not want the GRI to participate in government-to-government talks. The embassy described the Japanese concept of the negotiations as follows: US-Japanese committees would identify various problems, but a solution would not be negotiated until after Prime Minister Sato and President Nixon, at a meeting scheduled for November, had agreed on a date for reversion. The Foreign Ministry estimated that eighteen months might be needed for the negotiations. (While this implies that the GOJ viewed the negotiations taking place principally in Tokyo, Ambassador Tanaka was designated roving ambassador to travel back and forth between Tokyo and Washington to assist Ambassador Shimoda in the negotiations, as Tanaka told Deputy Assistant Secretary of State Brown on May 20.)

The major strategic problems involved in the reversion were also getting some high-level attention at this time, both within the

6. The later assignment of FSO Richard Sneider to the embassy as Special Assistant for the Okinawa negotiations was apparently not in response to this recommendation, but was independently worked out between the State Department and the White House.

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US Government and in discussions with the Japanese. For example, in April Under Secretary of State Johnson met twice with the JCS on the Okinawa question, going over the same ground that he had covered in numerous contacts with the Service Chiefs and various military commanders while he was serving as Ambassador to Japan (September 1966 to February 1969). He stressed that the GOJ could not agree to nuclear storage, but that it might privately agree to the reintroduction of nuclear weapons under emergency conditions. He said that it would be difficult for the United States to get agreement on free (conventional) use of the Okinawa bases, but that Japan might make a special concession in regard to Korea and Taiwan. Johnson again emphasized that if the GOJ, under pressure from the United States, agreed to more than that it might not be able to deliver when required. At the meetings, the Acting Chairman of the JCS, General McConnell, replied that the United States could agree to reversion only if it retained all current military rights.

In contacts with the Japanese, US officials stressed the importance of nuclear weapons to the US deterrent posture in East Asia. Upon request, a statement of the purpose of US nuclear weapons was prepared on April 16 by State and Defense for transmission to the GOJ. Similarly, on May 23, the US embassy in Tokyo was given a Japanese Self-Defense Agency study on the military aspects of US bases in Okinawa, which included among other points a realistic appraisal of the military importance of nuclear weapons in Okinawa, but noted that this was outweighed by "social and political" considerations. The paper said that in the event of a contingency in Korea or Taiwan that affected Japan's security, bases in Japan proper would be more important than those in Okinawa and that therefore in any event the prior consultation formula under the Mutual Security Treaty would apply.

The Japan NSSM (designated NSSM-5) came up for discussion before the National Security Council on April 30. While the records of that meeting were not examined for this study, the key issues and

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positions taken are identifiable from State Department memorandums and from interviews with some of the participants.

NSSM-5 identified two main issues: (1) continuation of the Mutual Security Treaty (MST--which after its decennial anniversary in 1970 could be terminated on one year's notice by either party, continued in effect without action by either side, or continued in effect with some amendments) and (2) the reversion of Okinawa. The two points were related in that a reversion agreement could substantially reduce the sentiment in Japan for termination or major amendment of the Mutual Security Treaty.

The NSSM identified various alternatives in regard to Okinawa's reversion as follows:

A. Timing⁷

1. Reversion of Okinawa in 1972, if agreement can be reached in 1969.
2. Agreement in 1969 but reversion to take place only when all negotiations are completed.

B. US Military Rights.⁸ In regard to nuclear weapons, the maximum would be the status quo, and the minimum "homeland" level. Within this range the following options were identified.

1. Status quo
2. Interim agreement for storage and free use
3. Emergency re-entry only
4. Transit rights only
5. Re-entry only for weather or humanitarian reasons
6. Homeland level

C. Conventional Use.⁹ (Note that in Japan proper, prior consultation is required unless Japan itself comes under attack.) Options were listed as follows:

7. State (joined by ASD/ISA on this as on most other issues) argued in favor of the first alternative, since the second would not be responsive to Japanese political requirements.

8. State-ISA and the JCS diverged sharply on this, State-ISA favoring (3) and JCS (1).

9. State-ISA favored (3); JCS favored (1).

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1. Status quo
2. Interim free use
3. Limited free use for key areas such as Taiwan and Korea, this to apply to bases in Okinawa and in Japan proper
4. Present "homeland" level

D. Japanese Defense Effort.¹⁰ (Tangentially related to the Okinawa question was the discussion in the NSSM of the overall Japanese defense effort.) Two options were listed:

1. Press Japan to develop substantially larger defense forces with regional capabilities
2. Encourage modest increases in Japanese defense forces and qualitative improvements

There was a considerable consensus among agencies on most aspects of the NSSM (including points unrelated to Okinawa that have not been summarized here), with the significant exception of the acceptable level of US military rights in Okinawa after reversion. The JCS insisted on the retention of existing rights. The principal presentation at the NSC meeting was made by U. Alexis Johnson, at the President's request. Johnson stressed the importance to the United States of the security relationship to Japan, and the obstacle that Okinawa could become in that relationship. The discussion at the meeting led to the decision to proceed with the reversion of Okinawa, although the underlying interagency differences remained largely unresolved.

2. NSDM-13

The National Security Decision Memorandum (NSDM) 13, dated May 28, 1969, resulting from the NSC meeting, stated that the United States would seek to maintain and improve its relationship with Japan, including maintenance of the security treaty and reductions of irritants pertaining to the base structure; and that the United States would seek to encourage moderate increases and qualitative

10. All participants except Treasury favored (2), which presumably was considered to be consistent with the additional defense responsibilities Japan would accept in the reversion of Okinawa. Treasury favored (1).

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improvements of Japan's defense efforts while avoiding pressure on her to develop substantially larger forces or to play a larger regional role. With respect to Okinawa, NSDM-13 stated that the President had directed that a strategy paper be prepared by the EA/IG, under the supervision of the Under Secretaries Committee, for negotiations with the GOJ over the next few months on the basis of the following elements:

- (1) Our willingness to agree to reversion in 1972 provided there is agreement in 1969 on the essential elements governing US military use and provided detailed negotiations are completed at that time (i.e., in 1972).
- (2) Our desire for maximum free conventional use of the military bases, particularly with respect to Korea, Taiwan, and Vietnam.
- (3) Our desire to retain nuclear weapons on Okinawa, but indicating that the President is prepared to consider, at the final stages of negotiation, the withdrawal of the weapons while retaining emergency storage and transit rights, if other elements of the Okinawa agreement are satisfactory.
- (4) Other commitments to be sought from Japan with respect to Okinawa.

NSDM-13 thus left for later presidential resolution the major policy difference revealed by the NSC meeting on the storage of nuclear weapons in Okinawa, while indicating--somewhat vaguely--that on other matters, such as the conventional use of the bases, the best feasible outcome would be sought in the negotiations. However, that the United States would eventually defer to Japan and relinquish its right to store nuclear weapons on Okinawa seems to have been implied in the high-level State Department view--in which ASD/ISA, the Department of the Army, and the White House staff presumably concurred--that no Japanese government could agree to reversion on the basis of continued nuclear storage on Okinawa, and that agreement on reversion was essential to the survival of a conservative, pro-American government in Japan. If the United States was going to insist on nuclear storage, there would, in the eyes of the State Department, be no point at all in proceeding with the reversion negotiations.

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In early June, Foreign Minister Aichi visited Washington and had conversations with US officials, including President Nixon, Secretaries Rogers, Laird, and Kennedy, and U. Alexis Johnson. Rogers stressed to Aichi the problems the United States faced in regard to Korea, Taiwan, and the SEATO area, particularly that of maintaining the credibility of our security position. Aichi agreed, particularly in regard to Korea. (He made a similar point also to President Nixon.) There was some discussion of the meaning or "prior consultation" in current homeland arrangements. In his conversations with Secretary Kennedy, Aichi stressed that the GOJ needed more detailed data from the United States on financial aspects of the reversion. With Johnson, Aichi discussed the assumption by Japan of defense responsibilities in Okinawa. The basis was thus laid for much of the negotiation that would take place during the second half of the year, preparatory to the Nixon-Sato meeting scheduled for November, at which the reversion decision was to be formally announced. Aichi left with the State Department a Japanese proposal for the communiqué that was to be issued by Nixon and Sato and also for a unilateral Japanese statement that would stress the importance of South Korea to Japan's security (this was to become the important Press Club speech by Prime Minister Sato).

Whether Aichi raised the question of nuclear storage in Okinawa is not clear; in any case, none of the US officials with whom he conferred could have given him any assurances on this point, given the NSC deferral of the issue. However, on June 3, 1969--the day after Aichi met with President Nixon--Hedrick Smith reported in the New York Times that the decision had been made to proceed with the Okinawa reversion without insisting on nuclear storage. The Smith article correctly reflected in all other respects the substance of the Japan NSSM and of the NSDM, and was obviously based on an informed source, possibly with the aim of reassuring the Japanese on a point on which no formal agreement could be reached until President Nixon met later in the year with Prime Minister Sato. (However, in dealing with the Japanese officially, it was later stressed that

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contrary to the press report no decision on the nuclear issue had been made.)

B. TACTICS AND PRINCIPLES

1. EA/IG Negotiations Strategy Paper

Pursuant to NSDM-13, Japan Country Director Richard B. Finn prepared a detailed strategy paper that was approved by the EA/IG and by the Under Secretaries Committee in early July. The principal points in Finn's paper were as follows:

A. Basic Strategy. Focus on major military rights we want-- nuclear and conventional--and certain other commitments from Japan, such as assumption of some financial and defense obligations. The objective is to get agreement for Nixon-Sato formalization in November.

The Aichi talks in Washington in early June and the draft communiqué presented by Japan are a useful start. There are now three major cards available to the United States:

- (1) The government of Japan is most reluctant to push the reversion issue to the point of a break with the United States.
- (2) Reversion on terms that are palatable to the Japanese public would be a political plum for the conservatives.
- (3) Our willingness to consider withdrawal of nuclear weapons later in the negotiations (of which the Japanese have definite hints) provides bargaining leverage.

Japan also has some good cards--the US interest in maintaining the alliance relationship; the US realization that pressure for reversion is strong and that it requires careful handling.

B. Tactics and Timetable

Phase I: Approach by Ambassador Meyer during period prior to Joint Cabinet Meeting in late July. Review the Aichi Talks and probe further. Present US counterproposal for communiqué. Keep US view on nuclear storage "on the negotiating table."

Phase II: Joint Cabinet Meeting. Rogers will probe, especially on maximum flexibility on conventional use and financial and other arrangements. If Japanese resist nuclear storage, he will propose negotiations

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to proceed on all other aspects in Tokyo, for consideration of reversion package by principals during Aichi visit to Washington in September. Nuclear question to be left aside.¹¹

Phase III: August Negotiations. Reach agreement on public and private language on conventional use, financial, and other arrangements. Defer nuclear storage, but touch on emergency storage and transit rights.

Phase IV: Aichi September Visit. Rogers and Aichi to seek agreement ad referendum on most elements of package. Nuclear storage to be referred to the President if Japan is still adamant, trying for US reply by end of September "in the light of other agreements."

Phase V: Final Negotiations. Between September and November, final draft agreement and communiqué negotiated subject to final Nixon-Sato approval. Congressional soundings at this time.

Phase VI: Nixon-Sato. Principals consider and approve agreements.

C. Timing. Assume 1972 reversion if agreement is reached on other matters in 1969.

D. Free-use Question. What will Japan say publicly and privately, especially in regard to Korea, Taiwan, and Vietnam, under the prior consultation formula?

E. Nuclear Question. Japan will stress its "uniquely sensitive public opinion." We should continue to stress nuclear aspects of our military capability and deterrent. We should use this to gain maximum advantage on the "free conventional use" issue. We should stress emergency storage rights without yielding on our basic position. Also: should try for written agreement on transit rights. Exceptional cases to be explored, such as weather diversion of SAC bombers.

F. Financial. Principle that there should be no dollar windfall to Japan from reversion. "Trade-off" on our assets, such as power and water companies. A working group has been set up. We agree with Aichi that we will provide data required by Japan.

11. The meeting referred to is the cabinet-level Joint Economic Committee that was to meet in Tokyo and that Secretary Rogers expected to attend. It was not intended to raise the Okinawa question in the context of the agenda of the meeting, but rather Rogers was to take the opportunity of his presence in Tokyo to raise the issue with Japanese officials.

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G. Other Commitments. Explore some other areas listed in NSSM-5:

- (1) Local Defense Assumption. The GOJ has already indicated willingness. The JSDF will need some base areas. Coordination with US services. Possibility of integrated command in emergency. US working group is now exploring these problems.
- (2) Payment of costs for relocating special weapons off island (est. \$50 million). Raise only after United States agrees to remove nuclear weapons.
- (3) Retention of VOA relay facility in Okinawa. (Japanese law would preclude continuation of transmissions without special agreement.)

The strategy paper noted that working groups had been set up on certain aspects of the negotiations. The EA/IG on June 12 established working groups on the draft communiqué (chaired by Country Director Richard Finn), on economic-financial aspects (chaired by Deputy Assistant Secretary of State Robert Barnett), and on the Japanese defense takeover of Okinawa (chaired by Dennis Doolin of ASD/ISA). The most active of these groups was the economic-financial one, which established definitive guidelines for negotiations to be carried out by the US Treasury Department with the Japanese Ministry of Finance. The defense working group also established guidelines, but these were not negotiated with the Japanese prior to the Nixon-Sato meeting and the group became relatively inactive. The working group on the communiqué did not formulate guidelines corresponding to those of the other groups, because the negotiating strategy paper already adequately covered the subject. The group did meet occasionally, but was generally used informally (i.e., by telephone) to obtain interagency clearance for State Department guidance for various aspects of the subsequent negotiations in Tokyo of the communiqué.

2. Economic-Financial Guidelines

Barnett's economic financial working group met on June 24, July 9, and July 17 to consider principles for the financial aspects of reversion, preparatory to the meetings between Secretary of the

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Treasury Kennedy and Finance Minister Fukuda that were scheduled for Tokyo in July and Washington in September.¹² The group had available to it the papers prepared earlier by the Army Staff and the embassy that sought to identify the problems involved in reversion. In addition, the group discussed precedents, such as the Bonins reversion and the Saar reversion to Germany. It was decided that currency conversion could take place in one step (dollar-to-yen) or via an intermediate step involving MPCs or more likely an overprinted dollar currency. While some participants might have liked to somehow sanitize or demonetize the dollar holdings that would result from conversion, it was pointed out that the dollars circulating in Okinawa represented valid claims on the United States, which would have to be honored. Barnett stressed the fact that Okinawa had prospered under US rule and said he would ask the Federal Reserve to prepare a study on economic development there during the postwar period.¹³ The guidelines that were developed in these meetings, with a wide degree of interagency agreement, were circulated by the IG/EA on July 18 as follows:

- (1) The Japan SOFA will apply to Okinawa after reversion except for possible minor arrangements that will be worked out.¹⁴
- (2) The Okinawa prefecture will have the same relationship to the GOJ as any other prefecture.

12. Kennedy was later replaced by Assistant Secretary of the Treasury Petty at the July meeting in Tokyo.

13. The excellent paper by Reed Irvine on Okinawa's economic growth that resulted from this request was received too late to have much impact on the negotiations. The recommendation was later made to have the study reflected in the Nixon-Sato communiqué, but this came too late to be included.

14. This decision that the Japan SOFA would apply referred, of course, only to the financial aspects of the SOFA. Whether the Mutual Security Treaty, the SOFA, and the "bookshelf" of subsidiary agreements that had been worked out in Japan over the years would apply to Okinawa and how various resulting problems would be reconciled were issues that required considerable attention subsequently.

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- (3) Private US firms will operate in Okinawa under the same law as in Japan, but some latitude will be allowed during a transitional period.
- (4) The dollar-to-yen conversion will be worked out subject to the principle that there should be no net foreign exchange (dollar) gain to the GOJ and no balance of payment loss to the United States.
- (5) There should be fair reimbursement to the US Government for facilities and assets transferred to the GOJ.
- (6) The United States will claim compensation for some past expenditures such as GARIOA.¹⁵
- (7) The United States will seek to have the GOJ finance the cost of alternate facilities required because of reversion (e.g., relocation of military facilities that are now collocated with civilian facilities at the Naha airport and port).
- (8) US claims are not to be used to bargain for GOJ concessions in the military field.
- (9) Reversion should not be used as leverage to assist in settlement of bilateral economic difficulties with Japan.¹⁶

While the above principles were apparently relatively noncontroversial, some differences of emphasis arose. The Army (Siena), for example, wanted to leave open the possibility of a US claim for compensation for some bases that the United States would continue to use, on the grounds that under the SOFA the GOJ is obligated to furnish facilities required by the United States--and yet in Okinawa, the United States had acquired through leasehold much of the land it used and had financed the cost of all facilities constructed, costs for which it should be compensated when title passed to Japan. Siena conceded such a claim could raise excessive hopes in Congress, but

15. "Government and Relief in Occupied Areas." When US claims against Japan for GARIOA expenditures were settled, Okinawa was specifically excluded. Subsequent research indicated that GARIOA for Okinawa was not a legally supportable claim against the GOJ, and the matter was not pressed in the actual negotiations.

16. Despite interagency agreement on this point, the suspicion persisted that the Commerce Department may have tried to use the Okinawa reversion issue as a pressure point in textile negotiations with Japan.

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that it might help the GOJ in the Diet if it was made clear how much the United States asked for in its opening gambit. The Treasury, for its part, wanted to stress that the financial settlement should not be compromised to settle bilateral economic problems--so much so that Treasury suggested listing point (9) first.

3. Japanese Defense Takeover Guidelines

The working group on the Japanese takeover of the defense of Okinawa seems to have operated more slowly, possibly because the matters under its purview, while required for planning purposes, were not to be negotiated with the Japanese at this stage. The working group submitted a report, circulated early in October, that included the following recommendations:

- (1) The GOJ is to assume air defense responsibilities for Okinawa. The warning system is to be modernized and integrated with that of Japan proper and Korea. The home island US-Japan cooperative defense system is to apply. The United States is to receive compensation from the GOJ for air defense facilities in excess of US requirements that GOJ wishes to take over.
- (2) The United States should concur if GOJ wants to transfer a squadron of fighter aircraft (F-104s and F-4Js) to Okinawa.
- (3) GOJ is to assume responsibilities for internal security in Okinawa. One brigade (3000 men) should be sufficient; we should discourage additional transfers because of the strain on facilities.
- (4) The GOJ should finance construction of new facilities for US use in the sparsely settled northern part of the island in exchange for US facilities in the more heavily settled south.
- (5) Similarly, the GOJ should be encouraged to build a new airfield for US military use so that the United States could relinquish military use of the Naha airfield, which would be turned over to the GOJ.

The foregoing recommendations were accepted with relatively little dispute. The Department of the Army concurred in the recommendations, subject to comment from the high commissioner in Naha, particularly regarding the feasibility of the proposed relocation of US-used facilities. HICOM responded, pending detailed comment from

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the individual Service commanders in Okinawa, that there might be some problems but that in general he concurred with the procedures recommended.

The JCS (J-5) originally had been skeptical about turning too many responsibilities over to the GOJ. A JCS (J-5) memo of August 26 (discussed by the working group on September 29) stated:

Security of Okinawa is not the main mission of the US forces and is largely incidental. Introduction of JSD forces--if they replace US forces--will therefore deteriorate total readiness unless they are committed to some regional security missions (e.g., air defense) as well as to purely local defense missions. The JSD should develop its own facilities instead of taking over US facilities. Excessive deployment should be discouraged. There will be various stresses during transitional period; for example, due to training required before JSD can assume anti-aircraft responsibilities. In this period US requirements should have priority. Air defense of Okinawa should be integrated with Korea and Taiwan. (Emphasis added.)

Other points in the JCS memorandum, not summarized above, were essentially similar to those reflected in the working group recommendations, which appear in fact to have been based largely on the JCS memo.

At the end of May, HICOM established a Special Task Group (STG) as a contact point in Naha. On July 29, General Lampert submitted a list of problems drawn up by the STG for consideration, noting incidentally his concurrence with the Okinawa negotiations tactics paper prepared by Richard Finn and with the April O'Flaherty study on reversion problems. Most of the STG list duplicated problems already noted by others. A difficult issue was raised, however, in a section dealing with Japan/MST/SOFA modifications that would be required by special circumstances in Okinawa, such as special communications requirements, the presence of third country nationals, both as employees and trainees of US forces, and the provision of US-Japan agreements, whereby US use of facilities could be terminated upon the demand of the GOJ--the latter said to be inappropriate in Okinawa.

In the months following, the STG worked out detailed studies of most of the problems it had listed, providing back-up data for both

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the Department of the Army in Washington and for the negotiators in Tokyo. This included particularly considerable data on the value of US assets in Okinawa, which were provided through the Department of the Army to the Barnett working group. However, many of the problems identified and studied by the STG did not come up for negotiations until after the reversion agreement. For example, after the problems of SOFA revisions had been flagged by the STG and others, it was generally agreed that the problems were manageable and that it would be politically dangerous to raise the possibility of revising either the SOFA or the MST. (At worst, proposals for revision could have led to a crisis such as that of 1960 when the MST was revised; at best, reopening the SOFA might result in a much less favorable agreement. Sneider pointed out to the STG in one visit that more recently negotiated SOFAs gave a much more favorable position to the host country.) In addition to providing staff support for the Army and Tokyo, the STG also served as a contact point for briefings during visits to Okinawa in the course of 1969 by officials involved in reversion negotiations.

C. NEGOTIATIONS

Actual negotiations with the Japanese were conducted on three levels, following the tactics and guidelines the development of which was described above.

(1) Cabinet-level Discussions. Foreign Minister Aichi met with Secretary Rogers (and other US officials) in Washington (June and September) and in Tokyo (July) to set forth the broad outlines of the negotiations to be held in Tokyo. Finance Minister Fukuda met with Secretary of the Treasury Kennedy at Fairfield Farms near Washington in September to discuss the general principles of the financial settlement, in the process of which it was agreed that this aspect of reversion would be negotiated directly between Treasury and Finance officials, also in Tokyo. In addition, once working-level negotiations were under way, Ambassador Meyer met with Aichi on, roughly, a monthly basis.

(2) Sneider-Togo Negotiations. The bulk of the negotiations was handled by FSO Richard Sneider, who was assigned in late July as a Special Assistant to Ambassador Meyer

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for this purpose.¹⁷ Sneider was able, particularly at the outset, to work with considerable initiative with his Japanese counterpart, the head of the American Affairs Bureau of the Foreign Ministry, Togo, who also appears to have had some negotiating latitude. Within the embassy, Sneider worked directly with the Ambassador, consulting other units only as required for specific problems. Vice Admiral Curtis was later designated as the senior military member of the negotiating team; his function was to ensure that military requirements pertaining to Okinawa were adequately taken into account. The talks were held in Tokyo, but members of the group traveled to Washington and Naha for consultations and briefings. The Sneider group in Tokyo was able to operate with considerable autonomy because it included military representation and because the outlines of the negotiations had already been agreed upon through the interagency process in Washington. Sneider and Togo normally exchanged various proposals "ad referendum," subject to final approval by the State Department and Foreign Ministry, which was usually obtained fairly expeditiously.

(3) Jurich-Kashiwagi Negotiations. The economic and financial aspects of reversion were negotiated separately from, but parallel to, the Sneider-Togo negotiations by Anthony J. Jurich, a senior Treasury official, and his counterpart from the Japanese Finance Ministry, Kashiwagi. These talks began quite late, on October 21. Although the embassy (and the State Department) at the outset assumed that, in accordance with normal practice, an embassy officer and a Foreign Ministry official would participate in the talks, the Japanese Finance Ministry insisted that the negotiations be solely between Treasury and Finance officials. Since this had, in fact, been so agreed at Fairfield Farms by Secretary Kennedy, the arrangement stood as the Japanese desired.¹⁸ State Department messages made it clear, however, that Jurich would be serving under the Ambassador's direction, and so far as the available record

17. Sneider had previously served as the senior Far East specialist on the White House NSC staff, and before that as State Department Country Director for Japan.

18. The basis for this insistence is not entirely clear. Fukuda may have had a political motive in wishing to share personally in what he expected would be the substantial political advantage that Prime Minister Sato would gain from successfully negotiating the Okinawa reversion. It is possible also that Treasury and Finance had a common aim in keeping the financial negotiations separate, so that the financial settlement would not be compromised by considerations (such as the textile dispute) that were of principal interest to other agencies.

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reveals the embassy and the State Department were kept informed on the negotiations--but often belatedly and not in detail. (Instructions to Jurich were drafted in the State Department, mostly by Robert Barnett but sometimes jointly with Treasury and the Army.)

In the cabinet-level meetings, only general principles were discussed. As noted above, at the June meetings in Washington Foreign Minister Aichi had given Secretary Rogers the first GOJ draft of the proposed communiqué and the associated unilateral Japanese statement. In June and in subsequent meetings with Aichi, Rogers stated the US position, emphasizing (a) the need for a flexible understanding on the conventional use of US bases not only in regard to Korea but also Taiwan and Vietnam; (b) the importance of nuclear weapons to US military strategy and deterrent policies--without, however, pressing the question of nuclear storage; and (c) the principle that the United States should receive compensation for its assets in Okinawa and that it should not incur a balance-of-payment penalty from reversion. The Kennedy-Fukuda talks at Fairfield Farms similarly dealt with broad principles, according to the guidelines established by the Barnett working group. Fukuda indicated that the GOJ preferred to defer any agreement, even the principles of a financial settlement, until after the Nixon-Sato agreement on reversion so that it would not appear to the Japanese Diet that the GOJ was "buying" Okinawa back from the United States; Kennedy pointed out, however, that such deferment would be impossible in view of US congressional sensitivity.¹⁹ It was then agreed that financial talks would proceed.

In moving into the working-level negotiations, a number of specific issues--some still controversial within the US Government--had to be resolved:

Nuclear Storage. As noted earlier, the question of nuclear storage, the point of most concern to DoD, especially the JCS, was

19. It was to be a particular point of sensitivity for the Defense Department that US assets in Okinawa should be adequately compensated in the reversion agreement, so that there could be no congressional criticism and in order to facilitate subsequent requests for military construction appropriations necessitated in part by the relocation of some functions away from Okinawa.

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deferred by NSDM-13 for later presidential decision, but the Japanese were reminded of the US position from time to time, for example, in a briefing of the negotiating group by Vice Admiral Curtis on October 8.

Maximum Free Conventional Use. A serious attempt was never made to obtain a blanket assurance of free use (as in an "ideal" US draft communiqué that was briefly discussed in the communiqué working group in Washington in early July). The discussions between Sneider and Togo from the outset revolved about the assurances the GOJ would give regarding the "prior consultation" formula in the event of hostilities in Korea, Taiwan, and Vietnam (if the war still continued at the time of reversion). The Japanese had no difficulty with assurances regarding Korea but wished to use somewhat different language regarding Taiwan. There was some discussion about whether the Okinawa agreement should supersede existing arrangements regarding Japan proper. Despite the efforts made, some Pentagon officials felt that the aim of NSDM-13 regarding "maximum" free use was not being achieved in the negotiations. The Army staff, for example, argued that a decision should be made on the nuclear question so that this might be used as leverage to obtain a better agreement on conventional use. However, these issues did not generate major interagency discussions, since it was generally accepted that the Tokyo negotiations were proceeding satisfactorily. Not only the content of the GOJ assurances but also the format was discussed at length, including suggestions for a planned public unilateral statement by Sato, various possible types of secret agreements,²⁰ and diplomatic reassurances directly to the Republics of China and Korea.

Applicability of the MST and SOFA. Again, an attempt to exempt Okinawa from certain provisions of the MST and SOFA was not seriously pressed with the GOJ, despite some expressions of concern by the

20. The Japanese accepted a public, unilateral statement by Sato in part to avoid the need for any secret agreements. The US side in fact appears to have raised the idea of secret agreements from time to time as a means of getting the Japanese to make a satisfactory unilateral public statement.

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Pentagon on this matter. The US military initially were concerned over various problems that would be raised by applying the MST/SOFA provisions without change, such as difficulties in communications, status of third-country nationals, and the possibility that the GOJ might at some time unilaterally terminate US use of various facilities.²¹ The negotiators, with the State Department--and eventually the Joint Staff--concurring, were more concerned about avoiding raising the specter of MST revision, and therefore agreed that the MST, the SOFA, and related agreements would apply (subject to flexible arrangements that the GOJ might carry out unilaterally or might later be agreed upon, for example, in the US-Japan Joint Committee). Much of the discussion concerned the matter of which MST-related agreements should apply and whether they need be listed.

Other Understandings. Sneider also raised with the Japanese certain of the lesser points that had not been resolved, including some of the SOFA-related concerns. Separate understandings, either formal or informal, were reached regarding the equitable treatment of third-country nationals and of US firms in Okinawa during the transitional period and assurances that the VOA relay transmitter could continue to operate.

Financial Aspects. The most difficult negotiations involved financial questions. Although detailed guidelines, which had been discussed in general terms at Fairfield Farms by Kennedy and Fukuda, were prepared by Barnett's working group, additional difficult policy decisions had to be resolved at the outset of the negotiations: (a) whether to attempt to fix a sum for a financial settlement on the basis of detailed appraisals of various US claims, or whether to

21. Some of the same memorandums that complained of inadequacies in regard to free conventional use of the bases also pointed out remaining problems in regard to SOFA applicability. The October 13 memorandum referred to in the preceeding footnote noted some improvements in the communiqué as reported from Tokyo, but said that the problem of base termination at GOJ option still remained.

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agree more simply on a lump sum; (b) if the latter was agreed to, what sum should be requested in an opening gambit, and what minimum sum should the negotiators be authorized to accept. The lump-sum approach was advocated by Assistant Secretary of State of Economic Affairs Trezise²² and was independently adopted by Secretaries Laird and Kennedy. However, when Jurich put the proposal to Kashiwagi, the latter strongly resisted, on the grounds that the lump-sum approach had not been raised by the United States at Fairfield Farms and the Japanese Diet would insist on a detailed account for any settlement. The Japanese position again reflected the GOJ preference for postponing the financial settlement until after reversion had been formally approved by the Nixon-Sato meeting in November. After his second meeting with Kashiwagi on October 22, Jurich telegraphed Washington that if the Japanese persisted in rejecting the lump-sum approach he would, under his instructions, have to report the failure of his mission, since an item-by-item approach would not be likely to lead to the "required result." Something of a compromise was arrived at, however, when Jurich was authorized to present a detailed derivation of the lump sum requested.

The related question of the size of the settlement proved difficult. An "initial" sum of \$650 million was agreed upon in Washington, apparently on the recommendation of the Secretary of Defense. It was understood on the American side that the final sum would have to be large enough to impress Congress and the components sound enough to impress the Diet. This caused considerable debate in Washington. At a working group meeting in Washington on October 31 (after the Tokyo talks had already begun), Assistant Secretary of Defense (ISA) Nutter insisted that there could be no agreement below \$600 million. On November 1, at another working group meeting, Barnett proposed that US budgetary savings (estimated at about \$150 million over five years) be taken into account in any congressional presentation (that is, savings flowing from the Japanese assumption

22. Memorandum for the working group, September 3, drafted by Erland H. Heginbotham.

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of various expenditures, such as land rent and social security payments to local workers). Barnett felt that the Tokyo negotiators should be authorized to accept a figure of \$400 million, a total reasonably close to the DoD requirement if estimated budgetary savings were added.²³

Another issue, more easily disposed of, was the method of dollar-to-yen conversion. Reacting to a Japanese suggestion, the Treasury Department proposed²⁴ that the \$100 million Japan was expected to realize from the exchange be deposited in the Federal Reserve Bank of New York in a 15-year interest-free account, to be drawn against prior to that time only if liquid reserves of the Bank of Japan should decline by 50 percent or more. This would create a backing for the newly issued yen and at the same time meet the requirement that the exchange not involve a statistical balance-of-payment drain for the United States.

Under the circumstances, Jurich's negotiations proceeded slowly. But agreement was essential. As late as September 29, at an EA/IG meeting, the State Department Economic Affairs representative said that Assistant Secretary Trezise believed that the United States should take the line with the GOJ that the Nixon-Sato meeting might be postponed if the financial aspects were not resolved prior to the scheduled meeting. And yet it was generally understood in State, and probably also in DoD, particularly ISA, that such a postponement

23. When Jurich first ran into opposition from the Japanese on the lump-sum concept, he was authorized by a State Department message (October 22) to agree to \$600 million (in place of the earlier \$650 million asking sum). A later message (November 2) proposed a total of \$527 million with a breakdown by major categories that the message suggested each side might treat as it chose. Jurich was to discuss the \$527 million sum with Sneider and the Ambassador. Although the message had been cleared with DoD it met with strong disapproval by Under Secretary Packard, who insisted that State (U. Alexis Johnson) send out a follow-up message denying the negotiators authority to accept any sum under \$600 million.

24. The proposal was contained in instructions telegraphed to Jurich by the State Department on November 6.

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would be disastrous for Sato's political future and, hence, US-Japanese relations.

D. AGREEMENT IN TOKYO

On November 10, shortly before the Nixon-Sato meeting (scheduled to begin November 19), the embassy in Tokyo reported that Jurich had achieved an understanding with the Japanese providing for a total settlement of \$520 million, including a \$112 million interest-free deposit for the dollars to be realized from the currency exchange. The understanding was better than State Department officials had expected, even though the total sum fell somewhat short of DoD's figure of \$600 million. (With the addition of budgetary savings, of course, the settlement substantially exceeded the target figure.) The Japanese did not want to formalize the agreement before reversion was formally approved, and they proposed an oral confirmation followed by a written agreement some weeks after the Nixon-Sato meeting. In Washington U. Alexis Johnson undertook to obtain the concurrence of Secretary Laird in what the State Department considered to be an excellent agreement, and a message of concurrence was sent to Tokyo on November 11. (While the agreement itself was good from the US viewpoint in its general outlines, many of the details agreed upon were included neither in the written agreement nor in the record of the negotiations; this led to a great many problems in the detailed negotiations that were to follow in the 1970-72 period.)

Sneider's negotiation of the communiqué for the Nixon-Sato talks and related agreements, which were to contain the assurances and understandings required before the reversion, proceeded generally more smoothly than the financial talks. Sneider began his negotiations much earlier, and fewer issues were left unresolved. Except for the problem of nuclear storage, there was in fact a wide area of agreement between Sneider and the Japanese negotiators; the chief problems were related to format and terminology. By mid-October most of the language of the communiqué and other agreements had been

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agreed upon, leaving principally editorial changes or problems unrelated to the Okinawa reversion for later resolution. The one exception was still the question of nuclear weapons.

As noted, Sneider and the Ambassador kept the US position on the nuclear question "on the table" throughout the talks. As the Nixon-Sato meeting approached, the Japanese exhibited some impatience. On September 25, Ambassador Tanaka reminded Assistant Secretary Green and Deputy Assistant Secretary Barnett that not much time remained to resolve the "last remaining issue." (As has already been noted, the Army staff at about the same time began urging that a decision be reached so that it could be used as a negotiating lever.) On October 8, Admiral Curtis gave his briefing on nuclear matters to the negotiating group in Tokyo; this was followed by a visit to Tokyo by JCS Chairman General Wheeler, who presumably made many of the same points, and who indicated no change in the US position. It was not until October 31 that the Japanese received some hint that the question might be resolved. On that day U. Alexis Johnson told Ambassador Shimoda that instructions would be issued to the embassy in about a week. Those instructions were apparently slow in receiving clearance in Washington. (A draft had been prepared by Johnson and Finn on October 29, but the message was not available in Tokyo until over a week later.) Finally, on November 12 Ambassador Meyer saw Foreign Minister Aichi and told him that the President would review the nuclear question with Prime Minister Sato personally, that the United States appreciated and sympathized with the political problem surrounding this issue in Japan, but that the proposal to limit nuclear storage created strategic as well as political problems for the United States. This may have been less than the Japanese expected, but it was enough to permit Sato to proceed with his trip. (Sato would not have made the trip if he had not felt encouraged that the United States would eventually come to a satisfactory agreement on the nuclear problem. To cancel at the last minute would have been a political disaster for Sato, exceeded only by proceeding with the trip and then failing to reach an agreement.)

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The fact that agreement was reached on all aspects of the communiqué except the nuclear problem does not mean that all issues within the US Government were resolved. The persistent doubts of the Pentagon, particularly the Army, concerning the assurances regarding conventional use of Okinawa bases, lingered, although the communiqué was substantially strengthened from the US viewpoint in the course of the negotiations. In a memorandum to the White House on November 14, Secretary Rogers noted that the communiqué language represented a definite advance over agreements pertaining to Japan proper and that Sato was taking on some domestic political risks in regard to Korea, Taiwan, and Vietnam. State felt the assurances, while not "iron clad," were "adequate" and in fact represented an advance over existing assurances pertaining to bases in Japan proper. Rogers, however, reported that DoD continued to press for a supplementary secret understanding and that it was urging the President to probe Sato on obtaining a private understanding on unconditional conventional use of the bases in the event of armed attack in the Far East. The memo noted that Sato's "only real objective" in the Washington trip was to obtain agreement to Okinawa's reversion on a nuclear-free, homeland basis and that on the nuclear question he was likely to be "difficult."

E. NIXON-SATO TALKS

Prime Minister Sato's official visit to Washington took place November 19, 20 and 21, 1969. The communiqué that was issued at the end of the visit (see text in Appendix) is based on the work that was done by Sneider in Tokyo in the preceding months. The two governments expressed their agreement that reversion of Okinawa would take place during 1972 "without detriment to the security of the Far East including Japan." Prime Minister Sato stated in the communiqué that "the security of the Republic of Korea was essential to Japan's own security" and that "the maintenance of peace and security in the Taiwan area was also a most important factor for the security of Japan." The two governments agreed that if peace in

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Vietnam should not have been realized by the time of reversion, there would be full consultations so that reversion would not affect US efforts to "assure the South Vietnamese people the opportunity to determine their own political future."

The two governments also affirmed their intention to maintain the Treaty of Mutual Cooperation and Security (which in 1970 became subject to termination upon one year's notice by either party). The treaty and its related agreements were to apply to Okinawa after reversion without modification. While this implied a nonnuclear status for US bases in Okinawa after reversion identical with that of US bases in the rest of Japan, the subject was raised specifically in paragraph 8 of the communiqué, which had not been negotiated in Tokyo by Sneider but was based on a draft prepared immediately before President Nixon's meeting with Sato. According to paragraph 8, Sato "described in detail the particular sentiment of the Japanese people against nuclear weapons and the policy of the Japanese Government reflecting such sentiment," and the President "assured the Prime Minister that, without prejudice to the position of the United States Government with respect to the prior consultation system under the Treaty of Mutual Cooperation and Security, the reversion of Okinawa would be carried out in a manner consistent with the policy of the Japanese Government as described by the Prime Minister." The communiqué, in accordance with Japanese desires, did not reflect the economic and financial agreement in principle that had been reached in Tokyo, but merely noted that "financial and economic problems, including those concerning United States business interests in Okinawa" would be solved between the two governments and that detailed discussions would be initiated promptly. In regard to military matters, Sato agreed that following reversion the Japanese Government would "assume gradually the responsibility for the immediate defense of Okinawa as part of Japan's defense efforts for her own territories." The communiqué established a Preparatory Commission on Okinawa, which would report and make recommendations to the US-Japan Consultative Committee in Tokyo, which would have overall responsibility for reversion arrangements.

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It was part of the understanding negotiated in Tokyo by Sneider that Prime Minister Sato would unilaterally amplify some aspects of the communiqué. Sato did this in his address to the National Press Club on November 21, 1969. Sato described the importance of the US-Japanese security relationship for peace and stability in the Far East. Carrying the language of the communiqué one step further, he said that "if an armed attack against the Republic of Korea were to occur, the security of Japan would be seriously affected. Therefore, should an occasion arise for United States forces in such an eventuality to use facilities and areas within Japan as bases for military combat operations to meet the armed attack, the policy of the Government of Japan towards prior consultations would be to decide its position positively and promptly on the basis of the foregoing recognition." Similarly but purposely less precisely, he described the maintenance of peace in the Taiwan area as "also an important factor" for Japan's security and said that Japan "would deal with the situation on the basis of the foregoing recognition in connection with the fulfillment by the United States of its defense obligations."

The Okinawa reversion communiqué did not fully meet the desires of some high US military officers for more specific assurances regarding US use of its military facilities in case of a military emergency in the Far East. However, the rationale behind the President's decision to accept a nonnuclear status for Okinawa and not to press the Japanese for supplementary secret agreements was understood and accepted by those concerned, including the JCS, and some concerned congressional committee chairmen (some key figures were briefed by the President himself at a White House breakfast before the Sato visit). There was, furthermore, considerable satisfaction with Prime Minister Sato's expressions of his government's interest in the security of South Korea and Taiwan. It was a persuasive argument that these statements placed the Japanese Government clearly on the record against the day that the United States might have to seek Japanese concurrence, under the prior consultation system of the Mutual Security Treaty, for the military utilization of US bases either in Japan proper or in Okinawa.

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IV

THE REVERSION DECISION IN RETROSPECT

The historical record is often studied to learn what went wrong. In the present case, we are in the unusual position of asking what went right. In the early 1960s, anyone familiar with the Okinawa problem and with the different attitudes toward it in the State and Defense Departments would have predicted that somewhere in the future lay a violent interdepartmental controversy over the timing and terms of reversion. Indeed, precisely such a controversy appeared to be building up in 1965-66 as the US Ambassador to Japan pressed for action to meet rising Japanese and Ryukyuan dissatisfaction with the status quo and as two successive high commissioners in Okinawa made clear their firm resistance to any degradation of the US military position on the island. The threatened second battle of Okinawa, however, was never fought. After a series of probes and minor skirmishes, all parties concerned joined in an orderly, reasoned attack on a common problem.

There is no simple explanation for this happy, and at one stage unexpected, turn of events. Sheer luck, in the form of a fortuitous conjunction of key personalities, played a major part. But a number of other factors were also involved which point to generalizations (or "lessons") of possibly wider applicability. These generalizations cannot be proved from the history of the handling of the Okinawa problem. They are presented below only as hypotheses which officials engaged in solving future problems of interagency coordination might want to ponder for possibly useful insights. In each instance, some illustrative or supporting data from the historical record is cited. In a few cases, we have gone beyond the written record and drawn on judgments derived from interviews with participants in the reversion decision-making process.

SECRET**A. STRATEGY**

In the early 1960s, the pressure for reversion was creating heat, but not motion. There was no lack of proposed solutions: stand fast, increase Ryukyuan autonomy, step up the involvement of the Japanese Government in Okinawa, set a reversion date, and so on. What was missing was a strategy whereby the various concerned parts of the US Government could be brought to agree on a solution and put it into effect. Or if such a strategy existed, it had yet to be adopted by officials in a position to carry it out.

In mid-1966, coincident with the formulation of the IRG/FE's Ryukyus Working Group, the situation began to change. Precisely what happened can probably never be reconstructed, but key officials in State and Defense began to look for common ground and to formulate issues in a way that facilitated agreement. The key shift in emphasis was away from the reversion issue as such and toward the problem of prolonging local popular acquiescence in US rule of the islands. Once all concerned accepted the fact that the fundamental question was not "whether," but "how long," the inevitability of eventual reversion became inescapable.

Whether any participant in the working group had a detailed step-by-step plan may be doubted, but a strategic concept clearly arose for conducting a two-front negotiating campaign: (1) with the Japanese, and (2) within the US Government.¹ The great value of such a strategic concept in all situations requiring complicated interagency coordination and difficult international negotiations is the first lesson suggested by the Okinawa experience.

1. The evidence for the existence of a comprehensive strategic concept after mid-1966 is of two kinds: (1) the recollections of a few key participants and (2) the fact that the decision-making process began to move in a manner suggesting an inner sense of direction, rather than a series of improvised reactions to external events. One senior official said that he had approached the problem by asking himself what the final US-Japanese communiqué on reversion should say and then trying to fill in the steps that would lead to the desired objective.

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B. EARLY CONSENSUS

The major tasks of leadership in dealing with an interagency problem include establishing priorities among competing US objectives, achieving agreement on the basic facts, and creating at least a passive consensus on a solution to the problems under consideration. The earlier in the decision-making process these tasks can be completed, the sooner will interagency agreement be reached and the necessary actions taken.

Handling of the Okinawa problem was impeded for many years by disagreement over which objective should have priority: maintaining good relations with Japan or maintaining unrestricted use of US military bases on Okinawa. This disagreement concerning priorities was at the root of the differences between Ambassador Reischauer and General Caraway. Reischauer's view eventually prevailed, but not until after he had left the government.

It is true that in 1966 the SIG instructed the IRG/FE that a key aim of US foreign policy is "to maintain the closest possible economic and security ties with Japan." But in the same year, the JCS still adhered to the view that the United States must have unrestricted use of the bases on Okinawa in order to discharge its responsibilities for maintaining peace and security in the Far East. The escalation of the Vietnam war reinforced the JCS view and deferred clear establishment of the overriding priority of the US-Japan relationship.

Later in the 1960s, a combination of developments worked in the opposite direction. The bombing halt in North Vietnam and the expansion of bases in Thailand reduced somewhat the importance of Okinawa in relation to the war. Also, fears of a wider Far Eastern conflict stemming from the war sharply decreased. Equally important, awareness of the increasing importance of Japan and its power potentialities increased. Just when the balance tipped decisively and irreversibly in favor of the Japanese connection is not certain, but by the time

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President Nixon assumed office in January 1969 no serious doubt on this score remained.²

Full agreement on the essential facts bearing on the Okinawa problem has not been achieved to this day, but a large area of agreement was reached after 1966 by the simple expedient of having an inter-agency working group study Okinawan public opinion and Japanese policy. The requirement of periodic joint embassy-HICOM reports was also a constructive move to the same end.

Straightening out priorities and agreeing on many of the relevant facts are important, even essential, to the successful resolution of interagency problems. They are not enough, however, to account for the remarkable smoothness with which interagency coordination was effected in the later stages of the Okinawa story. The missing ingredient, which scarcely appears in the written record, was the achievement in 1967-68 of what we have called above a passive consensus on the proper solution to the basic policy problem.

What appears to have happened was that on a number of occasions during the last two years of the Johnson administration, several key officials³ conferred informally on the Okinawa problem, usually in pairs or very small groups. From these talks evolved a common recognition that reversion was inevitable in the fairly near future and that the United States would thereafter have to accept restraints on the use of the Okinawa bases. This is not to say that everyone concerned welcomed reversion, agreed on the terms, or was able or willing to enlist the unqualified support of his own institution for it. The

2. In October 1967, the influential journal, Foreign Affairs, published an article by Mr. Nixon on Asia after Vietnam, which made much of Japan's future leading role in Asia. This sign of how the president-to-be would view the question of priorities with reference to Okinawa was probably not missed by career government officials, both military and civilian.

3. The individuals involved in these informal conferences included most notably the US Ambassador to Japan, the Commander-in-Chief, Pacific, and the members of the Joint Chiefs of Staff.

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consensus was passive, rather than active, but that was enough to open the way to the solution that was ultimately adopted.

C. TIMING AND FORMULATION OF ISSUES

The most interesting timing problem in the Okinawa story relates to the US-Japanese negotiations rather than to coordination within the US Government.⁴ Timing was, however, also important in the latter connection. In theory, the way to progress in handling any interagency problem is to focus on the right question at the right time. The historical record on the Okinawa problem provides both positive and negative illustrations of this principle.

In the early 1960s, General Caraway focused attention on what in retrospect was the wrong issue: how to block Japanese efforts to diminish US authority on Okinawa. This issue was wrong in two respects. "Solving" it would not cure the really basic problem--mounting Japanese and Okinawan dissatisfaction with the status quo. And, more relevant to the present analysis, there was little prospect of interagency agreement on either the basic facts (Japanese intentions and the consequences of increased Japanese involvement on Okinawa) or what should be done about them.

In 1965-66, it was Ambassador Reischauer who focused on the wrong issue: can US bases on Okinawa function under Japanese administration? In this instance, the issue advanced was relevant to basic problems (and was in fact considered later), but it was premature. By pushing for an early answer on the feasibility of reversion, Reischauer alarmed those officials, principally military, who were responsible for

4. Most of the US participants whom we interviewed believe that the timing of the negotiations was about right. The United States held onto its legally unrestricted use of the Okinawa bases about as long as possible without damaging the overall US-Japan relationship. Nevertheless, it is possible to ask whether an earlier forcing of the issue might not have left the United States with somewhat greater freedom of action in Okinawa than it enjoyed in Japan proper. Also, by moving sooner, the United States might conceivably have been able to gain some form of autonomy for Okinawa within the Japanese nation, to the common advantage of both the local residents and US business interests. But these and other such speculations lie outside the scope of the present study.

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conducting the war in Vietnam, and interagency agreement became less, rather than more, likely. It can of course be argued that Reischauer's shock tactics were needed to get the Washington bureaucracy to pay attention to the Okinawa problem. On balance, however, we believe that his approach delayed a solution of the reversion question.

Sometimes, the way around an impasse is to move away from the "wrong" issue and substitute another for which all parties are ready. An interesting and important example of this technique occurred in 1966. The initial State draft of the Ryukyu bases paper seemed to be on the point of setting off a violent State-Defense confrontation, when Defense proposed a compromise approach. Instead of studying fundamental policy questions for which no one was really ready, Defense suggested studies of less basic subjects, such as Okinawan public opinion and Japanese policy toward the Ryukyus. State (by prearrangement) accepted this proposal, and interagency work on the Okinawa problem took a major step forward.

The Okinawa experience provides yet another useful lesson in the matter of timing. No issue was more sensitive within the US Government, as well as between the United States and Japan, than the question of whether the United States would be permitted to store nuclear weapons on Okinawa after reversion. The handling of this issue in NSDM-13 was a masterpiece of simplicity and finesse. The NSDM noted the desirability of being able to store nuclear weapons on Okinawa, but left the final decision to the President after all other issues had been disposed of. This master stroke cleared the way for handling other issues, and the nuclear issue was eventually decided by the President without any interagency confrontation or hard feelings.⁵

D. PERSONALITIES

The most important single explanation for the largely successful interagency handling of the Okinawa problem is a happy, largely

5. It might also be noted that, by keeping the Japanese in a state of uncertainty on this politically charged issue, the United States may have improved somewhat its negotiating leverage on other matters.

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fortuitous, conjunction of able, broad-gauged individuals who occupied key positions in the period 1966-69. The fact that several of them had dealt with East Asian affairs for many years added to their effectiveness. The further fact that a few well-placed individuals continued to work on the Okinawa problem after the change of administration in January 1969 was an additional favorable circumstance.⁶

Only a general familiarity with the Okinawa story is needed to realize that it was not always thus. In the mid-1960s, for example, relations between the US Ambassador in Tokyo and the high commissioner on Okinawa were personally correct, but real trust and a collegial spirit appear to have been absent. Other examples of less than ideal compatibility could also be cited.

Although assembling an ideal interagency team is largely a matter of luck, the Okinawa story does provide several examples of successful efforts to put the right person in the right place at the right time. The last two high commissioners were selected with special attention to their personal qualities. What was needed in the last years of the US administration of the Ryukyus was high commissioners with a broad appreciation of political factors and the ability to work smoothly with other responsible officials, civilian as well as military. General Unger and General Lampert fully satisfied these exacting requirements. Another leading example of successful personnel policy was the assignment of FSO Richard L. Sneider as Special Assistant to the Ambassador (later Deputy Chief of Mission) in Tokyo. Sneider, probably more than anyone else, had been responsible for moving the Okinawa problem successfully through the Washington bureaucratic jungle. Giving him the responsibility for bringing his long efforts to final fruition was a rare act of administrative wisdom.

6. In this last category, among others, were U. Alexis Johnson, Winthrop G. Brown, Richard L. Sneider and Robert W. Barnett of the State Department, and Stanley R. Resor, James V. Siena and Morton H. Halperin of the Defense Department.

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E. FORMAL COORDINATING MACHINERY

The handling of the Okinawa problem illustrates once more an old, but sometimes forgotten, truth: formal coordinating machinery cannot make hard policy decisions. It is simply too open and too complicated. With rare exceptions (and the Okinawa experience appears to provide none), basic decisions are made in informal conferences among a few senior officials, or by the President or a senior subordinate acting alone. Decisions may of course be ratified after the event in formal interagency forums.

What, then, is the formal coordinating machinery good for? The Okinawa experience suggests that it can serve several useful purposes:

1. It can reduce parochialism, but to do this, interagency coordinating arrangements must be given a vitality of their own. Members of an interagency committee must have a sense of taking part in a common endeavor which to a degree transcends, or at least dilutes, their loyalties to their own agencies. The Ryukyus Working Group formed by the IRG/FE in mid-1966 was a good example of such a committee. In part, the success of the Ryukyus Working Group must be attributed to the personalities involved. Credit must also be given, however, to the chairman's effort to get the members of the group to understand one another's problems and to his decision to involve all members in drafting of group papers.

2. It can lessen the danger of bitter interagency confrontations late in the decision-making process. The rough edges of interagency differences tend to get worn down as a problem moves through the hierarchy of working groups and committees. Also, contending parties are to some extent "locked into" a process from which they cannot easily break away to press their cases independently before higher authorities.

3. It can keep the middle level of government informed and shape opinions far beyond those of the individuals directly involved. The educational function of interagency committees is not easily documented, but may well be underrated. Certainly, a committee, such as the Ryukyus Working Group, which involves its members actively,

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stimulates supporting research and debate in wide areas of the bureaucracy. Large numbers of mid-level officials are thereby informed on the nature of problems and on possible solutions.

4. It can organize and focus staff work on the right problems. This consequence of the activity of a participatory committee such as the Ryukyus Working Group would appear to be almost self-evident. But again the value of this function, in terms of efficiency, may be underrated simply because it cannot be measured.

5. It can monitor action on decisions. This point can best be illustrated by recounting what happened to a key recommendation of the 1961 Kaysen Committee. At the outset, high hopes for this committee would have been fully justified. It was sponsored by the Secretaries of State and Defense, chaired by a senior member of the White House staff, and included representatives of all agencies with major responsibilities affecting Okinawa. Its recommendation that Japan be given a larger role in economic aid to the Ryukyus was promptly endorsed by the President. Then nothing happened, or at least not very much happened very fast. The standard explanation is that implementation was obstructed by the high commissioner, General Caraway. But that is only part of the story. A full explanation must recognize that the Department of the Army was not at the time disposed to tangle with one of its most able and vigorous general officers and that other Washington agencies felt no responsibility for carrying out the Kaysen Committee's recommendations. Differences in the key personalities aside, it is most unlikely that a high commissioner in the late 1960s could have successfully delayed execution of an approved policy. An interagency committee system would not have left the problem to the Department of the Army, nor would the lack of prompt action have been ignored by the various other agencies concerned.

The functioning of the formal coordinating machinery on the Okinawa problem from 1966 through 1969 also suggests three additional general hypotheses.

1. Interagency committees should be composed of the most senior responsible officials able to devote continuous attention to the

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problems at hand. Again, the Ryukyus Working Group provides a successful illustration of this principle. Its membership was stable (sending substitutes to meetings was discouraged), and its key members had easy access to senior policy officials in their own agencies.

2. Adequate staff support is essential to the proper functioning of interagency committees. Such support was provided committees at all levels in the handling of the Okinawa problem from 1966 on. The Army staff in Washington appears to have been notably effective. Support from the field also was good. In mid-1969, the high commissioner, General Lampert, established the Special Task Group (STG--later the Reversion Coordinating Group) to collect information needed by senior officials in Tokyo, Honolulu, and Washington. The STG performed a highly useful (if little recognized) behind-the-scenes role.

3. The "options" approach in interagency papers, which was initiated by the Nixon administration in early 1969, is probably more realistic and useful than the "agreed recommendations" approach followed previously. By focusing on options, a thorough analysis of problems is more likely and the lowest common denominator phenomenon can be avoided.

F. ROLE OF THE STATE DEPARTMENT

As we have seen, the handling of the Okinawa problem was very much an interagency process with no department playing a dominant role. Nevertheless, the State Department chaired the various interagency committees and working groups and conducted the key negotiations with the Japanese. One important lesson of the Okinawa story is that--contrary to common belief--State Department leadership can be effective in interagency deliberations.

State's working relations with Defense, especially in the later stage of the reversion process, were remarkably smooth. In part this must be credited to the fact that the Defense Department officials most deeply involved in the coordination process had no objection to State's taking the lead. State may also have benefitted from a number of more general circumstances which are often neglected by observers concerned over State's effectiveness.

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1. State Department officials often enjoy good rapport, even close personal friendship, with their opposite numbers from the Defense Department. Years of attendance by FSOs at war colleges (and on a smaller scale, attendance by military officers at the FSI Senior Seminar) and the successful State-Defense officer exchange program are paying off.

2. Dual Defense representation on interagency committees can work to State's advantage, even if State refrains from deliberately playing the JCS representative off against the representative from OSD.

3. The JCS representatives on lower level interagency committees are handicapped by both rigid instructions and cumbersome internal coordination procedures. The State representatives, in contrast, can more easily adjust their positions in the course of interagency discussions, knowing that they will be supported by their superiors if certain limits are not exceeded. Also, a State representative can obtain a cleared departmental position in days or hours, while the JCS representative might need weeks to staff out a problem within the Joint Staff and the Services.

4. White House representation on interagency committees need not dilute the authority of a State Department chairman, but can in fact reinforce it (as appears to have been the case on the Ryukyus Working Group).

Contrary to what might have been anticipated, in handling the Okinawa problem, State had more difficulty in maintaining its leadership in the economic and financial field than in the political-military area. This may be explained by several circumstances:

1. The Treasury Department, rather than being accustomed to State's leadership, regards itself as primarily responsible for all financial problems, foreign as well as domestic. Treasury, moreover, has a strong tradition of "going it alone" and tends to take a narrower view of international problems than either State or Defense.

2. Treasury found a natural bureaucratic ally in the Japanese Ministry of Finance. The MOF had no intention of giving the Ministry

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of Foreign Affairs a piece of the action on economic and financial matters. Treasury readily accepted this point of view, and both State and Foreign Affairs were excluded from the economic and financial talks. But despite these difficulties, State played a major role in guiding these talks. The State Department chairman of the economic and financial subcommittee of the Ryukyus Working Group drafted the instructions of the Treasury negotiator. The same State Department official also performed a useful function in mediating between Treasury and Defense on economic and financial problems.

G. CONGRESSIONAL RELATIONS

The present study was confined to coordination within the executive branch. We nevertheless unavoidably came upon clear evidence of the crucial importance of executive-legislative relations in the successful handling of the Okinawa problem. Had the administration failed to convince key congressional leaders of both the need to return the Ryukyus to Japan and the acceptability of the terms negotiated with the Japanese, the successful handling of the problem within the executive branch would have come to naught.

Congressional opinion exerted an especially strong influence on three aspects of the reversion decision:

1. The size of the financial settlement. The target of \$650 million set by the Secretary of Defense almost certainly represented an estimate of what would be acceptable to Congress.

2. Nuclear storage. The administration had to overcome strong misgivings in the Senate Armed Services Committee about this part of the reversion agreement.

3. The form of the reversion agreement. Initially, the administration appears to have favored an Executive Agreement, but it decided to accede to the views of Senate leaders that a formal treaty was required.

One common feature of executive-legislative relations was conspicuous by its absence. To the best of our knowledge, no participant in the reversion decision attempted to enlist congressional support for

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his position on a disputed issue. This fact presumably reflected the general confidence of all parties in the fairness of the coordination procedures.

APPENDIX

TEXT OF JOINT COMMUNIQUÉ

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TEXT OF JOINT COMMUNIQUÉ
White House Press Release dated November 21, 1969

1. President Nixon and Prime Minister Sato met in Washington on November 19, 20 and 21, 1969, to exchange views on the present international situation and on other matters of mutual interest to the United States and Japan.

2. The President and the Prime Minister recognized that both the United States and Japan have greatly benefited from their close association in a variety of fields, and they declared that guided by their common principles of democracy and liberty, the two countries would maintain and strengthen their fruitful cooperation in the continuing search for world peace and prosperity and in particular for the relaxation of international tensions. The President expressed his and his government's deep interest in Asia and stated his belief that the United States and Japan should cooperate in contributing to the peace and prosperity of the region. The Prime Minister stated that Japan would make further active contributions to the peace and prosperity of Asia.

3. The President and the Prime Minister exchanged frank views on the current international situation, with particular attention to developments in the Far East. The President, while emphasizing that the countries in the area were expected to make their own efforts for the stability of the area, gave assurance that the United States would continue to contribute to the maintenance of international peace and security in the Far East by honoring its defense treaty obligations in the area. The Prime Minister, appreciating the determination of the United States, stressed that it was important for the peace and security of the Far East that the United States should be in a position to carry out fully its obligations referred to by the President. He further expressed his recognition that, in the light of the present situation, the presence of United States forces in the Far East constituted a mainstay for the stability of the area.

4. The President and the Prime Minister specifically noted the continuing tension over the Korean peninsula. The Prime Minister deeply appreciated the peacekeeping efforts of the United Nations in the area and stated that the security of the Republic of Korea was essential to Japan's own security. The President and the Prime Minister shared the hope that Communist China would adopt a more cooperative and constructive attitude in its external relations. The President referred to the treaty obligations of his country to the

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Republic of China which the United States would uphold. The Prime Minister said that the maintenance of peace and security in the Taiwan area was also a most important factor for the security of Japan. The President described the earnest efforts made by the United States for a peaceful and just settlement of the Viet-Nam problem. The President and the Prime Minister expressed the strong hope that the war in Viet-Nam would be concluded before return of the administrative rights over Okinawa to Japan. In this connection, they agreed that, should peace in Viet-Nam not have been realized by the time reversion of Okinawa is scheduled to take place, the two governments would fully consult with each other in the light of the situation at that time so that reversion would be accomplished without affecting the United States efforts to assure the South Vietnamese people the opportunity to determine their own political future without outside interference. The Prime Minister stated that Japan was exploring what role she could play in bringing about stability in the Indochina area.

5. In light of the current situation and the prospects in the Far East, the President and the Prime Minister agreed that they highly value the role played by the Treaty of Mutual Cooperation and Security in maintaining the peace and security of the Far East including Japan, and they affirmed the intention of the two governments firmly to maintain the Treaty on the basis of mutual trust and common evaluation of the international situation. They further agreed that the two governments should maintain close contact with each other on matters affecting the peace and security of the Far East including Japan, and on the implementation of the Treaty of Mutual Cooperation and Security.

6. The Prime Minister emphasized his view that the time had come to respond to the strong desire of the people of Japan, of both the mainland and Okinawa, to have the administrative rights over Okinawa returned to Japan on the basis of the friendly relations between the United States and Japan and thereby to restore Okinawa to its normal status. The President expressed appreciation of the Prime Minister's view. The President and the Prime Minister also recognized the vital role played by United States forces in Okinawa in the present situation in the Far East. As a result of their discussion it was agreed that the mutual security interests of the United States and Japan could be accommodated within arrangements for the return of the administrative rights over Okinawa to Japan. They therefore agreed that the two governments would immediately enter into consultations regarding specific arrangements for accomplishing the early reversion of Okinawa without detriment to the security of the Far East including Japan. They further agreed to expedite the consultations with a view to accomplishing the reversion during 1972 subject to the conclusion of these specific arrangements with the necessary legislative support. In this connection, the Prime Minister made clear the intention of his government, following reversion, to assume gradually the responsibility for the immediate defense of Okinawa as part of Japan's defense efforts for her own territories. The President and the Prime Minister agreed also that the United States would retain under the terms of the Treaty

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of Mutual Cooperation and Security such military facilities and areas in Okinawa as required in the mutual security of both countries.

7. The President and the Prime Minister agreed that, upon return of the administrative rights, the Treaty of Mutual Cooperation and Security and its related arrangements would apply to Okinawa without modification thereof. In this connection, the Prime Minister affirmed the recognition of his government that the security of Japan could not be adequately maintained without international peace and security in the Far East and, therefore, the security of countries in the Far East was a matter of serious concern for Japan. The Prime Minister was of the view that, in the light of such recognition on the part of the Japanese Government, the return of the administrative rights over Okinawa in the manner agreed above should not hinder the effective discharge of the international obligations assumed by the United States for the defense of countries in the Far East including Japan. The President replied that he shared the Prime Minister's view.

8. The Prime Minister described in detail the particular sentiment of the Japanese people against nuclear weapons and the policy of the Japanese Government reflecting such sentiment. The President expressed his deep understanding and assured the Prime Minister that, without prejudice to the position of the United States Government with respect to the prior consultation system under the Treaty of Mutual Cooperation and Security, the reversion of Okinawa would be carried out in a manner consistent with the policy of the Japanese Government as described by the Prime Minister.

9. The President and the Prime Minister took note of the fact that there would be a number of financial and economic problems, including those concerning United States business interests in Okinawa, to be solved between the two countries in connection with the transfer of the administrative rights over Okinawa to Japan and agreed that detailed discussions relative to their solution would be initiated promptly.

10. The President and the Prime Minister, recognizing the complexity of the problems involved in the reversion of Okinawa, agreed that the two governments should consult closely and cooperate on the measures necessary to assure a smooth transfer of administrative rights to the Japanese Government in accordance with reversion arrangements to be agreed to by both governments. They agreed that the United States-Japan Consultative Committee in Tokyo should undertake overall responsibility for this preparatory work. The President and the Prime Minister decided to establish in Okinawa a Preparatory Commission in place of the existing Advisory Committee to the High Commissioner of the Ryukyu Islands for the purpose of consulting and coordinating locally on measures relating to preparation for the transfer of administrative rights, including necessary assistance to the Government of the Ryukyu Islands. The Preparatory Commission will be composed of a representative of the Japanese Government with

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ambassadorial rank and the High Commissioner of the Ryukyu Islands with the Chief Executive of the Government of the Ryukyu Islands acting as adviser to the Commission. The Commission will report and make recommendations to the two governments through the United States-Japan Consultative Committee.

11. The President and the Prime Minister expressed their conviction that a mutually satisfactory solution of the question of the return of the administrative rights over Okinawa to Japan, which is the last of the major issues between the two countries arising from the Second World War, would further strengthen United States-Japan relations which are based on friendship and mutual trust and would make a major contribution to the peace and security of the Far East.

12. In their discussion of economic matters, the President and the Prime Minister noted the marked growth in economic relations between the two countries. They also acknowledged that the leading positions which their countries occupy in the world economy impose important responsibilities on each for the maintenance and strengthening of the international trade and monetary system, especially in the light of the current large imbalances in trade and payments. In this regard, the President stressed his determination to bring inflation in the United States under control. He also reaffirmed the commitment of the United States to the principle of promoting freer trade. The Prime Minister indicated the intention of the Japanese Government to accelerate rapidly the reduction of Japan's trade and capital restrictions. Specifically, he stated the intention of the Japanese Government to remove Japan's residual import quota restrictions over a broad range of products by the end of 1971 and to make maximum efforts to accelerate the liberalization of the remaining items. He added that the Japanese Government intends to make periodic reviews of its liberalization program with a view to implementing trade liberalization at a more accelerated pace than hitherto. The President and the Prime Minister agreed that their respective actions would further solidify the foundation of overall U.S.-Japan relations.

13. The President and the Prime Minister agreed that attention to the economic needs of the developing countries was essential to the development of international peace and stability. The Prime Minister stated the intention of the Japanese Government to expand and improve its aid programs in Asia commensurate with the economic growth of Japan. The President welcomed this statement and confirmed that the United States would continue to contribute to the economic development of Asia. The President and Prime Minister recognized that there would be major requirements for the post-war rehabilitation of Viet-Nam and elsewhere in Southeast Asia. The Prime Minister stated the intention of the Japanese Government to make a substantial contribution to this end.

14. The Prime Minister congratulated the President on the successful moon landing of Apollo XII, and expressed the hope for a safe

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journey back to earth for the astronauts. The President and the Prime Minister agreed that the exploration of space offers great opportunities for expanding cooperation in peaceful scientific projects among all nations. In this connection, the Prime Minister noted with pleasure that the United States and Japan last summer had concluded an agreement on space cooperation. The President and the Prime Minister agreed that implementation of this unique program is of importance to both countries.

15. The President and the Prime Minister discussed prospects for the promotion of arms control and the slowing down of the arms race. The President outlined his Government's efforts to initiate the strategic arms limitations talks with the Soviet Union that have recently started in Helsinki. The Prime Minister expressed his Government's strong hopes for the success of these talks. The Prime Minister pointed out his country's strong and traditional interest in effective disarmament measures with a view to achievement of general and complete disarmament under strict and effective international control.

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