

SENKAKUS

44

DAMO-IA
1603-04

Senkakus
(Reversion)

Permanent

~~SECRET~~

~~CONFIDENTIAL~~

DECLASSIFIED BY ORDER
OF THE ARMY BY TAG
PER

~~SECRET~~

112

HCRI-LE

17 Nov 1969

SUBJECT: Senkaku Oil Exploration (U)

Deputy Chief of Staff for Military Operations
ATTN: OPS IA RA
Department of the Army
Washington, D. C. 20310

~~CLASSIFIED BY~~
~~EXCLUDED FROM THE GENERAL~~
~~DECLASSIFICATION SCHEDULE~~

included #1

1. (C) References:

- a. DA Message DCSOPS IA RA, 052022Z Sep 69 (C), subject as above;
- b. USCAR Message to DCSOPS, HCRI-LE, 100445Z Sep 69 (C), subject as above;
- c. DA letter, DCSOPS IA RA, 5 Sep 69, subject as above.

2. (C) The conversation memoranda provided by reference c concerning discussions between Union Carbide, Gulf Oil and US Government representatives were most interesting. Our study here of the Senkaku Islands situation has followed substantially the same lines and has reached very similar conclusions. It is recognized that far-reaching international considerations are involved, and that the international law precedents are anything but clear. It is interesting to note that Government of the Ryukyu Islands also seems sensitive to these same implications and is moving exceedingly slowly on adopting any sort of an official position.

3. (C) As background on our approach to this problem, it might be explained that under usual circumstances the granting of mining and prospecting rights, including the development of oil resources, would be a matter of exclusive concern for the GRI under the provisions of HICOM Ordinance No. 33, 24 Jun 60, which made a comprehensive transfer to the GRI of such authority and responsibility (Incl 1). We have construed this ordinance to be applicable to oil exploration, regardless of whether done on land or at sea. You will note that this same HICOM

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Incl 1

HCRI-LE
SUBJECT: Senkaku Oil Exploration (U)

ordinance explicitly limits the right of the GRI to grant any mining or exploration rights in areas "under leasehold or in the possession of the United States or any of its agencies or instrumentalities, or of an area vested in the Ryukyuan Property Custodian, without the approval thereof by the Civil Administrator" (paragraph 3, HICOM Ordinance No. 33, 1960). The question of who has legal interest or control of the off-shore waters, i.e., waters extending seaward from low water mark, has already been ruled on by USCAR, at least so far as the 3-mile territorial waters are concerned, in a November 1968 opinion addressed to the Chief Executive, GRI, holding the Ryukyuan Property Custodian "possesses paramount rights in, and full dominion and power over such property" (Incl 2). It is thus our opinion that oil prospecting and exploitation in off-shore waters require the prior approval of the Civil Administrator (CA). This does not, in our view, restrict the GRI from receiving and processing any and all applications which are submitted. The essential point taken by USCAR is that before actual prospecting and/or exploitation shall begin, the CA must issue a specific approval or disapproval in each case.

4. (C) Having arrived at the point wherein CA approval is required, there is then presented the basic problem of whether the CA has any authority to approve exploration or mining in the seabed in those areas outside the 3-mile territorial waters. Even a nontechnical review of the applications already received for the Senkaku area indicates vast tracts are involved that are outside the 3-mile limit from nearest land. It should also be remarked that CA Ordinance No. 68, 29 February 1952, which establishes the broad geographic jurisdiction of the GRI does not provide any greater US or GRI territorial claim than that of existing islands, islets, atolls, rocks, "and territorial waters" (thereabout) which are within the specified longitudes or latitudes (Article I, Section I, CA Ordinance 68, 29 Feb 52, as amended). Any extension of US interests to off-shore waters will thus have to be predicated on international law precedents rather than reliance upon USCAR or GRI legislation.

5. (FOUO) Since dispatch to you of reference b, USCAR has received another oil exploration and mining request; this one from Alaska-Canada Minerals, Inc., 122 East 42nd Street, New York, N.Y. 10017, by their letter dated 12 September 1969. In transmitting this application to the GRI for processing, USCAR stated that so far as off-shore waters were concerned, these must be considered to be under the control of the Ryukyuan Property Custodian (RPC), and accordingly the prior approval of the CA would be required before the GRI might grant any permit or license (Incl 3). This USCAR letter purposely did not limit the RPC interest to

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HCRI-LE
SUBJECT: Senkaku Oil Exploration (U)

the 3-mile territorial waters but was made generally applicable to all off-shore waters, regardless of extent, in which the GRI might choose to make favorable recommendations for a mining right.

6. (FOUO) As might be anticipated, the USCAR position expressed in the Alaska-Canada Minerals case soon caused some public comment in the local press. USCAR response to this has been quite low key, emphasizing the international implications in any off-shore exploration. USCAR representatives have assured the press that the US has no intent to appropriate the possible oil resources for its own use, nor does it desire to intervene in the GRI processing of applications. Rather, the US interest is primarily related to its responsibilities in the international field (Incl 4 - M/R re press interview).

7. (C) As indicated in paragraph 2 above, the GRI apparently not interested in a priority review of the applications which are now pending in its hands. Unofficial remarks from GRI staff members suggest that it may well require "several years" before the GRI would be in a position to approach the CA with positive recommendations. In the interim, USCAR intends to abstain from any interference in the GRI review of applications and limit itself to monitoring this activity. In the event a recommendation is presented to USCAR the decision will, of course, be closely coordinated with your headquarters. In this context, your comments and recommendations are solicited regarding the projected USCAR approach and any other matters related to this complex topic that you deem appropriate.

FOR THE CIVIL ADMINISTRATOR:

- 4 Incls:
- 1. Ord 33, 1960 (U)
- 2. Ltr to GRI, HCRI-LE, 25 Nov 68 (U)
- 3. Ltr to GRI, HCRI-LE, 29 Sep 69 (U)
- 4. MR, HCRI-LE, 3 Oct 69 (FOUO)

H. L. CONNER
MAJ, AGC
Chief of Administration

CF (w/Incls):
CINCPAC
CINCSARPAC
SECSTATE
Ambemb Tokyo
Ambemb Taiwan

~~CONFIDENTIAL~~

For 807 28 Aug 69 - My Venice

Mr. Freimutter —

You may find
p. 4 (footnote 9)
reference to Proc. 27
Sheds some light —
a cable describing
the proclamation's
background (footnote 9)
is enclosed.

R. Shields

2

H. O. No. 123B

SAILING DIRECTIONS

FOR

JAPAN

Volume II

(SOUTHERN PART)

THE NAIKAI AND ITS ENTRANCES, NAMELY, KII SUIDO, BUNGO SUIDO, AND SHIMONOSEKI KAIKYO; SHIKOKU; KYUSHU AND ITS OFF-LYING ISLANDS; THE NANSEI SHOTO; AND TSUSHIMA.

FIRST EDITION

1943

ISSUED UNDER AUTHORITY OF THE SECRETARY OF THE NAVY



UNITED STATES GOVERNMENT PRINTING OFFICE WASHINGTON : 1943

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5.49	5.79
8.53	8.84
11.58	11.89
14.63	14.93
17.68	17.98
20.73	21.03
23.77	24.08
26.82	27.13
29.87	30.17

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172	259.19
193	291.99
214	324.80

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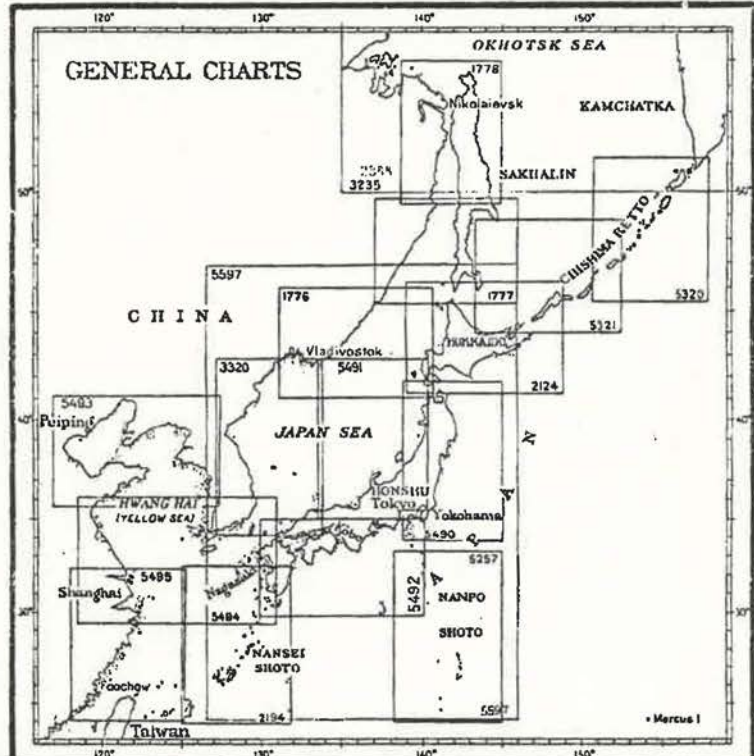
JAPAN ISLANDS WESTERN PART

INDEX TO HYDROGRAPHIC OFFICE CHARTS
CHARTS IN RED ARE BRITISH ADMIRALTY CHARTS

A number against the name of a place, when Saigo No 5336
indicates the catalog number of the charts of that place

For details of scales, prices, etc. see General Catalog

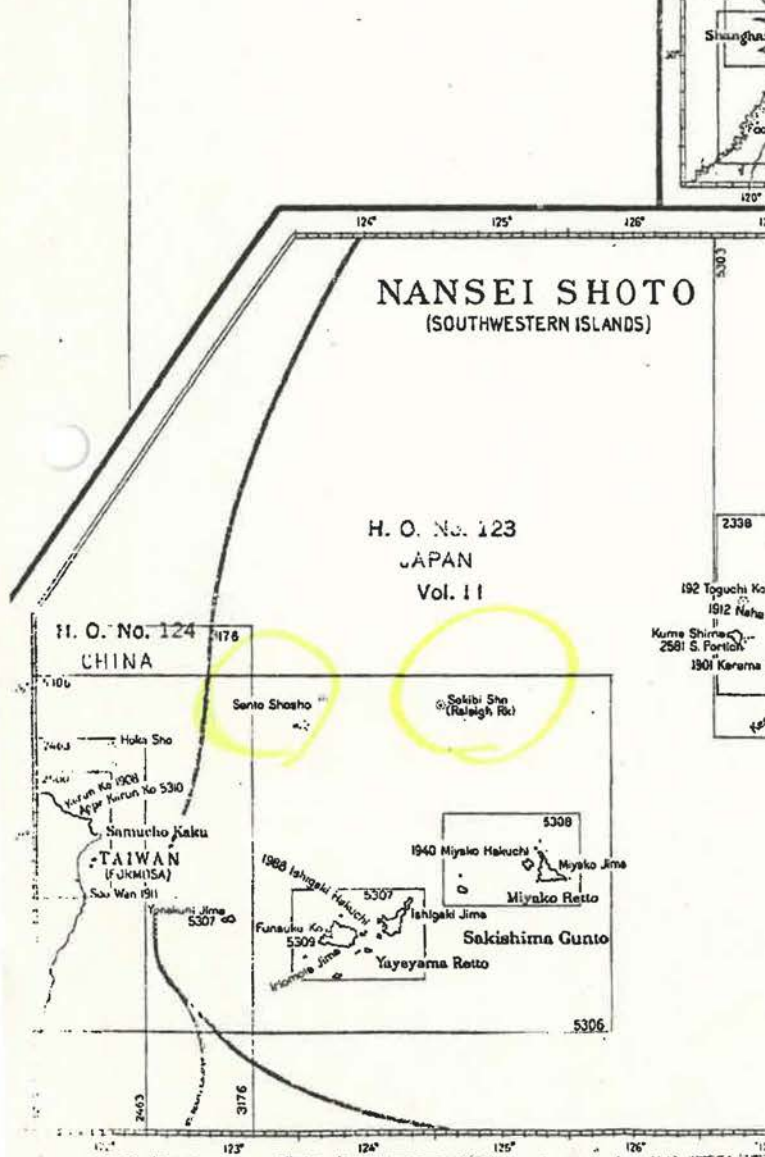
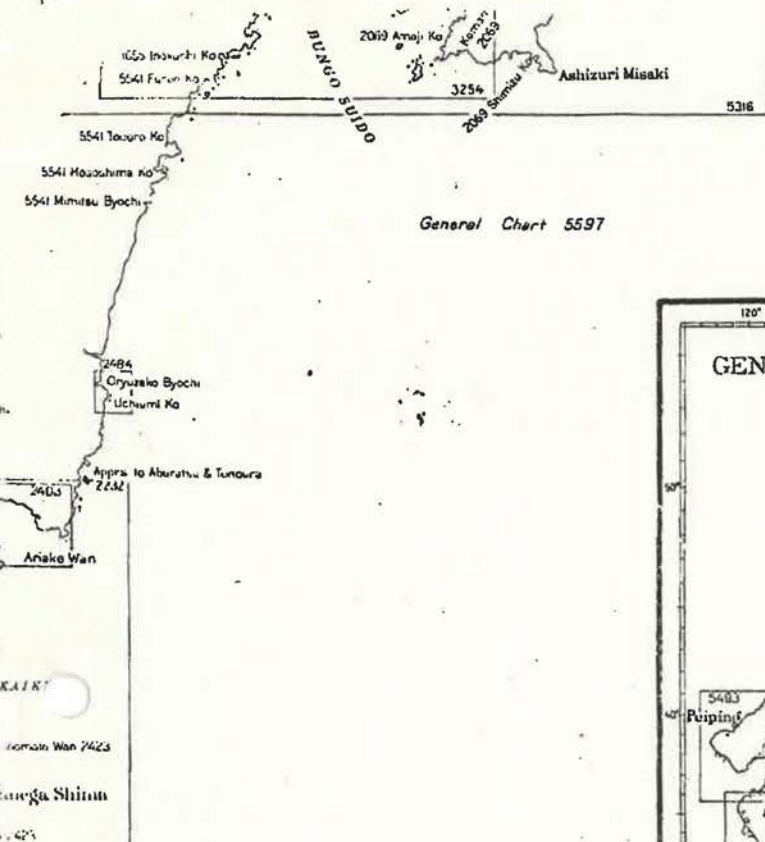
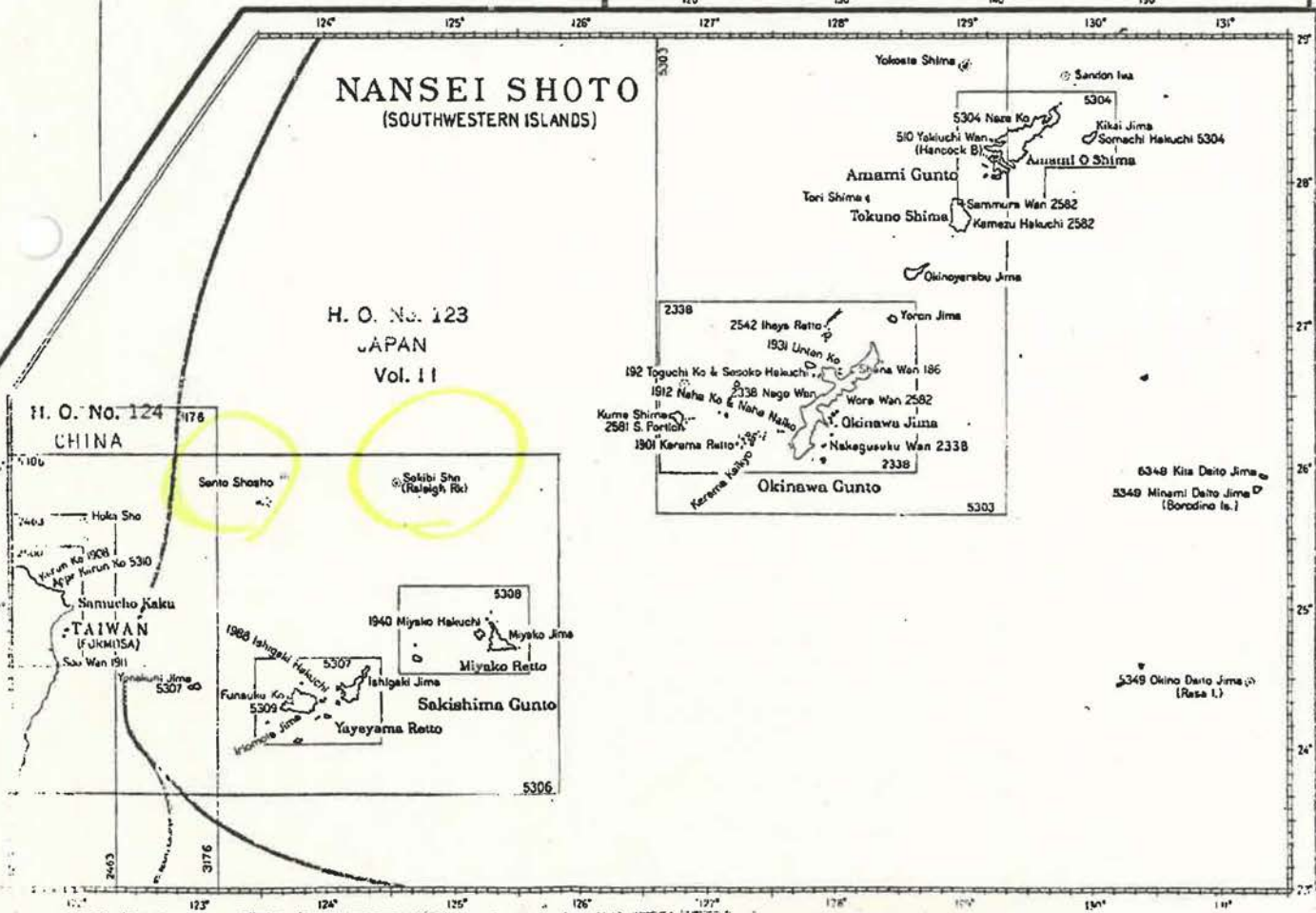
General Chart 5597



NANSEI SHOTO (SOUTHWESTERN ISLANDS)

H. O. No. 123
JAPAN
Vol. II

H. O. No. 124
CHINA



There is a small landing pier at Hirara.

Hirara is connected to Ishigaki by cable, and inter-island steamers call here frequently.

SENTO SHOSHO (25°45' N., 123°30' E., H. O. Chart 5306).—

This uninhabited group of islets and rocks lies about 80 miles northward or Iriomote Jima and on the southeastern edge of a bank, with depths of less than 100 fathoms, that extends eastward from the China coast. It is visited only during the fishing season.

Navigators must exercise caution in the vicinity of Sento Shosho, as the Kuroshio flows northeastward at a considerable rate and causes races around the islets.

Uotsuri Shima, the largest and southwesternmost of the group, has two summits, the western and higher, 1,187 feet high and the eastern, 1,146 feet high. Between these two mountains is a ridge, with a pinnacle rock on its crest that is



Bearing 267°, 14 miles.



Bearing 358°, about 9 miles.

Two views of Uotsuri Shima.

conspicuous from some directions. The southern side of the islet consists of cliffs, in which the strata are clearly visible. The shores of the islet are of sand alternating with rocks, and except on the southern side a rocky ledge extends offshore for a short distance. The islet can be approached on all sides to a distance of 400 yards, but there are no anchorages. Landing can be made only at Waheisho, on the western side of the islet, where there is a boat slip, but it cannot be used in rough weather nor at low water springs.

Tobi Se, a detached rock, 11 feet high, lies about 1 mile southeastward of Uotsuri Shima. There are races in its vicinity.

Kitako Shima and Minamiko Shima, southeastward of it, lie about 2 miles east-southeastward of Tobi Se, and, as the shallow channel between them is only about 300 yards wide, they appear from most directions as one islet. Their shores are of rock, sand, and coral, but the bottom in the vicinity is rocky. Kitako Shima is 423 feet high, and Minamiko Shima is 489 feet high; both are rocky and treeless, but they are both covered in places with coarse grass. A pointed rock near the eastern end of Minamiko Shima is conspicuous from the northward, and at the western end of Kitako Shima there are three large pointed

rocks. There are no landing places, and it is possible to land in calm weather only. At the northwestern end of Minamiko Shima there is a spring, but the water is not suitable for drinking purposes. The current in the vicinity of the islands flows northeastward at a rate of 2 to 3 knots.

Okino Kita Iwa, 79 feet high, and **Okino Minami Iwa**, 16 feet high, are barren rocky islets, which lie about $2\frac{3}{4}$ miles northward and 2 miles northeastward, respectively, of Kitako Shima.

Kobi Sho, the summit of an extinct volcano, lies about $11\frac{1}{2}$ miles northeastward of Okino Kita Iwa and is 384 feet high. The eastern side of the islet is a conspicuous vertical cliff, about 175 feet high, and on all sides the slopes are covered with palm trees and undergrowth. The shores of the islet are littered with large blocks of lava, and there are no anchorages. Landing is possible only at a landing place on the western side of the islet, and there not without difficulty. The current usually flows northeastward past the islet at a rate of 1 to 2 knots, but it is influenced by the wind.



Kobi sho, bearing 245°, 15 miles.

Sekibi Sho ($25^{\circ}54' N.$, $124^{\circ}34' E.$, *H. O. Chart 5306*) is an islet, 276 feet high, lying about 47 miles eastward of Kobi Sho. It is a treeless pinnacle of lava, fringed on all sides with a low flat shelf, broken in places, from which rise unscalable cliffs. At its northern end there are some conspicuous pointed rocks. Rips are formed within about 1,200 yards west-southwestward and 800 yards east-northeastward of the islet, over an uneven bottom. Elsewhere the islet is steep-to. The current in the vicinity of the islet attains a rate of $2\frac{1}{2}$ knots.

OKINAWA GUNTO (*H. O. Chart 2338*).—This group consists of the principal island, Okinawa Shima, and a number of smaller islands and islets, most of which lie off its western and northwestern sides.

Kume Shima ($26^{\circ}20' N.$, $126^{\circ}46' E.$, *H. O. Chart 2338*), the westernmost island in the Okinawa Gunto, lies with its western extremity, Nishime Saki, about 116 miles northeastward of Ikema Shima. The island is elevated in its northern and southern parts, so that when seen at a distance from the eastward or westward it appears to be two islands. O Take, 1,070 feet high, lies about $2\frac{1}{2}$ miles eastward of Nishime Saki and is the highest point on the island. Ara Take, 959 feet high, stands about 4 miles south-southeastward of O Take and is the highest hill in the southern part of the island. Both the northern and southern sides of the island are cliffy, but its eastern and western ends are low. The whole island is almost completely surrounded by coral reef.

Kume Shima had a



Gima Ko ($26^{\circ}20' N.$ on the eastern side of the island $3\frac{1}{4}$ miles southeastward) small vessels with 1 northeastward of the *H. O. Chart 2581*.)

Shimajiri Saki, 11 miles southeastward conspicuous pointed hill and close to it are several feet high. A drying the point, with some:

Tonbaru Iwa, 207 miles south-southeastward a conspicuous cliff, a which dries 5 feet; v

About $3\frac{1}{2}$ miles the eastern extremity which lie O Shima a

Ogan Misaki, on the extremity of an area northeastward from Zaki. Several islets, reefs. The northern whole area is marked

Shimajiri Wan, 1 by O Shima, Oha Sh 1 mile northeastward to vessels with local rocks in the bay, its rough weather. (See

The tidal current and southward, for a attain rates of $3\frac{1}{2}$ hours after low water high water.

Tori Shima (26° islet lies about $12\frac{1}{4}$ extremity of Kume cliff on its northern

Article 1

Q: What is the basis for including the Senkakus (Tiaoyu-tai) under Article 3 of the Peace Treaty?

A: We consider it only natural that the Senkakus were included under Article 3 of the Treaty of Peace with Japan. This Article identified a specific island grouping, Nansei Shoto south of 29° north latitude, as falling under its provisions. Nansei Shoto (Southwestern Islands) prior to the end of WWII included the Senkaku Islands within its boundaries [See H. O. No. 123B, SAILING DIRECTIONS FOR JAPAN Vol II (Southern Part) First Edition 1943, published by the Government Printing Office.]

The unconditional surrender to General J. W. Stilwell, then Commander of the Tenth Army, of the islands in the Ryukyus by the Japanese Commanders on 7 September 1945, established boundaries which included the Senkakus among the Ryukyu Islands being surrendered. (See surrender document.)

In defining the area which it administered, the United States Civil Administration of the Ryukyu Islands (USCAR) issued Civil Administration Ordinance No. 68 of 29 February 1952, which established boundaries providing for the political and geographic jurisdiction of the Government of the Ryukyu Islands. The Senkakus were included within these boundaries.

CA Ordinance No. 68 was amended on 26 December 1953 with the return to Japan of the Amami Islands and the boundaries of the area being administered by USCAR were adjusted accordingly and are the ones which have been incorporated in the Minutes of the Agreement being presented for the advice and consent of the Senate.

In a letter of September 19, 1963, the Geographer of the Department of State reported "In all our standard reference sources including atlases, gazetteers and maps the Ryukyu Islands equate with the modern Japanese term Nansei Shoto ... the standard U.S. definition of the Ryukyus would include all of the small islands between Kyushu and Taiwan which are or were under Japanese sovereignty."

The Senkakus obviously are such a group of islands and therefore had been included under Article 3 of the Peace Treaty.

22 November 1971
Frederick L. Shiels
ODCSOPS-IA

Report on the Senkakus Question (Addendum)

The following report represents information additional and subsequent to that contained in my September 1971 report on the Senkakus. I have tried to distill the most pertinent information from newspapers and Congressional hearings which might shed some new light on aspects of the problem (none of the sources used in this particular report is classified). The information is divided into four major topical sections:

- I. Chinese policy and demonstrations by Chinese in 1971
- II. Japanese position in 1971
- III. United States position in 1971
- IV. Testimony in Congressional Record, October 1971

Chinese Policy and Demonstrations by Chinese in 1971

In late January and again in mid-April of 1971 a series of demonstrations were staged in New York, Los Angeles, San Francisco, Seattle, Chicago, and Washington by a total of about 3,000 Chinese and Chinese-Americans. The focus of the protests was the planned transfer of the Tiao-Yu Tai (Senkaku) Islands to the Japanese as part of the Okinawa Reversion Agreement. Various ad hoc committees of Chinese in America mobilized rather quickly early in 1971 as it became apparent that the United States was not going to hold up or prevent transfer of these islands to Japan. An additional aspect of the publicity campaign included "open letters to the President" such as appeared in the New York Times on 23 May of this year.¹ Related incidents included a February

Union of Canada.³

The arguments and tones of these protests have all been remarkably consistent in their unequivocalness and confidence that the legal, moral, historical, and geographical factors support Chinese claims without leaving any room for dispute. Similarly the Government of the Republic of China (GRC-Taipei) has repeatedly issued firm statements warning that Japan and the United States were not to attempt to dispose of the Senkakus issue at China's expense and without her participation.⁴ In practice however the Chiang Kai-shek government has been somewhat more cautious. Following several days of highly vocal demonstrations in April by Taiwan students, the government appeared relieved that the protestors had not gone further than they did. Perhaps this was because the incidents were regarded as potentially anti-GRC as well.⁵

The Chinese aspect of the Tiao-Yu Tai controversy has been immeasurably complicated by the entry of the People's Republic of China (PRC) into the fray. Using language that made the Taiwanese sound moderate by comparison, Radio Peking castigated the Japanese for what they termed increasing Japanese militarism and participation in the abusive use of the Nixon Doctrine.⁶

What the implications of the dramatic elevation of the People's Republic at the expense of Taiwan in the U.N. will be for the Senkakus dispute is debatable but the possibilities are interesting.

Japanese Position in 1971

The general Japanese reaction, from both press and government, to the vigorous claims of the Chinese has been low-key but firm and almost as adamant in a quiet way as the Chinese posture. The restrained Japan Times excerpt contained in the appendix to this report lamented the extremes of Chinese demonstrations and statements but declared firmly that, in effect, the Senkakus are the Ryukyuan Senkakus and not "Tiao-Yu Tai" (Chinese possessions) at all.⁷ Japanese Foreign Minister Aichi typified Japanese government position in June 1971 with the major Japanese

Another indication of the GOJ's resolve can be detected in a statement by Japanese defense-agency head Nakasone to the effect that the Senkakus would be included in the Japanese self-defense network.⁹ It is worth noting, however, that in reality Japan is proceeding cautiously as is evidenced by her delay in the construction of a proposed weather station in these islands.

United States Position in 1971

If "unequivocal" describes the mutually antagonistic positions of the "two Chinas" and Japan regarding the disputed islands, then the United States stance might well be described as "deliberately equivocal." The official United States position as reiterated by State Department spokesman Charles Bray indicated on 17 June 1971 that the United States wishes to remain neutral on the sovereignty dispute issue over the Senkakus.¹⁰

However in the same statement Bray made it clear that the administrative rights are being transferred to Japan and that the United States Navy will continue to use the islands as a gunnery range.¹¹ Since the arrangements for reversion are entirely between Japan and the United States, the United States seems to tacitly, if not deliberately, favor Japanese claims. If the difference between transfer of administrative rights and sovereignty per se is intelligible in international law, it is less intelligible in the international public political arena. Yet it should be recognized that the United States has taken care to caution American oil companies against making oil explorations in the Senkakus area until negotiations give some sign of solving the dispute.¹² This would seem to point to some attempt at impartiality by the government, even if American economic issues must be temporarily shelved.

Testimony in the Congressional Record: October 1971

During three days of hearings before the Senate Committee on Foreign Relations (27-29 October 1971) several people testified on various aspects of

the Senkakus dispute, all from the Chinese viewpoint. They represented the Chinese-American ad hoc, academically based committees (with one exception) and tended to present the same basic arguments. The one exception was an American attorney representing a Chinese-American client, Mrs. Grace Hsu, who laid claim to the Tiao-Yu Tai Islands as personal property on the basis of a grant from the Dowager Empress of China to her grandfather in 1893.¹³

The speakers representing more realistic arguments on behalf of the Chinese claim to the islands made some interesting points but they tended to be vague about who exactly was to speak for China (i.e., GRC or PRC?). The most complete summary of these arguments was presented by a K.L. Chang of Case Western Reserve University. His basic points can be listed as follows: (they constitute an apt summation of the whole range of Chinese claims):¹⁴

1. Geographically and geologically the Tiao-Yu Tai Islands are clearly part of the Chinese mainland and Taiwan
2. The usage of the islands has been primarily by Chinese (fishermen) and not Japanese
3. Historically, the Chinese discovered the islands and they have always been associated with Taiwan rather than with the Ryukyus
4. Legally the combined impact of the Cairo and Potsdam Proclamations and the legal surrender of Taiwan by the Japanese in 1951 should have been sufficient to indicate that the islands should be considered Chinese territory

Closely related to the historical argument is the minor but not irrelevant observation that the name "Senkaku" did not come into use until 1900; previously atlases had referred to the islands as the Tiao-Yu Tais.

In answer to all these arguments of course the Japanese (and Americans for that matter) have relied on essentially one observation,

A major pitfall of any territorial argument over the islands stems from the fact that they are uninhabited and until oil was discovered near them (or at least clear indications of oil) they were considered to be of negligible value. The fact that the Chinese did not evidence any great interest or claim to the islands until there were indications of petroleum is understandable but also weakens their total case by making it seem economically rather than legally based.

Although the Chinese have some impressive geographical and legal claims to the islands, perhaps the biggest obstacle to their laying political claim to the territory is that there are two "spokesman-parties" for China, the Peking and Taipei governments. Thus as I concluded in my first report the only way out of the quagmire appears to be through outside arbitration, perhaps by an international organization, and until the question of "who speaks for China?" is resolved, the Japanese will have a significant negotiating advantage.

APPENDIX WITH SOURCES

Footnote #1 - p.13
Footnote #14 - pp.3-13

OKINAWA REVERSION TREATY

ANNEX
TO
HEARINGS
BEFORE THE
COMMITTEE ON FOREIGN RELATIONS

UNITED STATES SENATE

NINETY-SECOND CONGRESS

FIRST SESSION

ON

Ex. J. 92-1

THE AGREEMENT BETWEEN THE UNITED STATES OF AMERICA
AND JAPAN CONCERNING THE RYUKYU ISLANDS
AND THE DAITO ISLANDS

(Letters and Statements Submitted for the Record Subsequent to the
Printing of the Hearings)

OCTOBER 27, 28, AND 29, 1971



Printed for the use of the Committee on Foreign Relations

U.S. GOVERNMENT PRINTING OFFICE

WASHINGTON : 1971

00-257

The mandate is an attempt to break the barriers of that isolation by appealing to the American and Japanese people to support the struggle of the Okinawan people for self-determination.

Because it is the statement of a people's will, the mandate is subjective and doesn't address itself concretely to the facts of Okinawan life (i.e. the social and economic role of U.S. forces here, the economic and military significance for the rest of Asia of the coming of the Japan Self-Defense Forces, the status of U.S. forces after reversion, analysis of the terms of the reversion agreement, etc.). These questions will be carefully examined in the English edition of a publication by Zenryukatsu All Okinawan Activists' Congress), first edition scheduled for November and monthly thereafter.

Composed of the most active leaders of the Okinawan labor unions, anti-war student groups, Okinawan Teachers' Association, the Government of the Ryukyu Islands progressive political party members, Zenryukatsu not only has good access to material for documentation; but also its people can articulate this information clearly.

OKINAWAN PEACE MANDATE

Okinawa has been utilized by Japanese and American militarists to oppress the people of Asia for nearly one hundred years. The complacency and silence of the Japanese people, the American people, and the Okinawan people is directly responsible for this crime against humanity.

In pre-World War II days Okinawa played an integral part in Japanese expansion into Asia. During World War II Okinawa was a key military stepping stone for Japanese militarists, who in the name of the emperor waged war on the people of Asia.

American militarists discovered the usefulness of Okinawa as a base for military aggression during their war against the Korean people, and in pursuing their containment of China policy. Presently, to destroy and to devastate the Indo-Chinese people, American militarists have turned Okinawa into the primary military keystone for pursuing that war.

Japanese rulers, in the period following World War II, seeking the security of a strong American military presence in Asia, seeking economic expansion, and seeking a new military power over the people of Asia, all too happily abandoned Okinawa to the American militarists.

Having more than succeeded in these initial goals, the present Japanese government is negotiating with the U.S. government to restore her pre-war rule over Okinawa. Together, these two governments are conspiring to use the reversion of Okinawa to consolidate their joint economic/military hold over the people of Asia.

Further complacency and silence at this point by the Japanese, the American and the Okinawan people will only create further suffering and devastation for Asia, and deepen the crime against humanity. Therefore:

1. In order to stop the American military aggression and destruction in Asia and any such future occurrence, we demand a total and immediate end to all military bases, personnel, and weapons on Okinawa. Furthermore, we appeal to all American GIs and to the American people to completely disarm your aggressive military so that it may never again oppress any nation.

2. We demand that the so-called Japanese Self-Defense Forces not set foot on Okinawa. We demand that neither Okinawa nor any part of Japan be used as a base for the new Japanese imperialism, the new Japanese remilitarization, and the joint action of the American and Japanese militaries to oppress both us and our Asian brothers.

We resolve to bear the responsibility for the above-mentioned crime against humanity, and we resolve to bear the responsibility for preventing its recurrence in Asia. We appeal to *you*, Americans, Japanese, GIs, whoever you may be, to bear your share of the responsibility.

STATEMENT BEFORE THE COMMITTEE ON FOREIGN RELATIONS, U.S. SENATE IN CONSIDERATION OF THE OKINAWA REVERSION TREATY, JUNE 17, 1971

Mr. Chairman: My name is Kuo-sui Laurence Chang, and I am an Associate Professor of Economics at Case Western Reserve University, Cleveland, Ohio. I am making this statement for myself and on behalf of seven Americans in Cleve-

land, namely, Mr. Chen Y. Chau, Professor Wen H. Ko, Dr. K. Y. Lin, Professor Wen-chun Lin, Dr. Peter H. L. Tang, Mr. Peter C. Wang, and Dr. Rose K. Wang.

We give general support to the Okinawa Reversion Treaty (Agreement between Japan and the United States of America Concerning the Ryukyu Islands and the Daito Islands) signed on June 17, 1971. However, we do oppose returning to Japan under this Agreement the Tiao-Yu Tai Islands, which are not a part of the Ryukyu Islands. It will be just and legitimate to return the Tiao-Yu Tai Islands to China, as these islands are a part of Taiwan.

The Tiao-Yu Tai Islands are a group of eight uninhabited islands in the East China Sea on the continental shelf. They are about 120 nautical miles northeast of Taipei, Taiwan, and about 240 nautical miles west of Okinawa. The islands are separated from Ryukyu by a deep underwater trench.

Since discovery by the Chinese five centuries ago, the Tiao-Yu Tai Islands had been administered as part of Taiwan. They were ceded to Japan as part of Taiwan in 1895 after the Chinese-Japanese War. Under Japanese occupation the islands were administered by Taiwan up to the end of World War II. In 1945, when the Ryukyu Islands were surrendered to the United States, the Tiao-Yu Tai Islands were not surrendered to the United States Army, they being recognized as part of Taiwan. A more complete historical analysis and a geographical description of the islands are contained in the attachment.

Fishermen from Taiwan have made the Tiao-Yu Tai Islands their habitual fishing grounds and sanctuaries from bad weather. Their use of the islands has continued through the years and succession of governments. The United States, after the 1951 Peace Treaty with Japan, has assumed administrative authority over the Tiao-Yu Tai Islands. The inclusion of the Tiao-Yu Tai Islands in the boundaries of the Ryukyu Islands by the United States Civil Administration of Ryukyu (USCAR Ordinance #27) was unilateral and could have at most a limited transitional legal force. As the Ryukyu Islands are returned to Japan, the Tiao-Yu Tai Islands should be reverted to the jurisdiction of Taiwan, China. The relevant documents and analysis in support of this conclusion are included in the attachment.

We feel it our duty to emphasize that the United States has the responsibility to verify the claims to Tiao-Yu Tai. It is inappropriate and unwise for the United States as the leading Allied Power to suggest that after the islands are returned to Japan China and Japan can settle their opposing claims through negotiation. A dispute over the sovereignty of the islands has arisen, and effecting the return of the islands to Japan cannot now be a neutral act.

Failure of the United States to resolve the dispute over the Tiao-Yu Tai Islands now will probably lead to confrontations between China and Japan in the future and endanger the peace and stability in the Far East and Pacific Area. The United States cannot escape responsibility when conflicts occur. The situation of the United States is similar to that of Great Britain with regard to India and Pakistan. Having effected the partitioning of the subcontinent into two independent countries, Britain has become a cause of subsequent conflicts between these two countries.

The handling of the Tiao-Yu Tai Islands will affect the effectiveness of the United States in international affairs. The Tiao-Yu Tai Islands may be minor in terms of physical size. However, the issues of justice and sovereignty involved are serious and far-reaching. All Asian nations are watching the conduct of the United States. The judiciousness of American action, the sense of responsibility

to the Asian people, and the respect for the principle of self-determination are at stake. The United States should take the lead in resolving this dispute and returning the islands to their rightful owners, the Chinese people.

Dr. Peter H. L. Tang, Chairman, Tiao-Yu Tai Islands Study Group

Dr. Rose K. Wang, Secretary, Tiao-Yu Tai Islands Study Group

the United States exhibits, and the wisdom in which the United States employs its great influence are under observation.

We urge that a rider be attached to the ratification motion excluding the Tiao-Yu Tai Islands from the consideration of the Treaty.

I thank you.

SECTION I(A) THE GEOGRAPHY OF THE TIAO-YU TAI ISLANDS

The Tiao-Yu Tai Islands are a group of eight islands located in East China Sea between 25°40' and 26°N latitude and 123°25' and 123°45' E longitude. They are about 120 nautical miles northeast of Taipei, Taiwan, and about 240 nautical miles west of Okinawa, Ryukyu Islands.¹ The romanized Chinese names of these islands² which are found in all world atlases printed before 1900 are listed in the second column below. The name Senkaku was not officially registered in Japan until 1900.³ The corresponding Japanese names⁴ are listed in the third column below. The location of these islands are denoted by their numbers on the map on page 2.

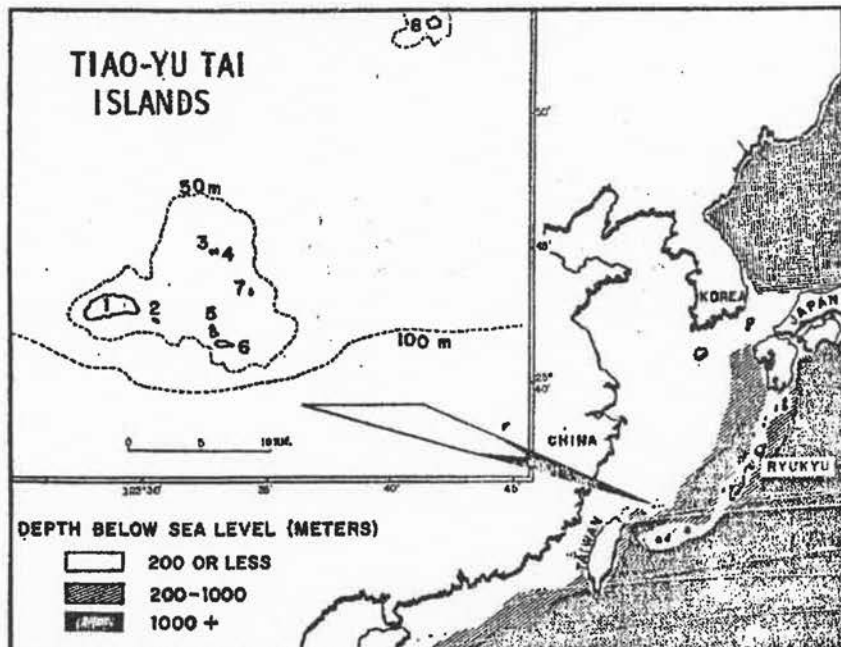
	<u>Tiao-Yu Tai Islands</u>	<u>Senkaku Gunto</u>	
1.	釣魚台	Tiao-yu (Tia-u-su)	Uotsuri-shima
2.	和平島	Ho-pin (Hoa-pin-su)	Tobi-se
3.	北小島	Pei-hsiao	
4.	南小島	Nan-hsiao	Okino-kita-iwa
5.	北大島	Pei-ta-hsiao	Kita-koshima
6.	南大島	Nan-ta-hsiao	Minami-Koshima
7.	黃尾嶼	Huang-wei	Okino-minami-iwa
8.	赤尾嶼	Chih-wei	Kobi-sho

Geologically, the Tiao-Yu Tai Islands and the island of Taiwan are on the continental shelf of mainland China, i.e. the depth of sea water between these islands and mainland China does not exceed 200 meters. Whereas both Tiao-Yu Tai and Taiwan are separated from the Ryukyu Island by a deep underwater trench of more than 1000 meters. Oceanic current flows all year round past the east shore of Taiwan in a north-east direction. Northeast wind in winter and southwest wind in summer prevails in this area.⁵

¹ Army map, entitled Senkaku Gunto, Southern Japan, 1:250,000, sheet 13, Area code AS, prepared by the Army map service, U.S. Army, Washington, D.C., 1944. (G.1019.R475.G7).
² *Twentieth Century Atlas of the World*, p. 138, Rand McNally & Co., Chicago, 1898. (G.1019.F475, 1898)

³ *Gazetteers of Japan*, by Joshida Togu, first published in 1900, revised new edition, 1970, vol. 8, p. 618. (DS805.Y6153 Orien, Japan)

⁴ *Cosmopolitan World Atlas*, Rand McNally & Co., Chicago, 1951. (G.1019.R24)
⁵ *National Geographical Society Atlas of the World*, National Geographical Society, Washington, D.C., 1968. (G.1019.N28)



SECTION I (B) THE REVELANT HISTORY OF TIAO-YU TAI ISLANDS

The name Tiao-Yu Tai first appeared in a Chinese voyage and navigation record, *Shun Feng Hsiang Sung*, in 1403.⁶ Since then it has appeared in numerous mission reports. Among them is the *Shih Liu-Chin Lu* (Report of a Mission to Ryukyu)⁷ written by Chen Kan, envoy of the Ming Dynasty in 1534.

As far as Japanese records are concerned, the detailed Japanese gazetteer published in 1900⁸ quoted the description in *Shih Liu-Chin Lu*, mentioned above, as the earliest discovery or account of these islands. In the same gazetteer, the name Senkaku is reported to have been officially registered in Japan in 1900.

In 1884, Tatasushiro KOGA, a Japanese residing in Ryukyu Islands, claimed to have discovered Tiao-Yu Tai Islands.⁹

In 1885, the Japanese Foreign Minister in a letter to the Minister of Domestic Affairs expressed his concern about annexing Senkaku Islands into Japanese territory at that time. He argued that since these islands were very close to China and the commentaries of the major Chinese newspapers were accusing the Japanese of territorial expansionist intentions, it would be wise to wait for a better opportunity.¹⁰ Subsequently, the Minister of Domestic Affairs replied and stated that he rejected the request of Okinawa local government for the permission to erect boundary markers on Tiao-Yu Tai Islands.¹¹

In 1895, after the Sino-Japanese war, the Japanese Cabinet annexed Tiao-Yu Tai into Japanese territory.¹² This annexation was legalized when China and

⁶ *Shun Feng Hsiang Sung*, (LC DS 339 D2).

⁷ *Shih Liu-Chin Lu*, by Chen Kan, 1534. This mission report is included in a book entitled *General Edition of Reports*, which is available at the Columbia University Library. Call number 9100.2822. The English title of this book is supplied by us.

⁸ *Gazetteers of Japan*, by Yoshida Togo, first published in 1900, revised new edition 1970, vol. 8, p. 618 (DS805.Y6153 ORLEN Japan).

⁹ *Tokyo Shinbun* (Tokyo News), April 5, 1971. Translation provided in the "Daily Summary of Japanese Press," published by the American Embassy, Tokyo, Political Section, Translation Service Branch.

¹⁰ Documents of Japanese Foreign Ministry, Nos. 311, 312, *Compilation of Japanese Foreign Affairs Documents*, vol. 18, pp. 573-576.

¹¹ *Ibid.*, No. 313, vol. 18, pp. 575-576.

¹² *Ibid.*, No. 245, vol. 23, pp. 531-532.

Japan concluded the Treaty of Shimonoseki in May, 1895, whereby China ceded Taiwan and its surrounding islands to Japan.¹³

After the Second World War, as a result of the Cairo Declaration (1943), Potsdam Declaration (1945) and Sino-Japanese Treaty (1952), the sovereign rights of Tiao-Yu Tai were returned to China.

SECTION II (r) POSITION OF OUR STATE DEPARTMENT

BEFORE THE SIGNING OF THE OKINAWA REVERSION TREATY OF JUNE 17, 1971

According to communications received from the officials of the Department of State, the position of the United States government on Tiao-Yu Tai islands was:¹⁴

"Under Article 8 of the Treaty of Peace with Japan, the U.S. has full administrative rights over "Nansei Shoto", including the Ryukyus, south of 20 degrees north latitude. The term "Nansei Shoto" was understood to mean all islands under Japanese administration at the end of the war which were not otherwise specifically referred to in the Peace Treaty. The term, as used in the Treaty, was intended to include the Senkaku Islands.

"As a result of an understanding reached by President Nixon and Prime Minister Sato in November 1969, the United States expects to return to Japan in 1972 all the rights it acquired over these islands under the Treaty of Peace. In short we will return to Japan rights which we obtained from Japan, and this action, by itself will neither enhance nor diminish any claim to sovereignty over the islands.

"The U.S. has consistently maintained that any dispute over sovereignty over the Senkaku Islands should be settled by the parties themselves (or, if they wish, by third party adjudication). Neither the Peace Treaty nor the Reversion Agreement will dispose of such a dispute."

AFTER THE SIGNING OF THE TREATY

"The United States government is aware that a dispute exists between the governments of the Republic of China and Japan regarding the sovereignty of the Senkaku Islands. The U.S. believes that a return of administrative rights over those islands to Japan from which those rights were received can in no way prejudice the underlying claims of the Republic of China. The U.S. cannot add to the legal rights Japan possessed before it transferred administration of the islands to the U.S. nor can the U.S. by giving back what it received diminish the rights of the Republic of China."^{15 16}

SECTION II (b) POSITION OF THE PEOPLE'S REPUBLIC OF CHINA

BEFORE THE SIGNING OF THE TREATY

The People's Republic of China expressed her position on Tiao-Yu Tai through articles published in *Renmin Ribao* (*People's Daily*). Relevant quotes are given below:¹⁷

"The Tiaoyu and other islands are China's territory, over which China has inviolable sovereignty. The question of U.S. imperialism having so-called 'administrative rights' over these islands which belong to China simply does not exist. . . . It is obvious that U.S. imperialism's aim in doing so is to connive at and encourage Japanese militarism to carry out expansion abroad and use the Japanese reactionaries as an instrument for pushing the 'Nixon doctrine' in Asia. This is a fresh crime in U.S. imperialism's hostility towards the Chinese people. . . . The Chinese people have always maintained that U.S. imperialism should return

¹³ U.S.A. Department of State, *Occupation of Japan*, by Fearey, Robert A., N.Y. MacMillan 1950, pp. 51-52 (app. 1). Cited from *Survey of International Affairs*.

¹⁴ Letter to Mrs. K. Wdo of Delaware on May 4, 1971, by Mr. Howard M. McElroy, Country Officer for Japan, Department of State.

¹⁵ We consider the above statement a legalistic smokescreen. When the U.S. says that the dispute over sovereignty should be settled by the parties themselves, and then gives the islands to one of the parties, she is fueling the fires of international tension. Note that Japanese Foreign Minister Aichi stated unequivocally that "the Okinawa Agreement had settled the matter (of Tiao-Yu Tai islands) completely has far as the U.S. and Japan were concerned." (Quoted from *Washington Post*, June 19, 1971, pp. A19.)

¹⁶ Department of State TELEGRAM unclassified 594, State: 108253.

¹⁷ Our italics.

Okinawa, which it has occupied by force, to the Japanese people. But we will never permit the U.S. and the Japanese reactionaries to annex China's sacred territory Tiaoyu and other islands by making use of the 'Okinawa Reversion' swindle. . . . We want to warn the Japanese reactionaries once again: Gone for ever are the days when China was compelled by armed force to cede territory and waive sovereignty. China's sovereignty over the Tiaoyu and other islands brooks no encroachment by anybody. In the face of the great Chinese people, all your intrigues to annex China's territory in collusion with U.S. imperialism are futile and bound to be dashed to pieces." For complete translation see *Peking Review*, p. 14, No. 19, 1971.

AFTER THE SIGNING OF THE TREATY

"What makes one extremely indignant is the fact that in the Okinawa 'reversion' agreement, the U.S.-Japanese reactionaries even incorporate China's territory the Tiaoyu and other islands into the area to be 'returned' to Japan in a vain attempt to seek 'grounds' for the annexation of China's territory by the Japanese reactionaries and make it a fait accompli. . . . Sato government has even . . . set up an '11th maritime safety district headquarters' . . . patrolling . . . the waters around China's territory the Tiaoyu and other islands. . . . The Chinese Government and people will absolutely not tolerate these crimes of encroachment upon China's sovereignty perpetrated by the U.S.-Japanese reactionaries. Once again we warn the U.S.-Japanese reactionaries: No insidious stratagems on your part can alter the fact that the Tiaoyu and other islands are an inalienable part of China's sacred territory. . . ." For complete translation see *Peking Review*, p. 6, No. 26 June 20, 1971.

On June 23, 1971, Premier Chen En-lai declared to his American guests: "Once [the Taiwan] problem is solved, then all other problems can be solved. The People's Republic would then be able to establish diplomatic relations with the United States." To illustrate how the issue of the Tiao-Yu Tai Islands is intimately related to this matter, we quote: "Taiwan Province and the islands appertaining thereto, including Tiao-yu, Huangwei, Chih-wei, Nanhsiao, Pchhsiano and other islands, are China's sacred territories." (All islands in the Tiao-Yu Tai group)"

SECTION II(c) POSITION OF THE REPUBLIC OF CHINA (TAIWAN)

BEFORE THE SIGNING OF THE TREATY

The Ministry of Foreign Affairs of the Republic of China issued a solemn statement on June 11, 1971, to make her position known to the world on the transfer of the Ryukyu Islands and the Tiao-Yu Tai Islets. Relevant quotes are given below:²¹

"Having learned that the United States Government and the Japanese Government are going to sign in the immediate future formal instruments for the transfer of the Ryukyu Islands, and together therewith, the Tiao-Yu Tai Islets, over which the Republic of China exercises its territorial sovereignty, the Chinese government considers it necessary to emphasize once again its position, and make its views known to the world. . . .

"These islets belong to the Chinese Province of Taiwan and thus constitute part of the territory of the Republic of China. They are closely linked to the latter by reason of geographical location, geological structure, historical association, and, above all, by reason of the long and continued use which the inhabitants of Taiwan have made of these islets. Bound by the sacred duty to defend its national territory, the Chinese government will never relinquish any particle of its territorial sovereignty under any circumstances.

"Thus, it has continuously informed the United States Government and the Japanese Government that in terms of history, geography, usage, and law, the Chinese Government deems that these islets belong, without the slightest doubt, to the territorial sovereignty of China and that they should be returned to the Republic of China upon the completion of the administration by the United States. . . ."

²¹ *Newsweek*, July 5, 1971, p. 48.

²² *Renmin Ribao (People's Daily)*, December 29, 1970; For complete translation, see *Peking Review*, No. 1, 1971, p. 22.

²³ Our italics.

²⁴ *News from China* (Daily news report from Taipei provided by the Chinese Information Service), June 11, 1971.

AFTER THE SIGNING OF THE TREATY

A spokesman of the Foreign Ministry termed the upcoming transfer of the Tiao-Yu Tai Islands to Japan as "completely unacceptable".

SECTION II (d) POSITION OF JAPAN

BEFORE THE SIGNING OF THE TREATY

Foreign Minister Aichi stated on September 10, 1970²² that "There is no room for doubt that the Senkaku Islands belong to Japanese territory. With regard to the territorial status of the Islands, therefore, Japan has no intention to negotiate with any nation."

AFTER THE SIGNING OF THE TREATY

Washington Post, June 10, 1971, pp. A9: "Japanese Foreign Minister Kiichi Aichi rejected the Taiwan government's latest claim to the disputed Senkaku Islands yesterday. . . . Aichi said the *Okinawa Agreement* had settled the matter (of Tiao-Yu Tai) completely as far as the United States and Japan were concerned." (our italics)

Washington Post, June 25, 1971, pp. A17: ". . . Japanese . . . intention . . . to operate 11 patrol boats carrying three-inch guns and 40-millimeter machine guns over a 110,000-square-mile area embracing the southern defense perimeter of the Ryukyu island chain adjacent to Taiwan. . . . these boats will eventually be equipped with ship-to-ship missiles. Since these patrols will cover the disputed Senkaku Islands, claimed as Chinese territory by Peking and Taipei alike, 'this patrolling is expected to have a delicate effect on our relations with China and Taiwan,' *Mainichi* declared." (*Mainichi* is a leading Japanese newspaper)

SECTION III (A) ARTICLE OF JAPANESE PEACE TREATY CITED IN ARGUMENTS OF OUR STATE DEPARTMENT

(Peace Treaty between the Allied Powers and Japan—San Francisco, Sept. 8, 1951)

ARTICLE 3

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

SECTION III (B) ARGUMENTS USED BY OUR STATE DEPARTMENT IN SUPPORT OF HER POSITION THAT THE SENKAKU ISLANDS (TIAO-YU TAI) IS A PART OF THE RYUKYUS

Mr. Howard M. McElroy, who is the country officer for Japan, State Department, stated that: "Under Article 3 of the Treaty of Peace with Japan, the U.S. has full administrative rights over 'Nansai Shoto', including the Ryukyus, south of 29 degrees north latitude. The term 'Nansai Shoto' was understood to mean all islands under Japanese administration at the end of the war which were not otherwise specifically referred to in the Peace Treaty. The term, as used in the Treaty, was intended to include the Senkaku Islands."²³

²² This has been reported by several major news wire services.

²³ Article 3 of the Treaty of Peace with Japan states that: "Japan will concur in any proposal of the United States to the United Nations to place under its trusteeship system, with the United States as the sole administering authority, Nansai Shoto south of 29° north latitude (including the Ryukyu Islands and the Daito Islands), Nanpo Shoto south of Sofu Gan (including the Bonin Islands, Rosario Islands and the Volcano Islands) and Parece Vela and Marcus Islands. . . ." ("Security Treaty between the United States of America and Japan. Signed at San Francisco on September 1951." United Nations—Treaty Series No. 1885 (1952), pp. 216-219, (JX 170, U35)). Note that the Tiao-Yu Tai Islands were not specifically mentioned in the Treaty, nor was there a grid map attached to the Treaty to define the boundaries of the Ryukyus or the Daito Islands. . . . etc. Note also that neither the Republic of China nor the People's Republic of China participated in the signing of the Treaty of Peace with Japan.

SECTION III (C) ARGUMENTS OF THE CHINESE PEOPLE IN SUPPORT OF THEIR GOVERNMENTS' CLAIM TO THE SOVEREIGNTY OF TIAO-YU TAI

"He who forgets the past is condemned to relieve it."—GEORGE SANTAYANA. For this reason, the Chinese people, who have lived through repeated Japanese military and economic aggressions since the first Sino-Japanese war of 1894, are very much alarmed, when they detect this new territorial expansionist design of the Japanese government. For the same reason, we, who lived through the shock of the Pearl Harbour and the agony of the Second World War, are much in sympathy with their feelings.

Although the governments of China have not given any detailed statement substantiating the basis of China's claim to Tiao-Yu Tai, the Chinese in Taiwan, Hong Kong, and the overseas Chinese in the United States, Canada, Japan, West Germany, Philippines, and Belgium have documented historical, geographical and legal reasons pertaining to why the Tiao-Yu Tai Islands belong to China. In the following paragraphs, we summarize their findings:

(I) FROM THE GEOGRAPHICAL VIEWPOINT

Geographically, Tiao-Yu Tai is intimately related to the China mainland and Taiwan. It is about 120 miles from Taipei and 240 miles from Okinawa. Its surrounding waters are far less than 200 meters deep and hence it is within the confines of the Chinese continental shelf.² The strait between it and Taiwan is also less than 200 meters deep. In contrast, the water which separates it from the Ryukyus is over 1,000 meters in depth (see map, p. 2). This makes the Ryukyus *oceanic islands* while the Tiao-Yu Tai Islands are *continental islands*. Geographically speaking, then, Tiao-Yu Tai is considered an island appertaining to Taiwan.

(II) FROM THE USAGE VIEWPOINT

The oceanic currents and prevailing winds of the area make passage by sail from the Ryukyus to Tiao-Yu Tai extremely difficult. That is why Tiao-Yu Tai was discovered and used exclusively by the Chinese until 1884.³ The islands are very important as a refuge for Chinese fishermen who have to cope with frequent storms in the area. They built rudimentary cart-tracks, sheds and a pier. Their fishing operation in the area amounted to a yearly intake of 12,000 tons, totaling \$1.75 million.

(III) FROM THE HISTORICAL VIEWPOINT

The following table disproves the claim by Japan that the Tiao-Yu Tai Islands were first discovered by a Japanese individual in 1884. Also it shows that historically these islands were a part of China, not that of the Ryukyu Islands.

Year:	Event
1403	The first documented Chinese recording of the Tiao-Yu Tai Islands— <i>Shun Fung Hsiang Sung</i> , 1403, a recording of voyages between China proper and the Ryukyus. It described a journey to Tiao-Yu Tai. (Library of Congress D339/S92)
1534	All the major islands in that group had been properly identified and named by China— <i>Shih Iku-Chiu Lu (Report of a Mission to Ryukyu)</i> , 1534. This and many other mission reports of the Ming Dynasty inferred that these islands were a part of China, separate from the Ryukyus. (Columbia University Library #9100.2822)
1783	The first Japanese mention of Tiao-Yu Tai— <i>Map of Japan</i> , by a Japanese, Asano Yahce. It used the same color for both China proper and Tiao-Yu Tai, distinct from the Ryukyus and Japan. (Lamont Library, Harvard University. Classified as 2217.2)

² Definition of the Continental Shelf: "... the seabed and subsoil of the submarine area of the territorial sea, but to a depth of 200 meters or, beyond that limit, to where the depth of the superficial waters admits of the exploitation of the natural resources of the said area." Quoted from the United Nations Conference on the Law of the Sea, Geneva, 1958, article 1, No. 5578. *U.S. Treaties and other International Acts Series*, Department of State Series. (JX 235.9.832)

³ *Tokyo Shinbun*, April 5, 1971.

Event—Continued

Year:	Event:
1870	Japan incorporated the Ryūkyū Islands (as a prefecture) into its Empire (Encyclopedia International, vol. 16, pp. 66, Grolier Inc., N.Y. 1968. Library of Congress AEB.E447)
1884	The "discovery" of the Tiao-Yu Tai Islands by a Japanese named Tataushiro KOGA.
1885	The Japanese government rejected application from Mr. KOGA for permission for acquisition of the right of lease, on the grounds that "It is not clear whether the Senkaku Islands belong to Japan or China under the Ching dynasty." ²⁷
1894	Sino-Japanese war of 1894, beginning in August and ending in March, 1895, with the defeat of China. <i>Not a single world atlas</i> , published before that year, was found which did not use the romanized Chinese names to describe these islands.

(IV) FROM THE LEGAL VIEWPOINT

The preceding table shows that the Tiao-Yu Tai Islands belonged to China before 1894, the year of the first Sino-Japanese war. In the following table, we document how Japan annexed these islands into her territory as a result of that war, and how the declarations and treaties of the allied nations during and after the Second World War have completely voided the legality of that annexation. Therefore the sovereignty rights of the Tiao-Yu Tai Islands belong to China.

Date:	Event:
1894	China was defeated in the Sino-Japanese War.
1895	The Japanese Cabinet annexed Tiao-Yu Tai into her territory in January. Her army occupied the Pescadores Islands in March. The Treaty of Shimonoseki ²⁸ was concluded between China and Japan in May, whereupon China ceded Taiwan, all islands appertaining or belonging to Taiwan, and the Pescadores Islands to Japan. (Obviously including the Tiao-Yu Tai Islands. Otherwise the annexation of these islands by Japan would be unilateral and hence illegal in terms of international laws.) We quote <i>Tokyo Shimbun</i> : "On the occasion of Taiwan's having come into the possession of Japan as a result of the Sino-Japanese War, the Cabinet decided on Jan. 14, 1895 that the Senkaku Islands belong to Japanese territory." ²⁹
Dec. 1943	Cairo Declaration stated that: "... all the territories Japan has stolen from the Chinese ... shall be returned to the Republic of China." ³⁰
July 1945	Potsdam Declaration, article 8 stated that: "... The terms of the Cairo Declaration shall be carried out ..." ³¹
Sept. 1945	The formal Instrument of Surrender was signed at Tokyo Bay. It reads: "We, . . . , hereby accept the provisions set forth in the declaration issued . . . at Potsdam" ³²
1951	The Treaty of Peace with Japan, signed by Japan and the Allied Powers (except the U.S.S.R. and China) at San Francisco. Article 2. (b) reads: "Japan renounces all right, title and claim to Formosa and the Pescadores . . ." ³³

²⁷ *Tokyo Shimbun*, April 5, 1971. Translation provided in the "Daily Summary of Japanese Press", published by the American Embassy, Tokyo, Political Section, Translation Service Branch.

²⁸ Copies of the original of these Japanese documents are enclosed as footnote 1 at the end of this section.

²⁹ *Foreign Relations of the United States*, U.S. Department of State, 1895, vol. 1, pp. 200-1. (LC JX 233. A3.)

³⁰ *Tokyo Shimbun (Tokyo News)*, April 5, 1971. Translation provided in the "Daily Summary of Japanese Press", published by the American Embassy, Tokyo, Political Section, Translation Service Branch.

³¹ U.S. Dept. of State, *Occupation of Japan*, by Fearcy, Robert A., N.Y. Macmillan, 1950, pp. 51-52 (app 1). (LC D802.J3 F4.) Cited from *Survey of International Affairs*, (LC D440. S94.)

³² *Ibid.*, pp. 53-55 (app 5).

³³ *Ibid.*, pp. 62-63 (app 8).

³⁴ *U.S. Treaties and Other International Agreements*, vol. 3, part 3, 1952, p. 3172. U.S. Dept. of State. (LC JX 231. A34.)

Date:

Event—Continued

1952. Sino-Japanese Peace Treaty was concluded. Article 4 reads: "It is recognized that all treaties, conventions and agreements concluded before December 9, 1941, between China and Japan have become null and void as a consequence of that war."²⁴

(V) REBUTTAL TO STATE DEPARTMENT'S ARGUMENTS

(1) The State Department cites Article 3 of the Peace Treaty as the sole legal document supporting its claim that the U.S. had acquired administrative rights over the Tiao-Yu Tai Islands from Japan. But the fact of the matter is that neither the Treaty, nor any document attached to the Treaty, mentioned the Tiao-Yu Tai Islands, let alone specifying them as a part of the Ryukyus.

(2) USCAR Ordinance #27,²⁵ issued by the United States Civil Administration of Ryukyus on December 25, 1953, was cited in the Okinawa Reversion Treaty as the document which defines the boundaries of Ryukyus, which included the Tiao-Yu Tai Islands. Note that this document represents only the unilateral decision of the U.S. Civil Administration of Ryukyus. It can in no way be equated to the Peace Treaty of San Francisco, signed by the Allies in 1951. The Civil Administration had no business defining the boundaries of Ryukyus, especially when in so doing, it included a piece of another nation's territory. Our nation has already had our hands full playing the role of world's policeman. Do we really want to take on the additional role of defining the boundaries of Ryukyus, which ultimately involves defining the boundaries of China and Japan?

(3) From the evidence presented in the preceding tables, it seems clear that after the Allies' acceptance of The Formal Instrument of Surrender by Japan, all powers rights of the Tiao-Yu Tai Islands rests with China. Therefore, whatever de facto, rights the U.S. might have over these islands in the ensuing years, the U.S. could only have derived them from China, either explicitly or implicitly.

(4) As a consequence of the above, the State Department's position that we are "returning to Japan whatever rights (over the Tiao-Yu Tai Islands) which we obtained from Japan", seems completely untenable. As a minimum, the State Department should try prevent the use of Okinawa Reversion Treaty in a way prejudicial to Chinese claims to these islands.

(5) When the State Department says that the dispute over sovereignty of these islands should be settled by the parties themselves, and then signs the islands over to one of the parties, it is fueling the fires of international tension.

SECTION IV FEELINGS OF AMERICANS OF CHINESE DESCENT

The feelings of Americans of Chinese descent concerning the sovereignty of Tiao-Yu Tai are partially reflected by the following:

1. Within six months of the news of the Japanese claim, Chinese-Americans throughout the nation organized local Action Committees to Defend Tiao-Yu Tai. There are presently more than 100 committees in over 36 states.

2. Two series of demonstrations were held in support of the islands:

(a) January 29-30, 1971, in New York, San Francisco, Los Angeles, Seattle and Chicago. There were over 1,000 demonstrators in New York alone.

(b) April 9-10, 1971, in Washington, D.C. and other cities. According to the *New York Times*,²⁶ "A dispute . . . brought thousands of Chinese and Chinese-Americans into the streets in Washington and other cities this weekend. . . . The demonstrations involved over 2,000 Chinese, a figure that, taking into account the size of the Chinese community in the country, is proportionately equivalent to a million Americans. . . ."

3. A full page Open Letter to President Nixon published in the *New York Times* on May 23, 1971, signed and financed by over 700 professors and professional people. A copy of that advertisement is enclosed.

²⁴ Treaty of Peace between the Republic of China and Japan (Signed at Taipei, on April 28, 1952). Cited from *Conflict and Tension in the Far East—Key Documents, 1894-1960*, by John Maki, 1962, p. 146. (LC DS 503.M28)

²⁵ Copy on file at the office of Mr. Howard McElroy, Country officer, Japanese Desk, Department of State.

²⁶ *New York Times*, April 12, 1971, Section C, p. 9.

THE NEW YORK TIMES, SUNDAY, MAY 20, 1971

An open letter to President Nixon and members of the Congress

We write to call your attention to the violation of Chinese sovereignty over the Tiao Yu Tai islands by the Japanese and Liu Chiu (Ryukyu) governments. This took place after a 1968 United Nations geological survey had revealed that the continental shelf in the East China Sea might hold rich oil reserves. We urge you to respect and to take appropriate measures to ensure Chinese sovereignty over these islands. Such action by you will remove a source of conflict in East Asia and will further the friendship between the American and Chinese peoples.

The Tiao Yu Tai islands, (called "Senkaku" in Japanese) are a group of eight uninhabited islands located about 120 miles northwest of Taiwan on the continental shelf and separated from the Liu Chiu islands by a deep underwater trench. Chinese historical records detailing the discovery and geographical features of these islands date back to the year 1482. For several centuries they have been administered as part of Taiwan and have always been used exclusively by Chinese fishermen as an operational base both before and after World War II.

The Province of Taiwan, including these islands, was ceded to Japan in 1895 after the First Sino-Japanese war. These territories were returned to China at the end of World War II according to the 1943 Cairo Declaration which stipulated that "China be restored to China. This was later confirmed by the Potsdam Agreement.

Despite China's inalienable sovereignty over the Tiao Yu Tai islands, the Japanese and the Liu Chiu governments have tried repeatedly to assert claims to these islands since the 1945 oil survey. These governments have committed a series of grossly unduly acts against China, including the forcible removal of the Chinese fishermen from the area and the prohibition of the Nationalist Chinese flag on the islands. These provocations have outraged all Chinese, who until the end of World War II were the victims of prolonged Japanese aggression. Equally important, this conflict is regarded by the Chinese as just one aspect of the overall effort to revive Japanese militarism.

The extent and depth of their feelings can be illustrated by the action taken by the Chinese people in the United States. On January 29 and 30, 1971, some three thousand students participated in seven marches held in New York, Chicago, Washington, D.C., Seattle, San Francisco, Los Angeles, and Honolulu. On April 28, 2,200 people, representing a wide cross-section of the Chinese community, gathered in Washington, D.C. to protest the support of Japan's claims by the United States, which had stated its neutrality on the issue. At about the same time, another 1,000 Chinese also demonstrated to show their great concern over the issue in San Francisco, Los Angeles, Seattle, and Montreal. These events have been widely reported in the press, for example, most notably in the Washington Sunday Star on April 11 and the New York Times on April 13.

We therefore ask you to reconsider the United States' policy on this issue. State Department spokesman Robert McCloskey stated on September 10, 1970, that the United States would remain neutral. Any attempt to turn the Tiao Yu Tai islands over to Japan in the forthcoming "Okinawa Reversion Agreement" will contradict the principle of neutrality. Specifically, we ask that you

- (1) Disavow any claims that the Tiao Yu Tai islands are part of the American-administered Liu Chiu islands or Nansei Shoto.
- (2) Recognize Chinese sovereignty over these islands.
- (3) Censure actions by the Japanese and the Liu Chiu governments which violate Chinese sovereignty and condemn attempts by these governments to resolve the issue through the use of force.

We appeal to you to use your initiative and moral authority to assure that the legitimate rights of the Chinese People will not be sacrificed as an expedient to international politics. Your just action in this matter will improve the prospects for peace in the Pacific area.

Signatories for the Tiao Yu Tai Open Letter:
Wen-Ying Miao, Yale University; Shao-Yu Hsiao, Brown University; Hsin-Shih Wu, University of California at Berkeley;
Wu-Yeh Sun, Columbia University; Chi-Yuen, City University of New York
Fuzhiang, Peking University and elsewhere
Approx. 1000 and 2000 to 3000 persons at demonstrations.

保衛釣魚台



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OKINAWA REVERSION TREATY

Footnote 13

HEARINGS BEFORE THE COMMITTEE ON FOREIGN RELATIONS UNITED STATES SENATE NINETY-SECOND CONGRESS

FIRST SESSION

ON

Ex. J. 92-1

THE AGREEMENT BETWEEN THE UNITED STATES OF AMERICA
AND JAPAN CONCERNING THE RYUKYU ISLANDS
AND THE DAITO ISLANDS

OCTOBER 27, 28 AND 29, 1971



Printed for the use of the Committee on Foreign Relations

U.S. GOVERNMENT PRINTING OFFICE
WASHINGTON : 1971

GS-002

imports in the light of the market situation and other relevant factors. This is pretty vague. Our understanding is that imports of no less than existing levels will be allowed with a provision for future growth.

We further understand this is to mean that a business activity authorized by license will not be restricted by the manner in which quotas are granted. Much needs to be clarified in this sensitive area. We are actively discussing this with the Japanese in a friendly way, and we are hopeful but nervous.

EFFECT OF REVERSION ON CHAMBER OF COMMERCE MEMBERS

The American Chamber of Commerce on Okinawa has worked hard to see that the effect of reversion on its members is minimized. Our members have contributed enormously to the growth and present health of the Okinawan economy. We want to continue to see Okinawa prosper and us with it. We do not oppose reversion. We look ahead to it as a challenge and an opportunity.

Japan is an exciting, dynamic nation, and we who will remain in her newest prefecture as foreigners only wish to have fair, equal, and reasonable treatment. We are told that the Government of Japan shares this feeling—we hope so. We hope that this "spirit of common cause"—as a Japanese foreign ministry official recently called it—this "spirit of common cause" will be reflected in all Japanese actions toward us as reversion occurs.

We urge you to convince yourselves through these deliberations that this will happen.

EXPRESSION OF APPRECIATION

I wish to thank you and your colleagues and staff members for the considerable attention and very substantial help given us in the past. The effectiveness with which our representative system of government has dealt with our relatively minor problems on a tiny distant island makes us truly proud.

Thank you, too, for this opportunity to put our thoughts on the record of these hearings.

Senator SPARKMAN. Thank you very much, Mr. Reeves. We appreciate your testimony, and it is very helpful.

Next is Mr. Robert Morris, on behalf of Mrs. Grace Hsu.

STATEMENT OF ROBERT MORRIS, OF RICE & RICE, DALLAS, TEX., ON BEHALF OF MRS. GRACE HSU

Mr. MORRIS. I confine my statement to one page.

CLAIM OF GRACE HSU TO ISLANDS INCLUDED IN REVERSION

I would like to present for the record of this committee the documents that make up the claim of Grace Hsu of New York City, a U.S. citizen, to the islands of Tiaoyutai, Huang Wei Yu, and Chih Yu, and two small surrounding islets. These islands are uninhabited but are used by fishermen and collectors of herbs which abound on the islands. Other plants that grow on the islands are rattan, palm trees, and banyan trees.

In 1893, the U.S. Government willed them to America.

I would like to see the most important islands and may I just mention Senator SPARKMAN and Mr. MORRIS (sic).

The medicinal plants have been collected from Taiwan. Being more than that available than the said officials, I am glad to see free treatment available. The three islands by ordered to be a part of collecting medicinal plants from the island of Taiwan.

Mr. MORRIS. And you have the official sent on the right to offer these four islands to Senator SPARKMAN. (The Chinese translations follow.)

DEAR SIR: I have the letters proving that the islands were awarded to my track. Since these islands are not transfer them to America, I shall be grateful if you to inform all parties concerned. Faithfully yours,

(A sketch map of the islands.)

Tiao Yu Tai, Huang Wei Yu, beyond Keelung, Taiwan, have never been inhabited in the northern part of Taiwan. The islands were used for collecting medicinal plants for the Ching dynasty, based on a report to the Honorable Chao Chao which was used to be kept in my study were donated to Nanyang College, which was a collection.

Written by Sheng En

* Tai Chang had control of the official in Tai Chang Sea.

TRANSLATION OF AN EXCERPT FROM A LETTER OF SHENG JEN I (COURTESY NAME CHIE CHENG TO HIS DAUGHTER SHENG YU CHENG DATED 5TH DECEMBER THE 30TH YEAR OF THE REPUBLIC OF CHINA, 1947

*** There are three small islands beyond the seas of Taiwan, namely Tiao Yu Tai, Huang Wei Yu and Chih Yu. They are all barren and were mentioned in the writings of The Honorable Chao Wen Chia (courtesy name Chia Shan) who visited the Luchius (Ryukyu) as imperial envoy. Though uninhabited, the islands produce abundant medicinal herbs. When our family was at its zenith we had Kuang Jen Tang pharmacies in Chefoo, Shanghai and Changchow offering free treatment and medicine. It was well known everywhere. The Empress Dowager awarded the three islands to your grandfather for the purpose of collecting herbs. The Imperial Edict has been kept in our family. The islands belong to us. We also have in our possession a map with an explanatory note. I am mailing those to you, hoping that you will find some way to visit the islands one day. But you must not go if the trip should be considered dangerous***.

(Signed) -----

TRANSLATION

IMPERIAL EDICT OF EMPRESS DOWAGER TZU HSI ISSUED ON THE 10TH MONTH OF THE 10TH YEAR OF EMPEROR KUANG HSU, 1898

The medicinal pills submitted by Sheng Hsuan Hui, *Tai Chang Szu Cheng*¹ have proved to be very effective. The herbs used in making the pills are said to have been collected from the small island of Tiao Yu Tai, beyond the seas of Taiwan. Being made of ingredients from the sea, the prescription is more effective than that available in the Chinese mainland. It has come to my knowledge that the said official's family has for generations maintained pharmacies offering free treatment and herbs to destitute patients. This is really most commendable. The three small islands of Tiao Yu Tai, Huang Wei Yu, Chih Yu are hereby ordered to be awarded to Sheng Hsuan Hui as his property for the purpose of collecting medicinal herbs. May the great universal benevolence of the Imperial Dowager Empress and of the Emperor be deeply appreciated.

TREATY PROVIDES ISLANDS IN QUESTION BE RETURNED TO JAPAN

Mr. MORRIS. Japan acquired Taiwan in 1895, but returned it to the Republic of China in 1945. I would like to point out the acquisition by Japan of the Ryukyu Islands antedated their receiving Taiwan from the Chinese in 1895. Now, Miss Hsu has believed that with the return of Taiwan to the Republic of China, the islands which had come under Japanese sovereignty with Taiwan would have reverted back with it.

However, the treaty before this committee provides that these islands of the Taioyutai group, whose Japanese name is the Senkaku Islands, will be returned to Japan.

STATE DEPARTMENT EXPLANATION

The State Department explanation for this action is set forth in a letter to me from Robert I. Starr, Acting Assistant Legal Adviser for East Asian and Pacific Affairs, dated October 20, 1971. The relevant paragraph of that letter reads:

Under Article III of the 1951 Treaty of Peace with Japan, the United States acquired administrative rights over "Nansei Shoto" south of 29 degrees north latitude. This term was understood by the United States and Japan to include the Senkaku Islands, which were under Japanese administration at the end of the Second World War and which are not otherwise specifically referred to in the Peace Treaty.

¹ Tai Chang Szu had control of the Imperial Court Infirmary. Tai Chang Szu Cheng was an official in Tai Chang Szu.

In addition I
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I would like to
Senator Starr
(The information

ROBERT MORRIS, Esq.
Rice & Rice,
Mercantile Dallas, Pa.

DEAR Mr. MORRIS
September 24, 1971
The Honorable Earl
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Sincerely yours

Mr. MORRIS, Esq.
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ON 10TH MONTH
HSU, 1898

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In addition, I would like to read the conclusion of the State Department letter, which says:

The Governments of the Republic of China and Japan are in disagreement as to sovereignty over the Senkaku Islands. You should know as well that the People's Republic of China has also claimed sovereignty over the islands. The United States believes that a return of administrative rights over those islands to Japan, from which the rights were received, can in no way prejudice any underlying claims. The United States cannot add to the legal rights Japan possessed before it transferred administration of the islands to us, nor can the United States, by giving back what it received, diminish the rights of other claimants. The United States has made no claim to the Senkaku Islands and considers that any conflicting claims to the islands are a matter for resolution by the parties concerned.

I would like to offer that whole letter for the record.
Senator SPARKMAN. We will be glad to have it.
(The information referred to follows:)

DEPARTMENT OF STATE,
Washington, D.C., October 20, 1971.

ROBERT MORRIS, Esq.,
Rice & Rice,
Mercantile Dallas Building, Dallas, Tex.

DEAR MR. MORRIS: Secretary Rogers has asked me to reply to your letter of September 28, 1971, concerning the claim of Grace Hsu to ownership of the Tiaoyutai, Huang Wei Yu, and Chih Yu islands. We assume that you that by "Huang Wei Yu" and "Chih Yu", you refer to Huang-wei-chiao and Chih-wei-chiao, two islets in the Tiao-yu-tai group. The Japanese names for these two islands are respectively Kobi-sho and Sekibi-sho, and the entire group is known in Japanese as the Senkaku Islands.

Under Article III of the 1951 Treaty of Peace with Japan, the United States acquired administrative rights over "Nansei Shoto" south of 29 degrees north latitude. This term was understood by the United States and Japan to include the Senkaku Islands, which were under Japanese administration at the end of the Second World War and which are not otherwise specifically referred to in the Peace Treaty.

In accordance with understandings reached by President Nixon and Prime Minister Sato of Japan in 1969, the United States is expected to return to Japan in 1972 the administrative rights to Nansei Shoto which the United States continues to exercise under the Peace Treaty. A detailed agreement to this effect, on the terms and conditions for the reversion of the Ryukyu Islands, including the Senkakus, was signed on June 17, 1971, and has been transmitted to the Senate for its advice and consent to ratification.

The Governments of the Republic of China and Japan are in disagreement as to sovereignty over the Senkaku Islands. You should know as well that the People's Republic of China has also claimed sovereignty over the islands. The United States believes that a return of administrative rights over those islands to Japan, from which the rights were received, can in no way prejudice any underlying claims. The United States cannot add to the legal rights Japan possessed before it transferred administration of the islands to us, nor can the United States, by giving back what it received, diminish the rights of other claimants. The United States has made no claim to the Senkaku Islands and considers that any conflicting claims to the islands are a matter for resolution by the parties concerned.

I hope that this information is helpful to you. If I can be of any further assistance, please do not hesitate to let me know.

Sincerely yours,

ROBERT I. STARR,
Acting Assistant Legal Adviser
for East Asian and Pacific Affairs.

Mr. MORRIS. My client is not raising the question of sovereignty here. That is an action to be taken by the respective governments involved. But she would like to offer for the record the basis of her claim to ownership of the islands and to ask the committee to affirm that the treaty causes no change in her right thereto.

All that Miss Hsu is asking of the committee is that there be a statement that her underlying claims are not affected by the treaty.

Senator SPARKMAN. Thank you very much. Very interesting, very interesting testimony you have given us and we are glad to have it.

Mr. MORRIS. I made one spelling mistake on this. She spells the name Tzu and it is Hsi instead of Shih.

Senator SPARKMAN. The next witness is Mr. Shien-Biau Woo; is that right?

**STATEMENT OF SHIEN-BIAU WOO, UNIVERSITY OF DELAWARE,
NEWARK, DEL.**

Mr. Woo. That is close enough, Senator.

Senator SPARKMAN. I cannot make out the middle name.

Of the University of Delaware. Very, very glad to have you. You may proceed.

Mr. Woo. I am here as one of thousands of persons of Chinese extraction in the United States who is concerned over the dispute of Tiao-Yu Tai Islands—Senkaku in Japanese—between China and Japan. As a physicist, I have no formal training in discussing these matters. I can only speak as a layman who has studied this issue rather diligently ever since the first dispute first came to my attention last year.

I want to tell you why we think this is such an important mission to us. I want to inform you of a few crucial facts concerning the U.S. involvement in this dispute.

MAP PRESENTED

In the map I have prepared, China proper is in this corner and Taiwan is right in here. Japan is in the upper right corner in here and these small specks of lands are usually referred to as Okinawa Island. The islands in dispute are right here in the small circle, situated in that position.

Senator SPARKMAN. Is that heavy line going around, are those the coordinates that are set forth in the reversion?

Mr. Woo. These lines refer to the boundary drawn up by the treaties that I will come to later on.

Senator SPARKMAN. Very well.

Mr. Woo. And this gray line here indicates where the continental shelf stops.

(The map referred to is in the committee files.)

ARE DISPUTED ISLANDS INCLUDED IN JAPANESE PEACE TREATY?

Let me ask, does the original document which gave the United States administrative rights over the Okinawa Islands specifically refer to or include the Tiao-Yu Tai Islands which China claims? No; emphatically no. Article 3 of the Peace Treaty with Japan states that the United States will acquire sole administrative rights over Nansei Islands south of 29 degrees north latitude, including Ryukyu Islands and the Daito Islands. Tiao-Yu Tai was not specifically mentioned,

nor was there a grid on this map before you. The demarcation line in the proper is here. The Tiao-Yu Tai Islands.

DOES OKINAWA

Now, does the present or include the Tiao-Yu map the six points which Article 1 of the Okinawa and rocks situated in these six points will be drastic differences before you and the differ-

One might ask, how expense of China come national agreements? International agreements No. 27 of the Civil Administration seems to admit that more than an "und me quote a letter from Secretary for Congress.

Under Article III of the administrative rights over term was understood to last

Has such a capricious from China? Of course. written by the committee official, states:

*** The Chinese people Okinawa to the Japanese Japanese reactionaries to lands by making use of the accomplish. The Chinese Government crimes of encroachment upon

The Republic of China of the Foreign Ministry Yu Tai Islands to Japan

Positively

In the face of such statements of the State Department ambiguous, to say the least

footnote
#2



AP Radiophoto

An estimated 800 to 1,200 Chinese-American and Chinese Nationalist students from universities in the northeastern United States Saturday march up Fifth Avenue, in New York, in front of the Japan Air Lines' office at East 51st Street, in a demonstration against the Japanese Government which lays claim to the Tiao-Yu Tai (Senkaku) Islands about 190 km. northeast of Taiwan. The demonstrators claimed the islands, where oil reserves were recently discovered, are part of Chinese territory. The marchers had also held a rally earlier near the United Nations Building.

At Japanese U.N. Mission

Chinese Protest Senkaku Is. Claim

NEW YORK (Kyodo-Reuter) — About 1,000 Chinese students rallied near the United Nations and at the Japanese U.N. mission here Saturday to protest Japan's claim to uninhabited but oil-rich islands in the East China Sea.

The young demonstrators cheered fiery speeches in Mandarin and English and shouted "Sell out no more Chinese lands," "Smash Japanese-U.S. imperialism" and "Remember Pearl Harbor."

Some protestors came from Harvard, Yale, Princeton universities and elsewhere across New England for the "rally to defend Tiao Yu Tai (islands) as Chinese territory."

At the Japanese mission and consulate general and later at Japan Air Lines offices, the group shouted: "Down with (Premier Eisaku) Sato" and "Japanese militarism must end."

They sang ancient patriotic, nationalistic songs as they marched through midtown, blocking Saturday traffic and shoppers.

The dispute centers around ownership on the five islands called Tiao Yu Tai by the Chinese and Senkaku by Japanese.

The islands, about 200 km northeast of Taiwan, and the continental shelf between Japan Taiwan, the China mainland and South Korea were found to be one of the largest oil areas in the world by a U.N. economic committee in 1968.

The Taiwan Government last year granted oil drilling rights to Pacific Gulf, a Tokyo-based subsidiary of Gulf Oil Co.

The Japanese Government has refused to discuss its claims of sovereignty over the islands which were once part of the Ryukyus, due to revert to Japanese control in 1972.

However, the Chinese claim that the islands have been their territory as early as 1403 when they were recorded in Ming dynasty documents.

A Tokyo court in 1944 ruled that the islands were part of Taiwan rather than the Ryukyus. Peter Kwong, 26, leader of the demonstration, said.

"There is no dispute politically among the Chinese. The Communist Chinese have agreed that the islands belong to Taiwan province," added Kwong, a Columbia graduate student in political science, who was born in Chanking.

"We feel strongly against U.S. support of the Japanese claims," he said.

footnote # 3

Tel. (613) 232-4480

Enclosure to MONTREAL A-29
Page 3

CHINESE STUDENTS' UNION OF CANADA

109 College Avenue, Apt. 2
Ottawa 2, Ont. Canada

April 2, 1971.

Mr. Eisaku Sato
Prime Minister,
Japan.

Dear Mr. Sato,

This is a letter to express our strong protest against the presumptuous claims of your government over the Tiao Yu Tai Islands.

That the Tiao Yu Tai Islands are part of the sovereign territory of China is an indisputable fact based on historical and geographical evidences and on international law. We firmly disagree that these islands should be related to the Ryukyu Islands scheduled for reversion to your country in 1972, as unwarrantedly claimed by your government since last summer. In September, 1970, your government incited the use of military personnel to harass our fishermen who have been fishing in that area for year, and to disprage the Nationalist Chinese flag on the islands. These outrageous acts are most intolerable, and have offended the Chinese people.

In recent years, the tendency of resurrecting Japanese militarism has become increasingly apparent despite disclaims from your government. The situation is beginning to resemble Japanese militarism of forty years ago. It is our sincere hope that the bloodshed and sacrifices of both our people in the past will prevent a similar tragedy today or in the future.

In calling your attention to this, I am speaking on behalf of the Chinese Students' Union of Canada which represents the majority of the Chinese students in Eastern Canada. We seriously urge the Japanese government to reconsider the above mentioned points carefully so as to enhance international justice and not to disappoint all peace-loving people in the world.

Yours truly,



Jimmy Chang
Board Chairman,
C. S. U. C.,
Chief Co-ordinator,
Special Committee on Tiao Yu
Tai Incident, C. S. U. C..

Footnote
#4

The Japan Times Thursday, February 25, 1971

Taiwan Reiterates Right Over Senkaku Islands

TAIPEI (Kyodo-Reuters) — Foreign Minister Wei Tao-ming Tuesday reiterated that Nationalist China has the sovereign right over the Senkaku Islands, 240 kms. north of Taiwan.

In remarks to the legislative Yuan (parliament) quoted by the Central News Agency, Wei said:

"We are determined to defend this right because the islands belong to Nationalist China historically and geographically."

Peking and Japan also claim sovereignty over the islands which are uninhabited.

Wei, replying to a question by a legislator, added: "We have notified our stand to the Japanese Government."

lution supporting American efforts to defend the off-shore Nationalist Chinese islands.

Democrat Frank Church told the Senate "the time has come to welcome and encourage changed relations between mainland China and the United States."

The measure, cosponsored by Republican Sen. Charles Mathias would repeal the 1955 declaration giving congressional support for the use of U.S. Armed Forces to protect Taiwan and the Pescadores islands.

"The fear that Mao Tse-tung might order a rampage throughout Asia is being tempered with the hope that, by small steps, the United States may begin to influence the third of mankind that has been living in relative isolation," Sen. Church said.

Repeal of the resolution would leave intact the 1955 mutual security treaty with the Nationalist Government.

footnote #5

Sunday, April 18, 1971 The Japan Times

Taiwan Students Continue Protest

TAIPEI (AP)—About 2,000 students at Taiwan Normal University rallied and marched around their campus Saturday in the fourth straight day of student protests against a U.S. decision to turn over administrative control of the Tiaoyutai (Senkaku) Islands to Japan in 1972.

They later signed their names in blood to a petition urging Nationalist Chinese Government action to obtain sovereignty over the Tiaoyutai, and leaders said the petition would be presented to President Chiang Kai-shek.

Leaders said they plan to present a protest statement to U.S. Ambassador Walter P. McCaughy at the same time. They said the time has not been set, but would probably be next week.

The Government appeared to have been successful Saturday in preventing the student demonstrations from spilling over into the streets.

Government actions apparently stem from fears public protests could turn into anti-Government demonstrations. Many students have been critical of what they see as the Government's failure to stick up for Chinese claims to the islands 200 km. northeast of Taiwan.

Monday, May 3, 1971 The Japan Times

Peking Warns Japan Over Senkaku Claims

HONGKONG (UPI) — Communist China will not let anyone encroach upon her territorial sovereignty over the Senkaku Islands, Radio Peking said Sunday.

Any Japanese attempts to occupy the islands are bound to fail, the broadcast said.

The radio was broadcasting a commentary published in the May Day issue of the People's Daily.

"Despite warnings from the Chinese people, Eisaku Sato, Kiichi Aichi and their clique continue to claim that Tiaoyutai (Senkaku) Islands are 'Japanese territories,' it said.

"The Chinese people strongly protest against the criminal activities of the Japanese reactionaries who openly plan to occupy our territories.

"A point worth noting is that U.S. imperialism openly supports the Japanese reactionaries' plot to embezzle Chinese territories . . . It wants to return Okinawa to Japan together with our Tiaoyutai Islands.

"It is most unreasonable."

"Tiaoyutai Islands are Chinese territories. We have our territorial sovereignty over these islands. Apparently, the U.S. move is aimed at encouraging the expansion of Japanese militarism and keep it as a tool to practice the 'Nixon Doctrine' in Asia."

The commentary said it is the Chinese people's wish that Okinawa should be returned to the

Japanese people, but "it's absolutely impermissible for the U.S.-Japan reactionaries to occupy Tiaoyutai Islands, our sacred territories."

"We once again ~~warn~~ the Japanese reactionaries, before the great Chinese people, all your plots to occupy Chinese territories will be completely smashed though you collude with U.S. imperialism. You are just wasting your energy," it said.

Footnote # 7

Thursday, April 15, 1971 The Japan Times

Senkaku Islands

It is highly regrettable that both Communist China and Nationalist China oppose the Senkaku Islands' return to Japan. Since the administrative rights over the Senkaku Islands as part of the Ryukyu Islands were taken over by the United States under provisions of the San Francisco Peace Treaty, there is no doubt that Senkaku is Japanese territory. The Peking Government has opposed the military occupation of the Ryukyu Islands by Americans and supported the reversion of the islands to Japan. It is absurd that Peking now claims that Senkaku Islands do not belong to the Ryukyu Islands, when the reversion is expected soon. If Communist China and Nationalist China are interested in the Senkaku Islands, it is perhaps because of continental shelf resources there, especially oil. The countries concerned should hold sufficient discussions on the problem of development of continental shelf resources in the East China Sea. In this respect, Communist

China is justified in opposing the proposed cooperation among Japan, South Korea and Nationalist China in the development of the continental shelf, although its territorial claim over the Senkaku Islands is out of the question.—Mainichi Shinbun

Footnote #8

Japan Rejects Taiwan Claim to Senkakus

From News Dispatches

Japanese Foreign Minister Kiichi Aichi rejected the Taiwan government's latest claim to the disputed Senkaku Islands yesterday, but he said Japan will do everything possible to maintain good relations with Taiwan.

Aichi also said that, since the United States has agreed to return Okinawa to Japan, he was hopeful that the Soviet Union would give up the Kurile Island chain north of Japan.

A spokesman for the Taiwan foreign ministry said Thursday that his government considers the U.S. transfer of the Senkaku Islands to Japan, as part of the Okinawa package, to be particularly unacceptable.

Peking Claim

He called on the Japanese and U.S. governments to take "reasonable and legal steps" to respect Taiwan's sovereignty over the islands, which

lie halfway between Okinawa and Taiwan.

Japan and Taiwan have quarreled over the islands for years and last December, China also laid claim to them.

In 1969, vast undersea oil reserves were discovered near the Senkakus and Taiwan unilaterally granted oil exploration concessions in the area to Western oil firms.

The U.S.-Japanese agreement calls for administrative transfer to Japan next year of Okinawa and a large number of tiny islands, including the uninhabited Senkaku group.

U.S. State Department spokesman Charles Bray said in Washington that the agreement was made without prejudice to Taiwan's claims to the Senkakus.

Questioned about this, Aichi said the Okinawa agreement had settled the matter completely as far as the United States and Japan were concerned.

Aichi told newsmen that Japan would like to conclude a peace treaty with the Soviet Union that would include return of the Kurile islands.

Soviet Seizure

The Soviets seized the Kuriles, a 32-island chain that stretches north from Japan to the Soviet Kamchatka Peninsula, after declaring war on Japan in 1945 in the closing days of World War II. Moscow has refused to discuss their return. The islands are considered important to Japanese fishing rights.

"I would hope that under the new Okinawa situation, the Soviet officials would do so," Aichi said, when asked about the possible return of the Kuriles.

Meanwhile, U.S. military authorities announced yesterday that the removal of poison gas weapons from Okinawa will be resumed July 15.

Last January, the U.S. trans-

fer of 160 tons of nerve gas shells from Okinawa to U.S.-held Johnston Island stirred strong protests from residents in Okinawa villages along the transport route.

IV. 20 May 71

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Footnote 9

NAKASONE SAYS SDF RESPONSIBLE FOR SENKAKU DEFENSE

Tokyo KYODO in English 0520 GMT 20 May 71 T

[Text] Tokyo May 20 KYODO--Japan's self-defense forces are responsible for defending the disputed island of Senkaku, situated between Taiwan and Okinawa, after Okinawa reverts to Japan in 1972, the defense chief declared Thursday. The declaration was made by Yasuhiro Nakasone, director-general of the defense agency, at a session of the special committee on Okinawa and northern territories of the House of Representatives (lower house).

The sovereignty over Senkaku Island came to the fore last year when Nationalist China granted oil exploration rights to a U.S. firm. Immediately after that, Japan refuted the Nationalist Chinese claim over the island and declared that the island belonged to Japan. The dispute over the island had been further complicated when China joined the dispute, claiming that it holds sovereignty over it.

Nakasone told the committee meeting that when Okinawa returns to Japan from the United States, Senkaku Island will be included in the defense network of Japan. The island is now being administered by the United States. If there is any violation of territorial waters near the island, Japan's maritime safety agency will deal with the matter, the defense chief emphasized.

In the course of the committee session, Nakasone disclosed that there are two bombing ranges of the U.S. Navy on the island. The Japanese Government will allow the United States to continuously use these ranges even after the reversion of the island, Nakasone said. This was the first time that the existence of the U.S. firing ranges on Senkaku had been disclosed at the National Diet.

Nakasone also revealed at the meeting that his agency was planning to set up a "large-scale" defense facilities administration bureau in Okinawa to solve the problem of military bases to be used by the U.S. military after its return. He also said the defense agency would dispatch 6,800 defense personnel to Okinawa within one year after its reversion to Japanese administration.

Senkakus Sovereignty Issue Should Be Solved In Talks: State Dept.

Footnote 12

Firms Advised Not to Explore Oil Resources

WASHINGTON (Kyodo) — A State Department spokesman said Friday the question of sovereignty over the Senkaku Islands, now administered by the United States, should be settled through negotiations by "the parties concerned or by third-party adjudication."

The spokesman said this in disclosing that the U.S. Government had advised American firms not to explore undersea oil resources in the East China Sea and the Yellow Sea.

Observers noted that the spokesman "carefully avoided" taking sides in the dispute over sovereignty over the islands involving Japan, Nationalist China and Communist China.

This was taken to mean that the U.S. State Department does not want to get involved in the dispute, thereby adversely affecting Sino-American relations.

The spokesman, at the same time, expressed the department's stand that the islands, together with Okinawa, should be returned to Japan in 1972.

He then said that the U.S. had taken over the administrative rights in Okinawa and Nansei Shoto, including the Senkaku Islands, under Article 3 of the Peace Treaty with Japan and that it would return the administrative rights over Nansei Shoto to Japan in 1972.

Japanese Embassy sources here said the position of the U.S. Government as disclosed by the State Department spokesman was not unfavorable to Japan, although not totally consistent with Japan's contentions on the issue.

The sources stressed that lately the U.S. appears to have become more and more strongly convinced that the controversy over undersea oil development around the Senkaku Islands is an international "dispute."

Meanwhile, State Department spokesman Charles Bray said that Gulf Oil Corp., the only U.S. company involved in the

Continued on Page 4, Col. 6

Continued From Page 1

case, was withdrawing its oil exploration ships from exploration sites to Japan.

The U.S. stand has been communicated to Japan, Nationalist China and South Korea, he said.

Japan's Reaction

Foreign Ministry sources, commenting on a U.S. State Department spokesman's remarks on the Senkaku Islands issue, said Saturday they considered the U.S. stand "quite natural."

The U.S. Government appears to have shown "in advance" its intention of not getting involved in a dispute between Japan and Nationalist China or between Japan and Communist China over the question of sovereignty over the islands, the sources said.

The spokesman's statement has just served to confirm that the Senkaku Islands will be included as part of the area of Okinawa to be returned to Japan, they said.

How to handle the Senkaku Islands in the Okinawa reversion accord now being worked out has not been agreed upon yet between the U.S. and Japan, they said, but the accord would not affect the view consistently held so far by the two governments that the islands are included in the areas the administrative rights over which were taken over by the U.S. under Article 3 of the San Francisco Peace Treaty.

Chinese Protest in U.S.

SAN FRANCISCO (AP) — About 200 Chinese students staged a noisy but orderly rally at the federal building plaza Friday, denouncing what they called Japanese efforts to gain control of the Tiaoyutai Is-

lands, 193 km. northeast of Japan.

Speakers said discovered sub-sea oil deposits around eight islands had focused attention on the area.

"Down with Japanese imperialism," "down with U.S. imperialism," and "The Islands belong to us—the Chinese people" were among the slogans on signs carried by demonstrators.

Speakers claimed the rally was supporting the Japanese move and criticized Nationalist China as doing nothing for the islands for the Chinese.

The rally was one of a series of demonstrations planned around the States and in Hongkong last weekend.

Before their major rally, a group demonstrated in front of the Japanese and Nationalist Chinese consulates.

Hongkong Demonstration

HONGKONG (Kyodo) — Police Saturday arrested 100 people following a demonstration outside the Japanese Cultural Center here, a government spokesman said.

A placard-carrying group staged the demonstration test against Japan's claim that the Senkaku Islands lying between Taiwan and Okinawa, which the Nationalist and Communist Chinese governments have also claimed territorial rights.

The spokesman said that demonstrators were arrested when they tried to break through the police cordon and give warnings to disperse.

The crowd started shouting slogans when a police officer at the scene told them that it was illegal to hold a demonstration without permission.

The crowd dispersed after an officer ordered the arrest of 10 men and two women, a spokesman said.

Footnotes 10+11 ✓

STATE DEPARTMENT NOON BRIEFING BY BRAY
JUNE 17, 1971

I WAS VOLUNTEERED BY A HIGH STATE DEPT OFFICIAL IN THIS ROOM YESTERDAY AFTERNOON AS THE SOURCE OF A STATEMENT ON THE RECORD WITH RESPECT TO THE SENKAKU ISLANDS; IT IS AS FOLLOWS:

"THE UNITED STATES GOVERNMENT IS AWARE THAT A DISPUTE EXISTS BETWEEN THE GOVERNMENTS OF THE REPUBLIC OF CHINA AND JAPAN REGARDING THE SOVEREIGNTY OF THE SENKAKU ISLANDS. THE UNITED STATES BELIEVES THAT A RETURN OF ADMINISTRATIVE RIGHTS OVER THOSE ISLANDS TO JAPAN FROM WHICH THOSE RIGHTS WERE RECEIVED CAN IN NO WAY PREJUDICE THE UNDERLYING CLAIMS OF THE REPUBLIC OF CHINA. THE UNITED STATES CANNOT ADD TO THE LEGAL RIGHTS JAPAN POSSESSED BEFORE IT TRANSFERRED ADMINISTRATION OF THE ISLANDS TO THE UNITED STATES NOR CAN THE UNITED STATES BY GIVING BACK WHAT IT RECEIVED DIMINISH THE RIGHTS OF THE REPUBLIC OF CHINA."

Q. ARE THESE ISLANDS INCLUDED IN THE TURN OVER AGREEMENTS SIGNED TODAY?

A. THAT IS CORRECT.

Q. ARE THESE THE ONES WHERE SOME OIL IS POSSIBLY INVOLVED?

A. I GATHER, LOU, THAT THE ISLANDS ARE LOCATED ON THE NORTH ASIAN CONTINENTAL SHELF NEAR AREAS WHERE PRELIMINARY SEISMIC SURVEYS HAVE INDICATED THE POSSIBILITY OF PETROLEUM DEPOSITS.

Q. HAS THE GOVT OF THE REPUBLIC OF CHINA MADE ANY REPRESENTATIONS OR OFFERED ANY DEMARCHE ABOUT THIS?

A. WITHOUT WISHING TO GET FURTHER INTO DEFINITIONS IN THIS ROOM LET ME SAY THAT WE HAVE KEPT THE GOVT OF THE REPUBLIC OF CHINA INFORMED OF OUR INTENTIONS WITH RESPECT TO THE SENKAKUS AND HAVE INFORMED THE REPUBLIC OF CHINA THAT REVERSION WILL NOT EFFECT THE LEGAL RIGHTS OF EITHER JAPAN OR THE GOVT OF THE REPUBLIC OF CHINA IN THE MATTER OVER THE SOVEREIGNTY OF THE SENKAKUS. NOW, FOR YOUR BACKGROUND IN THE NON-TECHNICAL SENSE OF THE WORD, I GATHER THAT THE GRC ISSUED A STATEMENT ON THIS SUBJECT LATE LAST WEEK.

Q. YOU HAVE TO EXCUSE MY FUNDAMENTAL INABILITY TO UNDERSTAND THIS QUASI-LEGAL LANGUAGE WHICH YOU HAVE PUT FORWARD, WHAT DOES THIS ALL MEAN...REALLY...ARE WE STANDING ASIDE AND SAYING TO THE NATIONALIST CHINESE AND THE JAPANESE 'YOU QUARREL OVER IT; WE HAVE NOTHING TO DO ABOUT IT.'

A. EXACTLY. WE HAVE NOTHING TO DO ABOUT IT.

A. WHAT WE ARE SAYING IS THAT WE ARE RETURNING TO THE JAPANESE GOVT THE ADMINISTRATIVE RIGHTS THAT WE ACQUIRED OVER THESE ISLANDS AND THAT THE QUESTION OF SOVEREIGNTY IS NOT THEREBY AFFECTED; THE QUESTION OF SOVEREIGNTY IS ONE TO BE WORKED OUT BETWEEN THE CLAIMANTS.

Q. HASN'T THE MAINLAND CHINESE GOVT ALSO MADE CLAIM TO THE SOVEREIGNTY OF THE SENKAKUS AND IF SO THERE IS NO REFERENCE IN YOUR STATEMENT TO THEIR CLAIM?

A. YOU ARE CORRECT.

Q. AM I CORRECT THAT THEY HAVE MADE CLAIM TO IT OR AM I CORRECT THAT THERE IS NO REFERENCE TO THEIR CLAIM IN THE STATEMENT?

A. I THINK THAT I CAN RECALL SOME PUBLIC STATEMENTS BY THE PEOPLES REPUBLIC OF CHINA WITH RESPECT TO THE SENKAKUS; I DON'T RECALL THE PRECISE LANGUAGE. YOU ARE CORRECT THAT MY STATEMENT MAKES NO REFERENCE BEYOND THE GOVT OF THE REPUBLIC OF CHINA AND THE JAPANESE.

Q. DOESN'T THE US RECOGNIZE THAT THE PRC MIGHT HAVE A LEGAL CLAIM TO THE ISLANDS?

A. I'M JUST NOT GOING TO GET ANY FURTHER INTO THIS. I'M

SORRY.

Q. IS THERE A US MILITARY FACILITY OR ANY US FACILITIES ON THE SENKAKU ISLANDS?

A. YES, ...THE US NAVY HAS GUNNERY RANGES AT KOBISHO AND SEKIBISHO IN THE SENKAKUS...THE GUNNERY RANGES ARE INFREQUENTLY USED FOR TRAINING PURPOSES AND ARE THE ONLY FACILITIES THAT THE UNITED STATES WILL RETAIN ON THE SENKAKU ISLANDS.

Q. IN APRIL DIDN'T YOU ISSUE A STATEMENT WARNING AMERICAN OIL COMPANIES TO STAY AWAY FROM THE SENKAKUS BECAUSE OF THESE CONFLICTING CLAIMS BY THE MAINLAND CHINESE AND EVERYBODY ELSE?

A. I HESITATE ONLY BECAUSE I CAN'T RECALL WHETHER IT WAS WARNING THEM TO STAY AWAY FROM THE SENKAKUS OR OTHER AREAS IN THE EAST CHINA SEAS. IT'S WORTH CHECKING THE TRANSCRIPT.

Q. REFERRING TO THAT PRESS RELEASE, DO YOU KNOW THE ACREAGE OF THE 88 INSTALLATIONS THAT THE UNITED STATES IS RETAINING?

A. I'LL TAKE THE QUESTION.

Q. HAVE YOU ANY COMMENT ON THE DEMONSTRATIONS IN TOKYO THAT ACCOMPANIED THE SIGNING OF THE TREATY?

A. NO SIR.

EA/HOC:LEH:pd

(Drafting Office and Officer)

DEPARTMENT OF STATE

Memorandum of Conversation

DATE June 6, 1969

SUBJECT: Offshore Oil: Taiwan-Ryukyus Boundary and Related Matters

PARTICIPANTS: Joseph Carter, Chief Geologist, Gulf Pittsburgh
Robert Rees, Attorney
Stuart Nelson, Gulf Washington Representative
Robert Barnett, Deputy Assistant Secretary, EA
Wilford Welch, Special Assistant, EA
Jared Carter, L/SPA

COPIES TO: Charles Schmitz, L/EA
Lynn H. Olson, EA/ROC, Country Officer

INR-10	L/SPA	EA/IND	EA/TB	Emb Taipei
EA-2	L/EA	EA/K	EA/LC	Emb Tokyo
EA/ROC-2	EA/MS	EA/ACA	EA/J	USCAR
			EA/VN	Emb Bangkok

Summary

Gulf, which is discussing ROC offshore oil concessions north and northeast of Taiwan, was informed that the sea boundary between Taiwan and the Ryukyus is unsettled that Japan has residual sovereignty over the Ryukyus and that the USG is reluctant to raise the matter with the Japanese at this time.

With regard to Gulf's interest in the Yellow Sea, Mr. Barnett noted that the oil underlying these waters could be of colossal value to all countries in the area but that no one could benefit unless the countries, including Peking and Pyong Yang, were to agree on certain ground rules.

It was agreed that the Southeast Asian nations must delineate their offshore boundaries in order to avoid dispute and assist the oil companies. Mr. Barnett noted, however, that even though we shared this interest with US oil companies, that we must avoid giving these nations the impression that the Department of State, acting at the request of oil companies, is pushing them to establish agreed boundaries.

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1. By way of background Mr. Joseph Carter explained that Gulf is engaged in discussions with the China Petroleum Corporation (CPC) looking toward joint exploration of the seabed north and northeast of Taiwan. Meanwhile, Gulf has learned that a Japanese firm has obtained concessions from the Ryukyuan Government around the Sento Islands which lie within the contemplated Gulf concession area. Gulf had thought the area belonged to the ROC, but National Geographic maps and USCAR is asking the State Department where the boundary is between ROC territory and the Ryukyus.

2. Mr. Barnett noted that international law is murky, that the US adheres to the Continental Shelf Convention but that other countries, including the ROC and Japan, do not. Secondly, he explained that settlement of the Ryukyu-Taiwan boundary question would require that the US act for Japan in negotiations with the ROC, since the US administers the Ryukyus but recognizes that residual sovereignty rests with Japan, but that the US is reluctant to get involved with Japan on this matter at this time with the return of the Ryukyus under active discussion with the Japanese.

3. Mr. Carter stated that the Government of the Ryukyu Islands has made a concession to one company and may grant others and asked if it had the authority to do this. Mr. Barnett said we were not sure that any concession had been granted.

4. Mr. Carter asked whether Gulf could apply to the Ryukyuan Government for concessions. Mr. Barnett replied that we consider this a Japanese affair. He went on to explain that Japanese residual sovereignty was recognized by everyone but its exercise has still to be worked out. And in this "Ryukyus year" we are not willing to inject this question into more basic matters.

5. Mr. Nelson asked if the status of the Sento Islands were in dispute. Mr. Schmitz replied that the Islands were included within the lines of USCAR proclaimed area and therefore the Sentos were within the Ryukyu Islands. He added that both the US and the GRC behaved as if they were. Mr. Nelson asked if there were specific acts by the GRC to this effect. Mr. Olson referred to the case of Taiwanese fishermen and ship salvage operations which were protested by Japan and the GRC acted to get the squatters off.

6. Mr. Carter shifted to possible problems with the Communist Chinese on the western side of the proposed concession area and referred to concessions granted by the GRC to Amoco-CPC, showing a map on which they were delineated and noting that they extended to the median line between Taiwan and Communist China.

7. Commenting on both the Gulf and Amoco areas, Mr. Barnett said that both Taipei and Peking claim to be the government of all of China and that there is unsettled business between them. Taipei's use of the median line conforms with international practice between separate countries. All this gets into the 1-China, 2-China dispute, however, and Mr. Barnett assumed that Gulf is less interested in legal theory than practical safety. He then stated that the Taiwan Straits is not an area of constant combat but that there is mutual harrassment at a low tactical level and there could certainly be no sense of great security.

8. Mr. Carter asked if the GRC is the legal government of China and Mr. Barnett noted that it has US and UN recognition, that we have a treaty providing for the defense of Taiwan and the Penghus, and that there have been a number of public US statements as to Taipei's effective territorial jurisdiction over the treaty area, but he doubted that Taipei would want us to define its territorial jurisdiction.

9. Mr. Barnett then read the following statement as the US position in answer to Gulf's question as to the Taiwan-Ryukyuan sea boundary:

"The proposed concessional area includes: (1) Ryukyuan territory, specifically the Senkaku (or Sento) Islands and (2) Ryukyuan continental shelf areas, the precise extent of which could only be determined in negotiations with the GRC; and that we do not feel that we have authority to negotiate a dividing line between the Republic of China and the Ryukyu Islands and are reluctant to raise this issue with the Japanese at this time.

"We feel that the ROC would be on tenuous legal and political grounds if it were to assert a legal right to grant this extensive a concession, particularly including the southeastern portion, to Gulf.

"The legal situation is not clear, and the United States has not yet taken a position regarding the extent to which it considers coastal states should exercise jurisdiction over seabed natural resources or regarding the stance it should take when other governments

assert claims of jurisdiction which the United States determines to be unsupported by international law.

"We are sure that Communist China will not accept the legality of such concessions and are unable to assess whether they might take military action against installations particularly if the concessions and the existence of installations on the shelf within 50 miles from Communist China were to become a public issue. We could not give Gulf any commitment to protect such concessions."

10. Mr. Carter then moved further afield noting that Gulf had two large concessions west of South Korea, well below the 38th parallel, but running to the median line with mainland China on the west. He asked if Mr. Barnett had any comment. Mr. Barnett said we would all be better off if there were an accepted international agreement on continental shelf matters. Neither Peking nor Pyong Yang were signatories of the 1958 Convention. Thus there is no accepted international law in this area. But as a practical matter agreements on dividing lines could be reached between two countries and be of no concern to other countries. But, with excitable, divided countries, these are not tranquil waters. Three elements are helpful: international law, the establishment of general ground rules, and good faith in observing them. The oil underlying these waters could be of colossal value to all the countries in the area, but it would have little value unless all countries, including Peking and Pyong Yang, were to accept certain ground rules. He noted that no other countries, except possibly Japan, USSR, and Italy, have the necessary technology which the US oil companies possess.

11. Mr. Carter explained that Gulf would be engaged in low visibility exploratory work for the next three or four years. (This will be undertaken in 200 to 600-ton ships operating in patterns at 7 to 10 knots. These surveys off Korea will be made by outside US firms under contract, but a larger Gulf-owned ship will be making surveys at the end of 1969 off all of Asian shores.) He asked if we could foresee the situation as far as three or four years in advance because it was then that more visible, more vulnerable and more expensive investment would be decided upon. Mr. Barnett replied that we just could not make such predictions even for shorter periods.

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12. Mr. Rees continued by noting that Gulf also had interests in Southeast Asian offshore areas, particularly in the Gulf of Siam where they have concessions from Thailand but potential problems with Cambodia. He asked what kind of solution State may foresee. Mr. Barnett thought the oil companies might encourage the Asian countries to delineate offshore boundaries, but that State does not see itself as acting as the diplomatic agent of the oil companies, and that the oil companies would not find our so acting as desirable in any case. Mr. Joseph Carter, of Gulf, asked if State had any objections to the oil companies taking the initiative. Mr. Barnett said that the US oil companies should avoid giving the impression that they were speaking under official US auspices.

13. Mr. Barnett closed the discussion by assuring the Gulf representatives of our interest in these matters and his willingness to meet with them again if they had further questions.

Clearance:

EA - Mr. Welch *WJ*

L/SPA - Mr. Carter *WJ*

EA - Mr. Barnett

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NUMBER	FROM	DATE RECEIVED	CLERK	FILE	SUSPENSE DATE
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SUMMARY (Type file number, source, date and subject or short title)

*Study (Shiels), Aug 71
The Senkaku Oil Question &
Related Issues w/ incls*

ROUTING	TO	TO	TO	TO	TO
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	PRINTED NAME	PRINTED NAME	PRINTED NAME	PRINTED NAME	PRINTED NAME
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ACTION TAKEN	REMARKS

DA FORM 1203 (6-PART)
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Frederick L. Shiels
ODCSOPS IA
August 1971
For Mr. E. W. O'Flaherty

The Senkaku Oil Question and Related Issues

(S) Background: The Senkaku Gunto lies about 200 miles southwest of Okinawa and consists of several uninhabited islands and atolls. It has been considered part of the Ryukyuan group under the administrative authority of the United States as defined in Article III of the Japanese Peace Treaty (1951). The United States and Japan are agreed that Japan retains residual sovereignty over the Ryukyus (the rights to them when we end our occupation) but the Government of the Republic of China (GRC) does not recognize the right of America to make any arrangements for transferring the Ryukyus other than those granted in Article III which allows us to propose trusteeship arrangements for the islands to the United Nations. The Taipei government maintains that to allow the islands "to revert" to Japan on the theory that she has always maintained residual sovereignty would be contrary to the 1951 Peace Treaty spirit and to that of the Cairo and Potsdam Conferences.¹ With regard to the Ryukyus, proceedings of these conferences imply but do not specifically state that China will be consulted in determining the islands' future after World War II. Also the GRC (i.e., China in general)

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has an ancient if tenuous historical claim to the Ryukyus which has been reasserted from time to time, most recently by Chiang Kai-Shek during World War II.² The GRC has requested that the United States consult with her regarding any American plans having to do with Ryukyuan reversion. The United States has agreed only to inform the GRC of her intentions.³

(U) During the post-war years China (i.e., GRC) did not have any reason to press claims to the Ryukyus because the United States bases there were strategically most beneficial to her without being economically prizeworthy, but in 1969 a development occurred which changed the picture. This was the discovery of evidence that a sizeable off-shore petroleum deposit existed around the barren Senkakus, announced by the Japanese Government in August of that year. The estimated size of the deposit was 15 million tons.

(U) Now although the Senkakus can be considered geographically part of the Ryukyus they are on the continental shelf of coastal China and Taiwan.⁴ In August 1969, the New York Times speculated that both Chinas would make bids for oil rights in the area,⁵ which would mean that as many as five different governments might be involved in the imbroglio: the "2 Chinas," the United States, Japan, and indirectly, the Government of the Ryukyu Islands (GRI). The petroleum said to be potentially among the world's ten greatest

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deposits would be highly coveted by Tokyo, Peking, and Taipei, all of whom lack enough oil. Japan especially feels this need since she is currently the world's leading importer of oil and depends on Middle Eastern suppliers.

(C) Because international law is vague about the seawards limits of continental shelf rights, the Chinese claims are open to some question in that regard. An American Embassy/Tokyo cable of 30 August 1969 called attention to Japanese press reports that Taiwan claimed the Senkakus based on 1958 Continental Shelf Convention criteria.⁶ Both Gulf and Union Carbide were making inquiries to the State Department about this time regarding oil exploration in these islands. They were informed that the legal questions surrounding Senkaku oil rights were clouded because of the controversial continental shelf considerations. (Deputy Assistant Secretary of State Barnett had indicated to Gulf in June that the State Department did not intend to serve as an agent for United States oil companies seeking concessions in the poorly delineated off-shore boundary areas of East Asia.)

(C) An American Embassy/Taipei cable of 10 September 1969 indicated that pressure was building in the GRC for an outright claim to the Senkakus, but the government was proceeding cautiously.⁷ The issue became more ominous as the GRI sought to erect signs in the islands (ostensibly for Taiwanese benefit) saying "No

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Trespassing." The United States agreed by March 1970 to the placement of the signs. When the GRC awarded oil rights (Senkaku) to Gulf, a great deal of displeasure was vented by GRI whose legislature protested vigorously.⁸ (However, in September 1970 we indicated that disputes over the Senkakus should involve the Asian claimants to the territory and not the United States.)

(S) Another symbolic gesture which escalated the tension in the Senkakus case was the early September 1970 planting of a Nationalist Chinese flag, in the Senkakus, which the GRI strongly protested. The heat was on the Japanese Government to reassert Japan's claim to the islands. A statement issued by the GRI and transmitted in a High Commissioner Ryukyus cable on 12 September 1970 indicated that the Okinawans were adamant that the Chinese claim was invalid primarily on the basis of the Nansei Shoto clause (Article III) of the 1951 Japanese Peace Treaty and the United States Civil Administration Ryukyus Proclamation number 27 (December 1953) which defined Ryukyuan boundaries which included the Senkakus.⁹ Two days later a cable from the Secretary of State to our embassy in Taipei cautioned:

(1) That the United States wishes to steer clear of the controversy in the Senkakus; we presently consider Japan's claim to the area valid but not non-negotiable.

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(2) Japan is willing to negotiate with the GRC on the question of waters surrounding the Senkakus but not the sovereignty of the islands proper.¹⁰

(S) The Chinese position on the issue crystallized in a cable from Taipei (United States Embassy) in which reports Chinese Foreign Minister Shen's clarification of why the GRC was not satisfied with GOJ's case for possession of the Senkakus.¹¹ Reasons he was reported to have cited include the following:

(1) Prior to 1879 the Ryukyus were independent and had considerable Chinese influence; China never recognized the Japanese annexation of that year.

(2) Administrative transfer of the Senkakus (a lease) to the Tatsujiro family in 1896 occurred only after the Shimonoseki Treaty ceded Taiwan and neighboring islands to Japan. This indicated that the Japanese themselves linked these islands to Taiwan rather than the Ryukyus.

(3) Japanese arrangements in 1896 (dealing with the lease and sale respectively of the islands to the KOGA TATSUJIRO family) were administrative and domestic and have no bearing on the question of legal rights to possession of the Senkakus.

(4) Japan forfeited all rights to the Ryukyus under Article III of the Peace Treaty - the United States has complete sovereignty

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here but, even dismissing the sovereignty question, the Senkakus lie on the border of the Ryukyus as defined in Article III.

(5) Cairo and Potsdam Conferences would limit post-war Japan to four major islands and such minor islands as the Allied Powers (China, United States, and the United Kingdom) saw fit to give her. {

(6) In the Sino-Japanese treaty of 1952 Japan renounced all rights to Taiwan and neighboring islands - the Senkakus are closer to Taiwan than to the principal Ryukyuan Island of Okinawa.

(C) The day Foreign Minister Shen was defending the Chinese claim to the Senkakus an incident occurred there which was to have unpleasant repercussions. It involved the GRI (and its police force) and Taiwanese fishermen in the Senkakus' waters. The fishermen were disregarding warnings about staying away from the islands, claiming (correctly) they had fished in the area for years. The problem was indirectly linked to the oil controversy in that any Taiwanese exercise of rights around the Senkakus might strengthen their presence and position regarding oil claims - something the Japanese and Ryukyans feared. Although the Taiwanese had been permitted to fish in the area freely when pre-war Formosa was part of Japan, confrontations involving fishing intrusions began occurring when Formosa was no longer under Japanese control. The most recent incident prior to the discovery of oil in the Senkakus had been in

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April/May 1970 when two Taiwanese fishermen were arrested for "poaching" in the Yaeyama Gunto, the closest inhabited area to the Senkakus.¹² But after the Senkaku fishing incident of 1970 the considerable Chinese wrath gradually died down through United States pacifying. (There is no indication, though, that the Chinese have any intention of dropping the issue.)

(C) A cable from the American Embassy in Taipei 8 October 1970 does imply that the Chinese have been more cautious with the Senkaku issue than it might appear. The flag planters and fishermen were privately reprimanded by Taipei, and Taipei had not yet formally asserted sovereignty over the Senkaku islands proper, only drilling rights in the surrounding continental shelf. Also the GRC indicated a willingness to talk with the Japanese about the matter.¹³

(S) By October of 1970 a State Department memorandum (EA/ROC McDonnell to Shoesmith) was able to report:

(1) That Communist China to date had made no substantive noises on the Senkaku-Continental Shelf issue.

(2) That it was advisable for State neither to encourage nor discourage American oil companies making inquiries in the area, although it should be made plain that the East China Sea is likely to be a confused area for some time regarding oil rights and reiterated that the United States wants to avoid involvement to the maximum

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extent possible.

(3) Continental Shelf criteria are vague in the Convention of 1958 - especially regarding the 200 meter line (see Memorandum 12 October 1970, item 10) which may be obsolete today.¹⁴

(4) It was revealed that the flag planting of 2 September 1970 which caused such an uproar in Naha was done by Taiwanese journalists (who, as has been noted, were subsequently reprimanded).

(5) As preliminary negotiations got under way in the fall of 1970 between Japan and China regarding the Senkakus, a few guardedly hopeful signs were reflected in State Department cables.

(1) It was believed that the Chinese might just be concerned about continental shelf drilling rights and willing to negotiate on the disposition of the islands themselves using their claim as a bargaining tool.

(2) Japan seemed to be willing, after a little US encouragement, to consider conceding the Chinese fishing rights around the island and to negotiate continental shelf priorities but not willing at this stage to consider negotiating rightful ownership of the islands themselves.

(U) As if the East China Sea quagmire were not murky enough, the countries involved in the fall of 1970 had begun granting oil exploration concessions to various companies including Shell, Phillips,

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Clinton, Amoco, Gulf and others. In several cases concessions by China, Japan, and Korea overlapped. The Chinese concession of Senkaku oil rights to three of these companies directly contradicted the Japanese Oil Development Corporation.¹⁵ In addition to the confusion about multi-national and private oil rights between Japan and Taiwan, New York Times correspondent Tillman Durdin reported on December 5 that Communist China had asserted claims to the Senkakus. The Chinese Communists indicated that they consider these uninhabited islands part of Taiwan just as the Nationalists do but since they were the legitimate government of all China (including Chiang's maverick Taiwan) the only valid claim to the area was theirs. The Communists also accused Japan's claim to the Senkakus of being "a new crime committed by Japanese militarism against China and Korea under the support of US imperialism." ¹⁶

(C) Early in 1971 cables indicated that the United States was planning to postpone allowing the GOJ to construct a weather station in the Senkakus on the grounds that (1) it would provoke the GRC (2) it was not needed immediately for meteorological purposes (3) and was apparently an attempt by the GOJ to solidify its presence in the Senkakus. A March 19th Department of State memorandum reiterated the United States claim that she had always considered the Senkakus as part of her Ryukyuan responsibility and had administered

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them accordingly. So the ability of the United States to allow Senkakus to revert to Japan in 1972 was unquestioned; but this didn't mean the United States Government considered that Japan's claim after reversion would be indisputable. (It should be noted that the United States Navy used the Senkakus over the years as a firing range area.) On the 20th April 1970 the American Embassy Taipei indicated that Chinese student demonstrations over Senkakus regarded by local press as reflection of resentment of United States and Japan (Independent Evening Post) but that diplomatic channels were the correct ones for resolution of the controversy.¹⁷

(S) At the request of the GRC in April the United States Government considered whether or not to persuade the GRI to return the GRC flag captured last year to Taipei. It was decided that this should be done and a United States Civil Administration official was dispatched with the flag, which had been stored in GRI Police Headquarters. As date for signing of reversion agreement approached the GRC mounted increasing pressure on the United States Government to retain the Senkakus until settlement could be worked out. Part of the pressure was in the form of open letters (full page) in the New York Times, addressed to the President and Congress from Chinese supporters in the United States of the Tiao Yu Tai Islands issue, this being Chinese name for Senkakus and habitually applied by them when referring to the dispute.

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Conclusion

(U) A complicated intertwining of historical, legal, political, and economic factors has created in the Senkakus case the sort of frustrating and seemingly insoluble problem the United States should by now regard as almost routine in Asian affairs. The claims and counterclaims to these once negligible islands are exquisitely tangled - an international jurist's nightmare - because they involve so many arbitrary determinations. Which of several conflicting treaties and boundary definitions involving China, the United States and Japan should take precedence? How do continental shelf rights apply? And, of course, who speaks for Chinese interests? Some if not all of the parties in the conflict will be dissatisfied, whatever answers are decided upon.

(U) It may be that among the four major capitals currently watching the Senkakus most carefully - Tokyo, Taipei, Peking, and Washington - the course of the latter should be the most clear. The United States should continue its policy of low key moderation while it is pulling out of Okinawa and should encourage the other parties to negotiate through some arbitrator like the International Court of Justice. Although China has an admittedly strong claim to the islands, two political (as opposed to legal) considerations of impact should be borne in mind:

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(1) Any United States favoritism to the Chinese claim is likely to be highly resented by the Japanese, who are the more important allies and,

(2) The Chinese assertion is problematic since two parties claim to be China; we are currently trying to upgrade our relationship with Communists without alienating or undercutting the Chinese Nationalists. If a workable compromise in the Senkakus is difficult to picture, that very fact makes the attempt at such a compromise by the Asian parties all the more imperative.

Footnotes

- ¹ Okinawa Reversion: A Study of the Administrative Aspects 1968
Prepared by ODCSOPS, Department of the Army, pp. 7-8.
- ² Chiang Kai-Shek China's Destiny.
- ³ Okinawa Reversion... op. cit. p. 7.
- ⁴ For a discussion of the continental shelf problems see Department of State EA/ROC Memorandum from McDonnell to Shoesmith, 12 October 1970.
- ⁵ New York Times, 28 August 1969.
- ⁶ Cable from American Embassy, Tokyo to RUASTP/American Embassy, Taipei, 30 August 1969.
- ⁷ Cable from American Embassy, Taipei to RUALUT/American Embassy, Tokyo, 10 September 1969.

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- 8 Cable from High Commissioner Ryukyus Okinawa to RUEADWD - 2 September 1970.
- 9 Cable from High Commissioner Okinawa RYIS to RUADWD-DA, 12 September 1970.
- 10 Cable from Secretary State to American Embassy, Taipei, 14th September 1970.
- 11 Cable from American Embassy, Taipei to RUHC/Secretary of State, 15 September 1970.
- 12 Confidential cables latter September 1970 from High Commissioner Okinawa.
- 13 Cable from American Embassy/Taipei to State Department, 8 October 1970.
- 14 EA/ROC Memorandum 12 October 1970, item 10.
- 15 Selig Harrison in the Washington Post 14 October 1970.
- 16 Tillman Durdin in the New York Times 5 December 1970.
- 17 Cable from American Embassy Taipei to Secretary of State 20 April 1970.

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A21. POTSDAM ULTIMATUM TO JAPANESE*

Proclamation Defining Terms for Japanese Surrender, July 26, 1945

(1) We--The President of the United States, the President of the National Government of the Republic of China, and the Prime Minister of Great Britain, representing the hundreds of millions of our countrymen, have conferred and agree that Japan shall be given an opportunity to end this war.

(2) The prodigious land, sea and air forces of the United States, the British Empire and of China, many times reinforced by their armies and air fleets from the west, are poised to strike the final blows upon Japan. This military power is sustained and inspired by the determination of all the Allied Nations to prosecute the war against Japan until she ceases to resist.

(3) The result of the futile and senseless German resistance to the might of the aroused free peoples of the world stands forth in awful clarity as an example to the people of Japan. The might that now converges on Japan is immeasurably greater than that which, when applied to the resisting Nazis, necessarily laid waste to the lands, the industry and the method of life of the whole German people. The full application of our military power, backed by our resolve, will mean the inevitable and complete destruction of the Japanese armed forces and just as inevitably the utter devastation of the Japanese homeland.

(4) The time has come for Japan to decide whether she will continue to be controlled by those self-willed militaristic advisers whose unintelligent calculations have brought the Empire of Japan to the threshold of annihilation, or whether she will follow the path of reason.

(5) Following are our terms. We will not deviate from them. There are no alternatives. We shall brook no delay.

(6) There must be eliminated for all time the authority and influence of those who have deceived and misled the people of Japan into embarking on world conquest, for we insist that a new order of peace, security and justice will be impossible until irresponsible militarism is driven from the world.

*The Axis in Defeat, Dept of State Publication 2423, pp 27-28 reprinted in US Senate, 81st Cong. 1st Sess. Doc 123, A Decade of American Foreign Policy: Basic Documents 1941-49, US Govt Printing Office, Washington, D. C., 1950, pp 49-50.

We in #8 refer
to China, BRITAIN + U.S.

(7) Until such a new order is established and until there is convincing proof that Japan's war-making power is destroyed, points in Japanese territory to be designated by the Allies shall be occupied to secure the achievement of the basic objectives we are here setting forth.

(8) The terms of the Cairo Declaration shall be carried out and Japanese sovereignty shall be limited to the islands of Honshu, Hokkaido, Kyushu, Shikoku and such minor islands as we determine.

(9) The Japanese military forces, after being completely disarmed, shall be permitted to return to their homes with the opportunity to lead peaceful and productive lives.

(10) We do not intend that the Japanese shall be enslaved as a race or destroyed as a nation, but stern justice shall be meted out to all war criminals, including those who have visited cruelties upon our prisoners. The Japanese Government shall remove all obstacles to the revival and strengthening of democratic tendencies among the Japanese people. Freedom of speech, of religion, and of thought, as well as respect for the fundamental human rights shall be established.

(11) Japan shall be permitted to maintain such industries as will sustain her economy and permit the exaction of just reparations in kind, but not those [industries] which would enable her to re-arm for war. To this end, access to, as distinguished from control of, raw materials shall be permitted. Eventual Japanese participation in world trade relations shall be permitted.

(12) The occupying forces of the Allies shall be withdrawn from Japan as soon as these objectives have been accomplished and there has been established in accordance with the freely expressed will of the Japanese people a peacefully inclined and responsible government.

(13) We call upon the government of Japan to proclaim now the unconditional surrender of all Japanese armed forces, and to provide proper and adequate assurances of their good faith in such action. The alternative for Japan is prompt and utter destruction.

A22. THE CAIRO CONFERENCE COMMUNIQUÉ ON JAPAN AND KOREA, 22-26 NOVEMBER 1943*

Statement by President Roosevelt, Generalissimo Chiang Kai-shek, and Prime Minister Churchill, December 1, 1943

The several military missions have agreed upon future military operations against Japan. The Three Great Allies expressed their resolve to bring unrelenting pressure against their brutal enemies by sea, land, and air. This pressure is already rising.

The Three Great Allies are fighting this war to restrain and punish the aggression of Japan. They covet no gain for themselves and have no thought of territorial expansion. It is their purpose that Japan shall be stripped of all the islands in the Pacific which she has seized or occupied since the beginning of the first World War in 1914, and that all the territories Japan has stolen from the Chinese, such as Manchuria, Formosa, and the Pescadores, shall be restored to the Republic of China. Japan will also be expelled from all other territories which she has taken by violence and greed. The aforesaid three great powers, mindful of the enslavement of the people of Korea, are determined that in due course Korea shall become free and independent.

With these objects in view the three Allies, in harmony with those of the United Nations at war with Japan, will continue to persevere in the serious and prolonged operations necessary to procure the unconditional surrender of Japan.

*Toward the Peace, Documents, Dept of State Publication 2298, p 14; reprinted in US Senate, 81st Cong. 1st Sess. Doc 123, A Decade of American Foreign Policy: Basic Documents 1941-49, US Govt Printing Office, Washington, D. C., 1950, p 22.

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upon the US any obligation or requirement to consult with other signatories with respect to the disposition of Article 3 territories. This is confirmed by the fact that the US undertook no such consultation prior to returning to Japan administrative authority over the Amami Islands in December 1953 and the Bonin Islands in 1968.

OOTNOTES
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(1) The Government of the Republic of China (GRC), although not a Treaty Signatory, has formally expressed its desire and expectation that the US will consult that Government regarding US intentions concerning the reversion of the Ryukyus. The US has agreed to no more than inform the GRC of its intentions, as was done in the case of the reversion of the Bonins and neighboring islands in 1968. Although not a signatory to the Treaty of Peace, the GRC contends that the US should follow the Article 3 provisions in determining the future of the Ryukyus. However, on the day when the Treaty of Peace entered into force (28 April 1952), the GRC and the GOJ entered into a bilateral treaty, which in turn became effective on 5 August 1952. Article 11 thereof provides that problems arising between those two countries as a result of the recent hostilities would be settled in accordance with relevant provisions of the Treaty of Peace itself. The GRC has not altered its attitude on the US reversion policy but rather has followed, up to the present, a strict adherence to the provision of Article 3 of said Treaty, which provides that the US may make a proposal to the United Nations to place the Ryukyu Islands under its trusteeship system, with United States as sole administering authority; and, pending such proposal, the US has the right to exercise all and any powers of administration, legislation and jurisdiction over the territory and inhabitants of these islands. However, the GRC has never agreed that there is a provision in the peace treaty which can be construed as authorizing the United States to make arrangements with regard to the Ryukyu Islands other than those clearly set forth in Article 3 of the Peace Treaty (Incl 8). The Chinese Government is, therefore, unable to subscribe to the interpretation made by the United States Government that the Peace Treaty does not remove the Ryukyu Islands from Japan's sovereignty. Such interpretation, it asserts, would give the Japanese a basis to claim restoration of these islands, which is contrary to the letter and spirit of the Cairo Declaration of 25 November 1943, and the Potsdam Declaration of July 26, 1945, and is not the intention of the Peace Treaty.

(a) The GRC's first public expression of concern regarding Japan's claim to the Ryukyus was voiced in June 1961 (Incl 9). At that time the GRC took the stance that the Ryukyus should not belong to Japan; speaking from a strong historical and legal position it asserted that it would do everything in its power to prevent the restoration of the Ryukyus to Japan.

(b) When Executive Order 10713 was amended by President Kennedy on 19 March 1962, the GRC reacted to President Kennedy's granting of greater autonomy to the Ryukyus by stating publicly that the GRC's consistent position had been clearly laid down in previous statements which had not changed (Incl 10). Since that time, the GRC has brought its interest in the future of the Ryukyus to the attention of the US on several more recent occasions; e.g., following the US action to authorize the issuance of Japanese passports on Okinawa and granting

permission for Ryukyuan vessels to fly the Japanese national flag.

(c) Recently the GRC Ambassador to Washington raised this matter personally with Assistant Secretary of State Bundy. On that occasion the Chinese Ambassador reiterated his government's previous concern regarding the future status of the Ryukyus, noting particularly that US bases on Okinawa are important to the security of East Asia and the Pacific -- ~~any change in the present status~~ would be a matter affecting the rights and interests of all countries in the area. Mr. Bundy on this occasion gave the USG's assurance that in connection with the future negotiations with the GOJ on reversion, the security interest of the region would be appropriately considered. Further, he indicated that the US did not plan to change its commitments to the GRC for providing assistance in the regional security of this important area. The GRC Ambassador was informed that he could expect that the USG would keep his government in close touch with developments concerning the reversion of the Ryukyus (STATE 037842 to AMEMBASSY TAIPEI, 12 March 1969).

(2) The Republic of Korea (ROK), while neither a Signatory to the Treaty of Peace nor a holder of any claim to the Ryukyus, has also expressed concern over US intentions on Ryukyuan reversion. The ROK has a security interest at stake, attaching much importance to the relative proximity of Okinawa and its deterrent effect on a potential renewal of invasion from and through North Korea (Incl 7).

b. UNITED NATIONS. The USG has no obligation to consult with or notify the UN of any arrangements it may conclude with the GOJ pertaining to reversion. However, because of international implications, e.g., special matters such as USCAR identification certificates, vessels flag matters and the like, the US may wish as a matter of policy to notify the UN at an appropriate time.

c. STATUS OF AMERICAN CONSULAR UNIT IN NAHA.

(1) Upon reversion of US administrative rights in the Ryukyus, it is posited that the American consular unit in Naha should be elevated to the level of a Consulate General. The higher status would permit the assignment of a senior Foreign Service Officer to assume the responsibility for disposing of any pending USCAR matters which might require US action following the effective date of the reversion agreement.

(2) In this connection, the GOJ should be requested also to agree in principle to the assignment of whatever number of American personnel the US may consider necessary to handle its responsibilities in this area. It is expected that such consular personnel would be accorded the same diplomatic and consular privileges accorded by the GOJ to comparable personnel in Japan proper.

d. HICOM TRAVEL DOCUMENTS. USCAR Certificates of Identity, issued to Ryukyuan for travel abroad in lieu of a passport, would require formal cancellation by the US at the time of reversion. To do this officially, the Department of State should send a circular message to all American diplomatic posts instructing that the local government be notified of the termination of US responsibility and, subject to GOJ arrangements with the nations concerned, the GOJ

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UNITED STATES GOVERNMENT

Memorandum

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FOOTNOTES
4 & 14.

[Handwritten initials and signatures]

TO : EA/ROC - Mr. Shoosmith

DATE: October 12, 1970

FROM : EA/ROC - Mary E. McDonnell

RP HM WB AK RHA

SUBJECT: Rival Claims of the GRC and Its Neighbors to the China Shelf

1. A geophysical survey, made in 1968 for ECAFE by a group of scientists from the United States, Japan, the Republic of China, and South Korea, revealed that the continental shelf in the Yellow and East China Seas may have one of the richest oil reserves in the world. These promising indications have prompted the Republic of China and South Korea to grant concessions for exploration and exploitation of specific zones of the shelf. Japan has not granted any concessions for exploration to foreign companies, but is actively concerned to protect any claims it might have. There has been no agreement regarding division of the shelf among its several coastal and island states. At present, the major confrontation is between the conflicting claims of the GRC and Japan, with the former having moved rapidly and aggressively to stake out its claims. (See Chronology, Annex A).

Claims

2. The GRC claims the continental shelf as an extension of the land mass of the Mainland, over which it has declared itself to be the legitimate government. The principle of natural prolongation was set out in February 1969 by the International Court of Justice in the North Sea Continental Shelf Cases. The GRC has cited this principle in its reservation to Article 6 of the Convention on the Continental Shelf, rejecting the provision there that the boundary of the continental shelf between adjacent or opposite states shall in general be the median line. The Republic of China has never defined either the northern or southernmost limits of the China shelf or the limits of its claim to that shelf.

3. The GRC does not recognize the Japanese claim to a portion of the China shelf around the Senkaku Islands, to which it has lately referred pointedly by their Chinese

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FOOTNOTES

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claim to the shelf will depend upon its ability to perfect its claim to these islands since Japan owns no others on the shelf. The GRC denies the residual sovereignty of Japan over the Senkakus but considers that even if this were established, the coral reefs are too insignificant to be the basis of a claim to the shelf and would, at best, give Japan rights only within the three-mile territorial limits of the islands. The GRC contracted with Gulf Oil this summer for joint exploration and exploitation of the shelf in Zone II around the Senkakus.

4. The GRC may soon find itself in further dispute with Japan and also in dispute with Korea over a new GRC concession zone northwest of Taiwan. Zone V intersects three Korean concession blocks and a Japanese block.

5. The People's Republic of China has not yet spoken on the subject of the continental shelf. Its silence is unlikely to signify disinterest but may be due to the present inability of the mainland to enforce an extensive claim or to exploit reserves far offshore. Its silence may also be due to the probability that exploration will not advance to the point of drilling for two or three years.

6. The Communist Chinese must find themselves in rare agreement with the GRC on all legal, geographic, and historical arguments advanced by the Nationalists in support of China's claims (Annex B). The two governments, of course, can be expected to disagree absolutely over the matter of which has the right to exercise that claim.

Policy Questions

7. Settlement of the China shelf boundaries would remove a dangerous potential source of political and military conflict, facilitate successful exploitation of what may be a significant resource for the economic development of the area, and offer the best hope for protection of concessions already granted to American oil companies.

8. Neither China, however, is likely to be immediately willing to participate alongside the other in negotiations to determine the national boundaries of the China shelf. This attitude may change if the two ever sit together in the United Nations. Until then and perhaps for some time afterwards the unresolved dispute between the GRC and the PRC will almost certainly prevent any general negotiations among all claimants.

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FOOTNOTES

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9. It is possible, however, within the foreseeable future, whether the Communist Chinese are in the United Nations or out of it, that they might be willing to adhere to an international convention setting out principles that could be generally used to resolve conflicting claims to any continental shelf. Such a Convention on the International Seabed Area has been proposed in the United Nations by the United States.

10. The United States and other nations have recognized that the 1958 Convention on the Continental Shelf does not adequately define the limits over which a coastal state may exercise sovereign rights for exploration and exploitation of natural resources and that customary international law on the subject is inconclusive. The Convention on the Continental Shelf provides that the shelf shall be considered to extend beyond the territorial sea outward to a depth of 200 meters or beyond that limit to such depth as exploitation of the seabed and subsoil ceases to be feasible. The advance of seabed technology since 1958 now makes the 200-meter line obsolete. The United States draft Convention, presented to the UN Seabeds Committee in August proposes establishing the outer line of sovereignty where the high seas reach a depth of 200 meters, a trusteeship zone from the 200-meter mark to the edge of the continental rise, and an international zone in the areas of deep water.

11. A Seabed Convention of this kind would greatly clarify the question of sovereignty over the continental shelf. It would invalidate claims now being made by the GRC, South Korea and Japan to wide regions of the Yellow and East China Seas. It could not, however, overcome the intolerance of each China for the claims of the other.

12. If there is no short-term accommodation between the two Chinas, a matter difficult to foresee, the best course will probably be bilateral or trilateral discussions of shelf boundaries between the Republic of China, Japan, and South Korea, with a view to resolving limited disputes in a manner as consistent as possible with principles being worked out in the UN Seabeds Committee. Also, in the absence of accommodation, it might be desirable for the United States Government to permit American oil companies to contract directly with the PRC to explore and exploit the nearby shelf. If the presently promising indications of rich oil reserves are borne out by researches now underway and if in the short-term the United States maintains its technological lead in off-

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FOOTNOTES

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shore oil drilling, the Communist Chinese may be willing to talk to American oil companies. It is possible that a tacit understanding of the Mainland shelf preserve could be worked out on a case-by-case basis.

13. In the meantime, certain policy questions arise for consideration by the United States Government. Should we discourage, indeed forbid, American firms from accepting concessions in disputed zones of the China shelf? Should we suggest that other nations postpone granting concessions until shelf boundaries are defined? Should we discourage discussions or negotiations over shelf boundaries among the governments of the Republic of China, Japan, and South Korea in the absence of a willingness by the Communist Chinese to join them?

14. None of these courses of action would seem to be in the US interest. It would be unfortunate if seabed exploitation, the practice and development of technology to that end, and the realization of economic benefits had to await settlement of national claims to the China shelf. Our efforts, therefore, should be directed to insuring, insofar as possible, that activities taking place on the shelf before a settlement not prejudice or confound solution of the issue; and that countries involved avoid hardening national positions on issues to be negotiated. Investments undertaken in the area prior to settlement of the boundaries should be given due protection.

15. How can such an interim atmosphere be maintained? One solution might be the establishment of bilateral, trilateral, or quadripartite trusteeship arrangements under which royalty would be put in escrow until a settlement is reached. The trustee might be an agency of one or more of the governments concerned or of the United Nations or it might be a group of third countries mutually agreed upon. A trustee rather than a government might contract directly with the oil company and guarantee that upon settlement of boundary issues, the concession would be transferred to the legitimate leasor with prejudice to the concessionaire.

16. While the United States should avoid becoming a party to disputes over rights to the China shelf, it should quietly seek opportunities, through American oil companies and in discussions with friendly government officials to advance a solution that will permit fair economic benefits to all the countries concerned and that will protect the interests of American investors.

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New York Times

NEW YORK, THURSDAY, AUGUST 28, 1969

Ls Johnson Birthday and Dedicates a Park Japanese Oil Find Poses Title Problem



President Nixon in a meeting with Mrs. Johnson at the President's summer home in San Clemente, Calif., yesterday.

Jr. their families flew 800 miles to Redwood National Park in northern California to dedicate the Lady Bird Johnson

most successful Presidency." The Republican occupant of the White House had gone to some lengths to make

family, White House secretaries and staff members created for the occasion. Members of the pre-

By PHILIP SHAW COPE
TOKYO, Aug. 27 — The discovery of a large oil deposit in the east China sea reported this week by Japanese geologists may intensify to raise different political issues between Japan and one of its neighbors.

The Japanese Geological Institute reported the discovery of a large oil deposit in the east China sea, off the coast of Taiwan. The discovery is preliminary, but it indicates the presence of vast deposits in the area of the sea.

The discovery could be one of the largest in the world, the Times report said.

The discovery would be a boon for Japan, which has almost no petroleum deposits and is the world's largest oil

Continued on Page 4, Column 3

ISRAELIS ATTACK NILE VALLEY POS

Forces Presumably Ferried by Copter, Raid a U.A.R. Military Headquarters

By PHILIP SHAW COPE
CAIRO, Aug. 27 — An Israeli commando

Japan's Oil Find Off Taiwan Poses Title Problem

Continued From Page 1, Col. 7

porter of oil. She now imports nearly \$1 billion worth a year, or 39 per cent of the amount required for fuel and power.

Since almost all this oil comes from the Middle East, the Japanese are concerned over the tense political and military situation there and the fact that tankers making the long haul must pass through the potentially vulnerable Strait of Malacca between Malaysia and Indonesia.

Protection of the long sea lanes over which Japan's vital mineral imports must pass, has become a major element in discussion of Japan's defense policies and the build-up of her armed forces. Thus a significant oil find could drastically affect military planning, which now envisages an increased emphasis on naval forces.

In the effort to develop new sources of petroleum, the Japanese are engaged in exploration off their own coasts, off South Korea and in the waters of Southeast Asia, and they are interested in Alaska's North Slope oil fields.

Exploitation of major deposits so close to the home market would reduce import costs, which have kept domestic prices high.

If a major oil strike is made in the Senkaku Islands area, Japan may find herself in competition with her neighbors for rights to the deposit.

The Senkakus are administratively part of the Ryukyu Island chain, which has been controlled by the United States since World War II but which probably will be returned to Japanese rule within the next few years.

The Senkakus lie on a different coastal shelf from the Ryukyus, however. They are situated, in fact, on the continental shelf that drains the



The New York Times, August 27, 1958. Geological survey was made off the Senkaku Islands.

great rivers of China. This shelf probably carries river sediment from as far away as Korea.

The Chinese Communist regime has tacitly supported the return of the Ryukyus to Japan. The Chinese National Government in Taiwan, on the other hand, has had some reservations on the matter because of its reliance on American air power, and whether it is a good commercial prospect.

matter here, it is possible that the United States will have to take a stand.

The Japanese, however, are not yet prepared to make any commitments, may well insist on the right of a nation to explore.

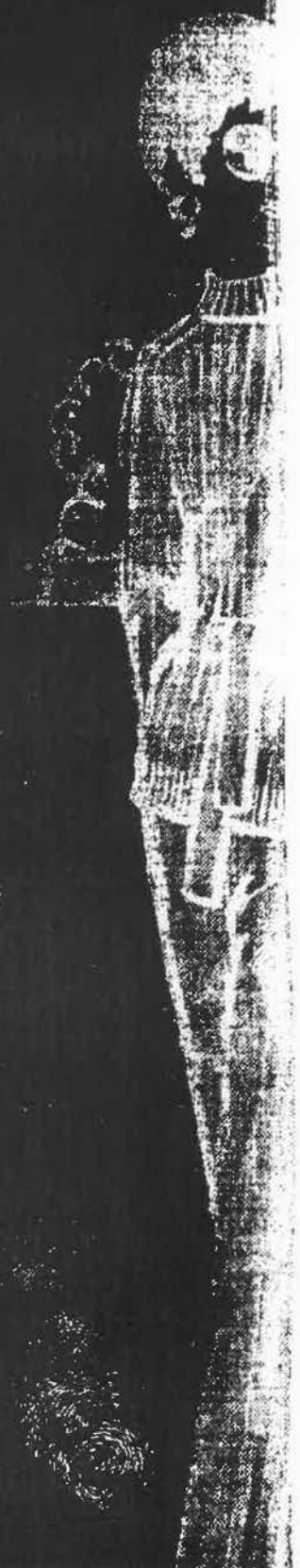
The status of oil fields is generally a matter of local concern, but the fact that China has a large reserve supply and effect on the political situation in East Asia.

American oil experts in Tokyo asserted today that oil from wells with political implications would be produced since it would work in most ways. It can be determined whether there actually is any oil in the East China Sea.

"We know that these things are going to be done without a word of consultation," one expert said.

"We've known it for a long time. There would have been no wonder that the area drilled the big rivers of China."

"But who has been doing the return of the Ryukyus to fill any in just a year or two? Japan. The Chinese National Government in Taiwan, on the other hand, has had some reservations on the matter because of its reliance on American air power, and whether it is a good commercial prospect."



U.S. URGED TO SHUN A HASTY TROOP CUT

Special to The New York Times
WASHINGTON, Aug. 27—A fact-finding group just back from Vietnam recommended today that United States policy

Pre-Season Savings

DEPARTMENT OF THE ARMY
STAFF COMMUNICATIONS DIVISION

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UNCLAS TOKYO 7122
CINCPAC FOR POLAD
DA FOR DCSOPS PASS DDUSA (IA)
SUBJECT: PRESS REPORTS GRC CLAIMS SENKAKU SHOTO
SUMMARY: TOKYO PRESS AUGUST 30 CARRIED REPORT THAT GRC HAD ISSUED
STATEMENT JULY 17 IMPLYING THAT SENKAKU SHOTO GROUP OF RYUKYUS IS
CHINESE TERRITORY. END SUMMARY
1.) AP STORY DATED TAIPEI CARRIED IN AUGUST 30 JAPAN TIMES QUOTED
GRC STATEMENT OF JULY 17 WHICH NOTED THAT GRC IS SIGNATORY TO
CONTINENTAL SHELF CONVENTION AND THAT, FOR PURPOSES OF EXPLOITING
NATURAL RESOURCES IN ACCORDANCE WITH CONVENTION, "GRC DECLARES THAT
IT MAY EXERCISE ITS SOVEREIGN RIGHTS OVER ALL NATURAL RESOURCES OF
SEABED AND SUBSOIL ADJACENT TO ITS COAST OUTSIDE ITS TERRITORIAL
SEAS."
2.) STORY SPECULATED THAT STATEMENT IS PART OF ALLEGED GRC-JAPAN
TERRITORIAL DISPUTE OVER SENKAKU SHOTO AND THAT STATEMENT WAS
STIMULATED BY GRC AWARENESS OF JAPANESE OIL EXPLORATION OPERATIONS
IN NEIGHBORHOOD OF SENKAKU SHOTO.
3.) REQUEST TAIPEI COMMENT.
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Footnote #6

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DEPARTMENT OF THE ARMY
STAFF COMMUNICATIONS DIVISION

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Serrano

CONFIDENTIAL TAIPEI 3517
SUBJECT: GRC CLAIMS TO SENKAKU SHUTU
REF: TOKYO 7122

1. LOCAL PRESS REPORTED OFFICIAL EXECUTIVE YUAN JULY 17 STATEMENT SUBSTANTIALLY AS IN PARA ONE REFTEL. ALSO CARRIED NIHON KEIZAI SHIMBUN STORY REPORTED TOKYO'S 6977.
2. GRC HAS SIGNED CONTINENTAL SHELF CONVENTION BUT NOT YET RATIFIED. MOFA INTERNATIONAL ORGANIZATIONS DIRECTOR CHE YIN-SHOU TOLD EMOFF SEPTEMBER 4 THE CONVENTION WOULD BE SENT LEGISLATIVE YUAN FOR RATIFICATION DURING NEXT SESSION. CHE SAID MOFA HOPED FOR RATIFICATION DURING OCTOBER SO THAT LEGAL GROUNDWORK WOULD BE READY FOR NEGOTIATION WITH JAPANESE ON ISSUE.
3. VERY LIKELY GRC JULY 17 STATEMENT MADE IN RESPONSE TO REPORTS OF JAPANESE SURVEYS IN ORDER KEEP ALIVE GRC HOPES OF PARTICIPATION IN EXPLOITATION SENKAKU ISLANDS. CAS REPORTS INDICATE GRC AWARE SINCE APRIL THIS YEAR OF POTENTIAL ECONOMIC SIGNIFICANCE THESE ISLANDS. ACCORDING CAS, SOME ELEMENTS IN GRC, PARTICULARLY MINISTRY ECONOMIC AFFAIRS MEMBER ON AD HOC COMMITTEE CONSIDERING PROBLEM (MINING DEPARTMENT DIRECTOR), ARE PRESSING FOR OUTRIGHT GRC CLAIM TO SOVEREIGNTY OVER THE SENKAKUS. (GRC LINE MIGHT BE THAT SENKAKUS ESSENTIALLY PART OF CHINA'S CONTINENTAL SHELF, WHEREAS MOST OF RYUKYUS LIE OUTSIDE THIS SHELF.) CHE SAID MOFA, HOWEVER, BELIEVES GRC SHOULD BE CAUTIOUS IN PRESSING SUCH CLAIMS. JULY 17 STATEMENT, BY RAISING POSSIBILITY GRC MAY REGARD CERTAIN RYUKYUAN WATERS AS BELONG WITHIN CHINA'S CONTINENTAL SHELF, MAY WELL BE CAL-

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CULATED TO MAKE GULF THINK TWICE ABOUT PLUGGING AHEAD IN ASSIGNING OIL EXPLORATION CONCESSIONS AROUND SENKAKUS. JAPANESE EMBASSY FIRST SECRETARY LUROIWA TOLD EMBOFF SEPTEMBER 5 THAT CABLE HAD RECENTLY BEEN RECEIVED FROM TOKYO QUOTING HICOMRY STATEMENT MADE IN "EARLY 1950'S" THAT SENKAKU GROUP WAS PART OF KUKYUAN ISLANDS. KUROIWA SAID THAT IN ACCORDANCE WITH INSTRUCTIONS TO PASS STATEMENT TO GRC, APPROACH WOULD BE MADE TO MOEA MINING DEPARTMENT DIRECTOR WU PO-CHEN.

5. MEANWHILE, GRC HAS SIGNED PRELIMINARY AGREEMENT WITH AMERICAN OIL COMPANY PERMITTING IT TO BEGIN SOME SLOPE DRILLING ALONG WEST COAST NORTHER HALF OF TAIWAN (CENTERED ON 24-30 NORTH LATITUDE.) IF AMOCO ENCOURAGED BY TEST DRILLING, WHICH HAS BEGUN, IT MAY APPLY TO GRC FOR FORMAL CONCESSION AGREEMENT. GRC NEGOTIATIONS WITH GULF ARE PROCEEDING BUT HAVE NOT YET REACHED STAGE OF PRELIMINARY AGREEMENT. GULF'S AREA WOULD REPORTEDLY BE ADJACENT OKINAWA WATERS.

6. MOREOVER, RESEARCH VESSEL KIU LIEN OF NEW INSTITUTE OF OCEANOGRAPHY ATTACHED NATIONAL TAIWAN UNIVERSITY WILL SHORTLY BEGIN CERTAIN PETROLEUM-ORIENTED INVESTIGATIONS IN "TAIWAN BASIN", DEFINED IN SEPTEMBER 1969 BULLETIN OF GRC NATIONAL SCIENCE COUNCIL AS QTE LOCATED ON CONTINENTAL SHELF IN EAST CHINA SEA AND EXTENDING NORTH-NORTHEAST FROM NORTHERN COAST OF TAIWAN UP TO LATITUDE 31 DEGREES NORTH UNQTE.

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NOTE: 7122 IS DA IN 64543 (69) DCSOPS
6977 IS DA IN 56563 (69) DCSOPS

ACTION: DCSOPS
DISTR : OSA, DCSLOG, COA, CINFO, COFENGRS, TJAG
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RUHHRGA/CINCUSARPAC
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SUBJECT TO GENERAL DECLASSIFICATION
SCHEDULE OF EXECUTIVE ORDER 11652
EXCEPT WHERE SHOWN OTHERWISE
DATE 31 Aug 76

C O N F I D E N T I A L
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DA FOR DDCSOPS IA RA. STATE FOR FINN.
SUBJ: RESOLUTION ON SENKAKUS (U)

1. (U) ON 31 AUG, LEGISLATURE ADOPTED RESOLUTION
ENTITLED "RESOLUTION REQUESTING DEFENSE OF TERRITORIAL
RIGHTS OVER SENKAKU ISLANDS" ADDRESSED TO U. S. PRESIDENT,
SECSTATE AND HICOM. UNOFFICIAL TRANSLATION FOLLOWS:

BEGIN TEXT: AT THE MOMENT THAT OIL RESOURCES OF
SENKAKU ISLANDS HAVE GAINED WORLD ATTENTION AND THE
PREFECTURAL PEOPLE HAVE COME TO PLACE GREAT EXPECTATIONS
ON THEIR DEVELOPMENT, THE GOVERNMENT OF REPUBLIC OF CHINA
AWARDED OIL EXPLORATION RIGHTS TO GULF OIL
CORPORATION OF UNITED STATES. NOT ONLY THIS, THE GOVERNMENT
OF REPUBLIC OF CHINA IS CLAIMING TERRITORIAL RIGHTS
OVER THE SENKAKU ISLANDS. THE PREFECTURAL PEOPLE ARE
APPALLED BY REPORTS OF THESE DEVELOPMENTS.

THE SENKAKU ISLANDS HAVE, FROM THE BEGINNING, COME
UNDER ADMINISTRATIVE JURISDICTION OF AZA TONOSHIRO,
ISHIGAKI CITY, YAEYAMA. BEFORE THE WAR, THE KOGA
COMPANY OF ISHIGAKI CITY CARRIED OUT LUMBERING
AND FISHERY ACTIVITIES IN THOSE ISLANDS. IN
CONSEQUENCE, THERE IS NO ROOM FOR ANY DOUBT REGARDING
OWNERSHIP OF THOSE ISLANDS.

THE LEGISLATURE OF THE GOVERNMENT OF THE RYUKYU
ISLANDS, THEREFORE, PROTESTS THE ERRONEOUS CLAIM
OF GOVERNMENT OF REPUBLIC OF CHINA, AND REQUESTS THAT
MEASURES TO BRING ABOUT ABANDONMENT OF SUCH CLAIM

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BE UNDERTAKEN ON AN URGENT BASIS.
RESOLVED AS ABOVE. 31 AUGUST 1970. GRO LEGISLATURE.
END TEXT.

2. (C) COMMENT: ALTHOUGH SENKAKU ISSUE HAS BEEN IN PUBLIC EYE LOCALLY SINCE GRC AWARD TO GULF OIL CORP, THIS RESOLUTION APPARENTLY RESULT OF IMPULSIVE ACTION ON PART OF CONSERVATIVES TO STEAL MARCH ON REFORMISTS. CE YARA HAS BEEN PUBLICLY MULLING OVER PROBLEM OF PRESERVING OKINAWAN PREFECTURAL RIGHTS OVER SENKAKU O RESOURCES. REFORMISTS IN YAEYAMA FORMED SENKAKU PROTECTIVE ASSOCIATION EARLIER IN MONTH. IN ORDER ENHANCE ODP POSITION ON THIS GROWING ISSUE IN SEPT MUNICIPAL ASSEMBLY ELECTIONS AND 15 NOV DIET REP ELECTIONS, ODP LEGISLATORS SUDDENLY DECIDED LAST DAY OF LEGISLATIVE SESSION TO INTRODUCE THIS RESOLUTION. IT WAS ADOPTED WITHOUT DEBATE AND WITHOUT OPPOSITION. DESPITE SUDDENNESS OF ACTION, RESOLUTION REFLECTS SENTIMENTS OF OKINAWANS IN GENERAL, WHO BELIEVE SENKAKUS SHOULD BE STAKED OUT FOR PRIMARY BENEFIT OF OKINAWA.

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ACTION: DCSOPS
DISTR : OSA, ACSI, TJAG, OSD/JCS, CIA
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DA FOR DDCSOPS IA RA. STATE FOR ERICSON.

SUBJ: GRI STATEMENT ON SENKAKU ISLANDS
ON 10 SEP GRI ISSUED FIRST OFFICIAL STATEMENT

ON SENDAJU ISLANDS ENTITLED: "CLAIM CONCERNING TERRITORIAL
RIGHTS AND CONTINENTAL SHELF DEVELOPMENT RIGHTS ON SENKAKU
ISLANDS." STATEMENT WAS ADOPTED AT GRI DEPT DIRECTORS'
MEETING THAT DAY. UNOFFICIAL TRANSLATION FOLLOWS:

BEGIN TEXT: SENKAKU ISLANDS ARE SITUATED BETWEEN 25
DEGREES 40 MINUTES AND 26 DEGREES NORTH AND BETWEEN 123 DEGREES
20 MINUTES AND 123 DEGREES 45 MINUTES EAST. IT IS CLEAR
BEYOND ANY DOUBT THAT THESE ISLANDS BELONG TO THE RYUKYU ISLANDS
AND ARE INCLUDED IN THE AREA TO BE RETURNED TO JAPAN IN 1972
FOR THE FOLLOWING WELL-KNOWN REASONS:

A. THE ISLANDS WERE DISCOVERED BY TATSUSHIRO KOGA IN 1884
(NATIVE OF FUKUOKA PREFECTURE). FROM THEN UNTIL ABOUT 1917,
KOGA GATHERED FEATHERS, TURTLE SHELL, SHELLFISH AND GUANO,
AND ESTABLISHED A BONITO PROCESSING PLANT ON THE ISLAND.
THE SURROUNDING WATERS HAVE BEEN USED AS FISHING GROUNDS BY
OKINAWAN FISHERMEN.

B. ON BASIS OF JAPANESE CABINET DECISION ON 14 JAN 1895
AND IMPERIAL ORDER NO. 13 OF 1 APRIL 1896, THE ISLANDS WERE
RECOGNIZED AS JAPANESE TERRITORY UNDER ISHIGAKI-SON, YAEYAMA-
GUN, OKINAWA PREFECTURE.

C. FOLLOWING SEPARATION OF OKINAWA PREFECTURE FROM JAPAN
UPON EFFECTUATION OF JAPANESE PEACE TREATY, THIS TREATY AND
U.S.-JAPAN AGREEMENT ON AMAMI ISLANDS PROVIDED THE BASIS FOR
USCAR PROCLAMATION NO. 27, "GEOGRAPHICAL BOUNDRIES OF THE

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History

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RYUKYU ISLANDS." ARTICLE 1 OF THIS PROCLAMATION DEFINED AN AREA IN WHICH SENKAKU ISLANDS ARE SITUATED. THEREFORE, WITH REGARD TO THE CONTINENTAL SHELF LYING BETWEEN THE SENKAKU ISLANDS AND CHINA (CHUGOKU), WE ARE ABLE TO EXERCISE SOVEREIGNTY-LIKE RIGHTS OF EXPLORATION AND DEVELOPMENT OF COASTAL AND CONTINENTAL SHELF MINERAL RESOURCES, BASED UPON THE CONCEPTS OF THE CONVENTION ON CONTINENTAL SHELF WHICH HAS ALREADY BECOME CUSTOMARY INTERNATIONAL LAW. IN OTHER WORDS, ACCORDING TO THIS CONVENTION, DELIMITATION OF THE CONTINENTAL SHELF SHALL BE DETERMINED BY AGREEMENT AMONG THESE NATIONS. WHERE THERE IS NO AGREEMENT, INSOFAR AS NO OTHER JUST DELIMITATION CAN BE MADE ON BASIS OF SPECIAL CIRCUMSTANCES, THE CONVENTION PROVIDES THAT THE DELIMITATION SHALL BE FIXED AT MIDWAY.

IN THE FOREGOING MANNER, OUR CLAIM RESPECTS INTERNATIONAL LAW, AND POINTS TO THE HUMAN IDEAL OF INTERNATIONAL COOPERATION. OUR CLAIM IS SUFFICIENTLY GROUNDED IN THESE RESPECTS. END OF TEXT

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C O N F I D E N T I A L

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ACTION
DISTR CJCS(01) DJS(03) SJCS(03) J5(02) NMCC(01) SECDEF(07)
ASD/ISA(09) ASD/PA(01) CSA CSAF GNO CMC DIA(20) NMCC FILE(1)
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ADV DISTR SECDEF(05) DIA(03)
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ZNY CCCCC ZZH
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FM SECSTATE WASHDC
TO RUEHTP/AMEMBASSY TAIPEI 5039
INFO RUEIKO/AMEMBASSY TOKYO 0141
RUAOADA/HICOMRY

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C O N F I D E N T I A L STATE 150567

SUBJ (A) STATE 148490 (B) TAIPEI 3956

1. US RECOGNIZES RESIDUAL SOVEREIGNTY OF JAPAN OVER NANSEI
HOTO, INCLUDING SENKAKUS, WHICH US ADMINISTERS PURSUANT TO
ARTICLE III OF JAPANESE PEACE TREATY. IT IS US POSITION, HOWEVER,
THAT TREATY ALONE IS NOT NECESSARILY FINAL DETERMINANT OF
SOVEREIGNTY ISSUE. IN US VIEW ANY DISPUTE THAT MIGHT ARISE
REGARDING SOVEREIGNTY OVER SENKAKUS OR CONTINENTAL SHELF
AROUND THEM SHOULD BE RESOLVED AMONG CLAIMANTS OR THROUGH THIR-
PARTY ADJUDICATION, FOR EXAMPLE, INTERNATIONAL COURT OF JUSTICE
(ICJ).

2. IN NORTH SEA CONTINENTAL SHELF CASES, ICJ SAID THAT,
WITH RESPECT TO CLAIMS OVER THE CONTINENTAL SHELF, STATES
CONCERNED ARE OBLIGED QUOTE TO ENTER INTO NEGOTIATIONS WITH A
VIEW TO ARRIVING AT AN AGREEMENT UNQUOTE. ICJ NOTED THAT THIS
DUTY QUOTE MERELY CONSTITUTES A SPECIAL APPLICATION FOR A
PRINCIPLE WHICH UNDERLIES ALL INTERNATIONAL RELATIONS, AND
WHICH IS MOREOVER RECOGNIZED IN ARTICLE 33 OF THE CHARTER OF
THE UNITED NATIONS AS ONE OF THE METHODS FOR THE PEACEFUL
SETTLEMENT OF INTERNATIONAL DISPUTES UNQUOTE. IT IS LIKELY THAT
THIS POINT MADE BY THE COURT IN THE NORTH SEA CASES WOULD BE

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APPLICABLE IN RESOLVING ANY CONFLICT WHICH MIGHT ARISE BETWEEN ROC AND JAPAN WITH RESPECT TO CONTINENTAL SHELF ADJACENT TO SENKAKU ISLANDS.

3. THERE APPEAR TWO POSSIBILITIES FOR DETERMINATION OF EXTENT OF CONTINENTAL SHELF FOR SENKAKUS, BOTH DERIVING FROM FACT THAT SENKAKUS ALONE AMONG RYUKYUS ARE LOCATED ON SHELF, SEPARATED FROM REMAINDER OF RYUKYUS BY TRANCH:

(A) SOVERIGNTY OVER SENKAKUS WOULD EXTEND TO TERRITORIAL WATERS AND UNDERLYING AREA, THAT IS TO NO MORE THAN 3 MILES FROM ISLANDS.
OR

(B) SOVERIGNTY OVER SENKAKUS COULD BE BASIS FOR CLAIM TO SOVERIGNTY OVER AN ADJACENT PORTION OF THE CONTINENTAL SHELF.

WE DO NOT, HOWEVER, WISH TO TAKE A POSITION AS TO WHICH WOULD APPLY IN CASE OF SENKAKUS.

4. TO FORESTALL SECOND POSSIBILITY GRC HAS MADE RESERVATION TO ARTICLE 6 OF CONTINENTAL SHELF CONVENTION. GRC RESERVATION ASSERTS THAT QUOTE BOUNDARY OF CONTINENTAL SHELF APPERTAINING TO TWO OR MORE STATES WHOSE COASTS ARE ADJACENT TO AND/OR OPPOSITE EACH OTHER SHALL BE DETERMINED IN ACCORDANCE WITH PRINCIPLE OF NATURAL PROLONGATION OF THEIR LAND TERRITORIES UNQUOTE, AS APPLIED BY IOJ IN NORTH SEA CASES, TO AVERT ANY JAPANESE TOEHOLD ON CHINA SHELF, GRC ADDED TO ITS RECERVATION ASSERTION THAT QUOTE IN DETERMINING BOUNDARY OF CONTINENTAL SHELF, ROC, EXPOSED ROCKS AND ISLETS SHALL NOT BE TAKEN INTO ACCOUNT UNQUOTE, GRC RESERVATION NOT INCONSISTENT WITH RESOLUTION OF DISPUTES IN ACCORDANCE WITH PRINCIPLE PROVIDED PARA 2 ABOVE.

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5. ACCORDING TO TOKYO RADIO BROADCAST OF SEPT 4 (FBIS SEPT9), GRC HAS AGREED TO PORPOSAL MADE BY JAPANESE AMBASSADOR IN TAIPEI: NEGOTIATIONS ON QUESTION OF SOVEREIGNTY OVER CONTINENTAL SHELF IN EAST CHINA SEA, INDLUCING AREA ADURND SENKAKUS. REPORT INDICATED JAPANESE ARE NOT RPT NOT WILLING TO NEGOTIATE ON QUESTION OF SENKAKU SOVERIGNTY, BORADCAST SAID IT REMAINS TO BE DECIDED WHEN TALKS WILL GET UNDER WAY, BUT THEY ARE EXPECTED TO BEING SOON, DEPARTMENT WOULD APPRECIATE VERIFICATION OF THIS REPORT AND ANY AVAILABLE INFORMATION.

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SECT 01 OF 24330

ACTION

ISTR CJCS DJS(03) SJCS(03) J3(12) J5(02) SACSA(03) NMCC(01)
SECDEF(07) ASDISA(09) ASDIPA(01) GC(01) ASDISA(01) USA CSAF
CNO CMC DIA(20) MCCC FILE(1)
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ADV DISTR SECDEF(05) DIA(03)
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DE RUEAMAF 0093 2580920
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TO RUEHC/SECSTATE WASHDC 903
INFO RUEIKO/AMEMBASSY TOKYO 1586
RUAOADA/HICOMRY

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Footnote 11

S E C R E T SECTION 1 OF 2 TAIPEI 4000

SUBJECT: SENKAKU ISLANDS

REF: STATE 150567

1. ACTING FONMIN JAMES SHEN CALLED ME IN TODAY TO EXPLAIN GRC POSITION ON SENKAKU ISLANDS. HE SAID THAT IN VIEW OF OUR RESPONSIBILITIES IN OKINAWA AND PARTICULARLY THE SEPTEMBER 10 STATEMENT BY STATE DEPARTMENT SPOKESMAN, GRC FELT THAT IT SHOULD OFFICIALLY NOTIFY USG OF THE DISPUTE BETWEEN GRC AND GOJ OVER THE SENKAKUS (WHICH HE CONSISTENTLY CALLED THE TIAO-YU-TAI ISLANDS).

2. ALL MAIN POINTS IN HIS ORAL PRESENTATION ARE COVERED IN TEXT OF "ORAL STATEMENT" WHICH HE GAVE ME AT END OF MEETING, TEXT GIVEN PARA 7 BELOW.

3. SHEN DID NOT PROTEST POSITION USG HAS TAKEN AND IN FACT SAID THAT HE COULD UNDERSTAND WHY USG FELT IT HAD TO TAKE THIS POSITION, HOWEVER, HE NOTED THAT GRC DOES NOT

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AGREE WITH USG INTERPRETATION, AND EXPRESSED HOPE THAT WE WOULD NOT HAVE TO "MAKE MORE STATEMENTS" ON THE SUBJECT.

4. AT ONE POINT IN THE CONVERSATION, I SAID THAT IF I UNDERSTOOD GRC POSITION CORRECTLY, GRC REJECTS GOJ CLAIM OF SOVEREIGNTY OVER SENKAKUS, BUT GRC DOES NOT OFFICIALLY MAKE COUNTER-CLAIM OF SOVEREIGNTY ALTHOUGH IT FEELS THAT IT HAS GROUNDS FOR DOING SO. SHEN AGREED THAT THIS WAS GRC POSITION AT PRESENT TIME, PICKING UP HIS REFERENCE TO RESERVATIONS MADE BY GRC WHEN RATIFYING CONTINENTAL SHELF CONVENTION, I ASKED HIM IF PURPOSE OF SECOND RESERVATION WAS TO SAY THAT EVEN IF JAPAN HAD SOVEREIGNTY OVER SENKAKUS, THIS WOULD NOT AFFECT GRC RIGHTS ARISING FROM PRINCIPLE OF CONTINENTAL SHELF. SHEN SAID THEY HAD NOT SPOKE THIS OUT BUT DID NOT DISPUTE THAT THIS WAS THE IMPLICATION.

5. SHEN SAID THAT WHILE GRC HAS TOLD GOJ THAT IT DOES NOT ACCEPT JAPANESE CLAIM TO SOVEREIGNTY OVER SENKAKUS, IT HAS NOT YET OFFICIALLY REFUTED THE "TWO ARGUMENTS" ON WHICH GOJ BASES ITS CLAIM (SEE TEXT BELOW), HE ASKED THAT WE THEREFORE TREAT TEXT OF "ORAL STATEMENT" AS SECRET. HE SAID THEY EXPECT JAPANESE AMBASSADOR ITAGAKI, NOW IN JAPAN ON LEAVE AND CONSULTATION, TO RETURN EARLY OCTOBER WITH INSTRUCTIONS FOR FURTHER DISCUSSIONS OF ISSUE WITH GRC. HE SAID HE DID NOT KNOW WHAT THESE INSTRUCTIONS WOULD BE AND WHETHER THE TALKS WITH ITAGAKI WOULD BE "NEGOTIATIONS." HE ADDED THAT GRC RECOGNIZES THAT ISSUE IS COMPLICATED AND THAT THE TALK WITH ITAGAKI WOULD PROBABLY BE ONLY THE "FIRST-ROUND" IN A LENGTHY PROCESS.

6. I SAID I WOULD REPORT GRC VIEWS, REFERRING TO OUR PUBLIC STATEMENT THAT ANY CONFLICTING CLAIMS SHOULD BE RESOLVED BY PARTIES CONCERNED, I SAID I ASSUMED THAT GRC AGREES THAT DISPUTE SHOULD BE SETTLED BY THE GRC AND GOJ, WITHOUT ACTIVE USG INVOLVEMENT. HE CONCURRED.

7. BEGIN TEXT ORAL STATEMENT, QUOTE CONCERNING THE LEGAL STATUS OF THE TIAO-YU-TAI ISLANDS (ALSO KNOWN AS THE SENKAKU ISLANDS, THE GOVERNMENT OF THE REPUBLIC OF CHINA WISHES TO MAKE THE FOLLOWING OBSERVATIONS: PARA PRIOR TO ITS ANNEXATION BY JAPAN IN 1879, AN ACT WHICH CHINA HAS

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NEVER ACCEPTED OR RECOGNIZED, THE RYUKYUS WAS AN INDEPENDENT KINGDOM HAVING HAD A LONG TRIBUTARY RELATIONSHIP WITH CHINA, SINCE WORLD WAR II, THE ISLANDS HAVE BEEN PLACED UNDER U.S. MILITARY OCCUPATION, PURSUANT TO ARTICLE III OF THE JAPANESE PEACE TREATY SIGNED IN SAN FRANCISCO ON SEPTEMBER 8, 1951, THE U.S. EXERCISES ALL POWERS OVER THE TERRITORY AND INHABITANTS OF THE ISLANDS SOUTH OF 28 DEGREES NORTH LATITUDE AND EAST OF A LINE BETWEEN 124.40 DEGREES AND 122 DEGREES EAST LONGITUDE. THE TIAO-YU-TAI ISLANDS HAPPEN TO LIE ON THE BORDER OF THIS AREA, THE CHINESE GOVERNMENT HAS HITHERTO NOT CHALLENGED THIS ARRANGEMENT, AS IT CONSIDERS THE U.S. MILITARY PRESENCE IN THE RYUKYUS AS AN IMPORTANT FACTOR IN THE MAINTENANCE OF REGIONAL SECURITY IN THE WESTERN PACIFIC, PARA IN THE JOINT COMMUNIQUE SIGNED BY PRESIDENT RICHARD M. NIXON AND PRIME MINISTER EISAKU SATO ON NOV. 21, 1969, IT WAS STATED THAT THE U.S. AND JAPAN WOULD IMMEDIATELY ENTER INTO CONSULTATIONS REGARDING SPECIFIC ARRANGEMENTS WITH A VIEW TO ACCOMPLISHING THE "REVERSION" OF THE RYUKYU ISLANDS TO JAPAN IN 1972. THE CHINESE GOVT HAS HAD RESERVATIONS REGARDING THE PROPOSED DISPOSITION OF THE RYUKYU ISLANDS, BECAUSE IT HAS ALL ALONG MAINTAINED THAT THE LEGAL STATUS OF THE RYUKYU ISLANDS SHOULD BE DETERMINED BY THE PRINCIPAL ALLED POWERS CONCERNED THROUGH CONSULTATIONS IN ACCORDANCE WITH THE CAIRO DECLARATION AND THE POTSDAM DECLARATION, AND THAT THE PEOPLE OF THE RYUKYUS SHOULD BE AFFORDED AN OPPORTUNITY TO EXPRESS THEIR VIEWS WITH REGARD TO THEIR OWN POLITICAL FUTURE, BUT OUT OF CONSIDERATION FOR ITS FRIENDLY RELATIONS WITH BOTH JAPAN AND THE U.S., THE CHINESE GOVT REFRAINED FROM MAKING PUBLIC ITS OBJECTION AT THE TIME, THOUGH IT DID VOICE ITS REGRET OVER THE FAILURE OF THE U.S. TO FOLLOW A PROPER PROCEDURE BEFORE REACHING A DECISION IN THIS CONNECTION, PARA RECENTLY HOWEVER, THE JAPANESE GOVT BROUGHT UP THE QUESTION OF THE TIAO-YU-TAI ISLANDS.

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SECT 02 OF 24330

ACTION

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SECDEF(07) ASD:ISA(09) ASD:PA(01) GC(01) ASD:ISA(01) CSA CSAP
CNO CMC DIA(20) MCCC FILE(1)
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ADV DISTR SECDEF(05) DIA(03)
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DE RUEAMAF 0091 2580920
ZNY SSSSS ZOV STATE
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RR RUEHC RUEIKO RUAOADA
DE RUEHTP 4000/2 2580825
ZNY SSSSS ZZH
R 150750Z SEP 70
FM AMEMBASSY TAIPEI
TO RUEHC/SECSTATE WASHDC 904
INFO RUEIKO/AMEMBASSY TOKYO 1587
RUAOADA/HICOMRY
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SECRET SECTION 2 OF 2 TAIPEI 4000

THEY CONSIST OF A GROUP OF UNINHABITED ISLETS ONLY 100
MILES OR SO THE NORTHEAST OF TAIWAN, FISHERMEN FROM
TAIWAN HAVE BEEN VISITING THESE ISLANDS EVERY YEAR IN
LARGE NUMBERS, FOR FISHERY AND COLLECTION OF BIRDS EGGS
AS WELL AS TO USE THEM AS HAVEN IN CASE OF STORMS, BOTH
HISTORICALLY AND GEOGRAPHICALLY, THEREFORE, THE TIAO-YU-
TAI ISLANDS HAVE HAD AN EXTREMELY CLOSE RELATIONSHIP WITH
CHINA AND PARTICULARLY WITH THE ISLAND PROVINCE OF TAIWAN,
PARA THE JAPANESE GOVT CLAIMS THAT THESE ISLETS FORM PART
OF THE RYUKYU ISLANDS, THAT JAPAN HAS "SOVEREIGNTY" OVER
THEM, AND THAT JAPAN EXPECTS TO HAVE THEM "REVERTED" TO
HER TOGETHER WITH THE RYUKYU ISLANDS IN 1972. THE JAPANESE
GOVERNMENT'S CLAIM IS BASED ON TWO ARGUMENTS: (1) THAT AN
IMPERIAL EDICT OF 1896 MADE THE TIAO-YU-TAI ISLANDS PART
OF THE PREFECTURE OF OKINAWA; AND (2) THAT A JAPANESE
NATIONAL, NAMED KOGA TATSUJIRO, LEASED THE TIAO-YU-TAI
ISLANDS FROM THE JAPANESE GOVT IN 1896 FOR A PERIOD OF
30 YEARS, THAT THE SAME JAPANESE LATER PURCHASED THE
ISLANDS FROM THE JAPANESE GOVT IN 1930 AND THAT HIS SON,

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KOGA YOSHITSUGU, IS THE PRESENT OWNER. PARA THE CHINESE GOVT DOES NOT FIND THESE ARGUEMENTS ACCEPTABLE. IN THE FIRST PLACE, WHEN JAPAN ANNEXED THE RYUKYU ISLANDS IN 1879, THE TIAO-YU-TAI ISLANDS WERE NOT INCLUDED, IT WAS NOT UNTIL 1896, ONE YEAR AFTER JAPAN HAD ACQUIRED TAIWAN "TOGETHER WITH ALL ISLANDS APPERTAINING OR BELONGING TO" TAIWAN FROM CHINA AS A RESULT OF THE SHIMONOSEKI TREATY, THAT THE SAID IMPERIAL EDICT WAS ISSUED AND THE LEASE GRANTED. THE IMPERIAL EDICT OF 1896, THEREFORE, WAS ONLY AN ADMINISTRATIVE MEASURE ON THE PART OF THE JAPANESE GOVT WHEN BOTH TAIWAN AND THE RYUKYUS WERE UNDER HIS OCCUPATION. PARA SECONDLY, IN THE SINO-JAPANESE PEACE TREATY SIGNED ON APRIL 28, 1952, JAPAN RENOUNCED ALL RIGHTS, TITLES AND CLAIMS TO TAIWAN, PENGHU (PESCADORES) ANNDOTHER ISLANDS NEARBY WHICH APPERTAINED OR BELONGED TO TAIWAN PRIOR TO 1895. IT IS THE POSITION OF THE CHINESE GOVT THAT THE "OTHER ISLANDS" INCLUDED THE TIAO-YU-TAI ISLANDS, PARA MORBOVER, IN THE CAIRO DECLARATION IT IS STATED THAT "JAPAN WILL BE EXPELLED FROM ALL THE TERRITORIES WHICH SHE HAS TAKEN BY VIOLENCE AND GREED," THIS WAS REAFFIRMED BY THE POTSDAM DECLARATION WHICH STATED THAT "JAPANESE SOVEREIGNTY SHALL BE LLIMITED TO THE ISLANDS OF HONSHU, HOKKAIDO, KYUSHU, SHIKOKU" AND SUCH MINOR ISLANDS AS MAY BE DETERMINED BY THE THREE PRINCIPAL ALLIED POWERS, THE U.S., CHINA AND THE UNITED KINGDOM. PARA AS TO THE LEASE IN 1896 AND SUBSEQUENT PRUCHASE IN 1930 OF THE TIAO-YU-TAI ISLANDS BY THE KOGA FAMILY, THEY WERE MERELY DOMESTIC ARRANGEMENTS MADE BY THE JAPANESE GOVT WHICH CAN NOT IN ANY WAY ALTER THE LEGAL STATUS OF THESE ISLANDS. PARA FOR THESE ABOVE-MENTIONED REASONS, THE CHINESE GOVT FINDS ITSELF UNABLE TO ACCEPT THE JAPANESE CLAIM OF SOVEREIGNTY OVER THE TIAO-YU-TAI ISLANDS. IT IS HOPED THAT THE U.S. GOVT WILL TAKE FULL NOTICE OF THE CHINESE GOVERNMENT'S VIEWS AND POSITION ON THIS QUESTION. THE CHINESE GOVT WILL KEEP THE U.S. GOVT INFORMED ON ANY FURTHER DEVELOPMENTS AS THEY MAY ARISE IN THE FUTURE. UNQUOTE. GP-3

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C O N F I D E N T I A L TAIPEI 4377

SUBJECT: SENKAKUS

REF: A: TOKYO 7767
B: STATE 163140
C: TAIPEI 4105

D: TAIPEI 4308
E: STATE 150567
F: TAIPEI 4000

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Footnote 10
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1. SUMMARY: RECENT ACTIONS BY GRC LEAD US TO BELIEVE THAT IT HAS NOT ONLY COOLED OFF SOMEWHAT ON SENKAKUS, BUT HAS TAKEN ACTIONS TO RESTRAIN ITS MORE ENTHUSIASTIC NATIONALS. WHILE PRESS AND LEGISLATIVE BODIES LIKELY TO REMAIN SENSATIONAL ON THIS SUBJECT, BELIEVE THAT VIOLATIONS OF SENKAKUS' TERRITORIAL WATERS FROM TAIWAN IN NEAR FUTURE NOW MUCH LESS LIKELY. WE AGREE WE SHOULD CAUTION GRC AGAINST PROVOCATIVE INTRUSIONS SENKAKU WATERS, BUT BELIEVE OUR MAIN EFFORT SHOULD BE DIRECTED AT GETTING GOJ AND GRC TO START TALKING ABOUT ALL ASPECTS OF PROBLEM.

2. PROBLEM OF SENKAKUS IS DIVIDED INTO THREE SEPARATE PROBLEMS; WHICH HAVE BECOME ENTANGLED; VIOLATIONS OF TERRITORY AND WATERS OF SENKAKUS; AND MORE BASIC PROBLEMS

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OF SOVEREIGNTY OVER THE SENKAKUS, AND RIGHTS TO THE CONTINENTAL SHELF,

3. SHORT-TERM PROBLEM OF VIOLATIONS IS ONE WHICH APPARENTLY BEGAN IN 1968 WHEN GRC BEGAN ACTIVE PATROLLING OF SENKAKUS. IF GRC, TAIWANESE FISHERMEN, AND JAPANESE DCM IN TAIPEI (REF. C AND D) ARE TO BE BELIEVED, TAIWANESE FISHERMEN HAVE FISHED THESE WATERS FOR MANY YEARS WITHOUT INTERFERENCE, OUR OWN RECORDS, AND THOSE SO FAR PROVIDED BY TOKYO AND HICOMRY, SHOW NO INCIDENTS BEFORE THE SUMMER OF 1968, WHICH IS MORE LIKELY DUE TO LACK OF PATROLLING THAN LACK OF VIOLATIONS.

4. SINCE SEPTEMBER INTRUSIONS, GRC HAS TAKEN TWO LINES: FIRST, A FAIRLY HARD LINE WITH USG IN DIPLOMATIC CONVERSATIONS, WITH PRESS TAKING A TOUGHER LINE WITH JAPAN, SECOND, UNPUBLICIZED EFFORT TO PUT A STOP TO FURTHER INCIDENTS OVER THE SENKAKUS, IT HAS TAKEN FOLLOWING SETPS:

A. DURING WEEK SEPT, 23, MOFA DIRECTOR OF NORTH AMERICAN AFFAIRS, FREDRICK CHIEN, INFORMED POLCOUNS THAT HIS OFFICE HAD SENT REPRESENTATIVE TO TAIWANESE FISHERMEN'S GROUP, WHICH HAD SUBSEQUENTLY COMPLAINED THAT MOFA WAS INTERFERING WITH THE FISHERMEN'S LIVELIHOOD, THIS VISIT CONFIRMED BY AP STRINGER, WHO SUBSEQUENTLY VISITED GROUP, CHIEN LEFT SUBSTANCE OF CONVERSTATION TO BE INFERRED, AS HE DID WHEN POLCOUNS NOTED FACT THAT PROPOSED VISIT OF THREE NATIONAL ASSEMBLYMEN TO THE SENKAKUS HAD BEEN CALLED OFF DUE TO "TROUBLE WITH HIGH-PRESSURE SYSTEM."

B. CHINA YOUTH CORPS STUDENTS AT TAIWAN UNIVERSITY APPARENTLY PLANNED FOR OCTOBER 2 A DEMONSTRATION OVER SENKAKUS IN FRONT OF JAPANESE EMBASSY, WHEN TIME FOR DEMONSTRATION ARRIVED, REPORTERS FOUND ONLY PRESS AND UNUSUAL NUMBER OF POLICE AT JAPANESE EMBASSY, MEMBER KMT STANDING COMMITTEE KUO CHI INFORMED US THAT KMT HAD "DISCOURAGED" ORGANIZERS,

C. MOFA HAS CONFIRMED TO US THAT RAISING OF CHINESE FLAG ON SENKAKUS SEPT, 5 WAS UNAUTHORIZED BY GRC, AP STRINGER TELLS US THAT CHINA TIMES WAS GIVEN SEVERE DRESSING DOWN BY MOFA FOR ITS FLAG-PLANTING FEAT.

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D. IN INTERPELLATION SEPT. 30 BEFORE LEGISLATIVE YUAN COMMITTEE, VICE MINISTER FOREIGN AFFAIRS TSAI WEI-PING, STATED THAT SINCE SENKAKUS UNDER U.S. "TRUST," GRC SHOULD PROPERLY DISCUSS MATTER WITH U.S. AND NOT WITH JAPAN. HE CONTINUED, HOWEVER, THAT SINCE JAPAN IS FRIENDLY TO ROC, GRC WILL NOT REFUSE TO HOLD "INFORMAL TALKS" WITH GOJ ON THIS ISSUE.

5. THIS RECORD, THE FACT THAT THERE HAVE BEEN NO INCIDENTS SINCE SEPT. 17, AND THAT END OF FISHING SEASON IN SENKAKUS APPROACHING (ALL INCIDENTS REPORTED TO US SINCE 1968 HAVE OCCURRED JULY-SEPTEMBER) LEADS US TO BELIEVE THAT GRC HAS MADE AN EFFECTIVE EFFORT TO FORESTALL FURTHER INCIDENTS OVER SENKAKUS, WHILE PERMITTING RATHER STRIDENT PRESS COVERAGE TO CONTINUE (WHICH SO FAR HAS NOT ATTACKED U.S. ROLE IN RYUKYUS) AND TAKING FAIRLY HARD LINE PRIVATELY WITH US. WE BELIEVE LATTER MAY HAVE BEEN NECESSARY TO MAKE FORMER EFFECTIVE, AS SUGGESTED PARA 2 REF. B.

6. USG BECOMES INVOLVED IN PROBLEM FOR THREE REASONS: GRC AND GOJ ARE OUR ALLIES AND WE WANT THEM TO MAINTAIN AMICABLE RELATIONS. MORE DIRECT USG INVOLVEMENT ARISES FROM FACT THAT WE HAVE TAKEN POSITION THAT GOJ HAS RESIDUAL SOVEREIGNTY OVER SENKAKUS AND FROM OUR RESPONSIBILITIES AS ADMINISTERING AUTHORITY. IF WE CAN AVOID PROBLEMS ARISING FROM THIRD POINT, WE WILL BE IN BETTER POSITION TO REGAIN IMPARTIALITY ON SOVEREIGNTY ISSUE AS IN REF. E AND F, AND REMAIN IMPARTIAL ON CONTINENTAL SHELF ISSUE.

7. RECENT GRC ACTIONS SUGGEST IT MAY WISH AVOID CONFRONTATION WITH USG ON SENKAKU INTRUSIONS. IF GRC AND GOJ COULD WORK OUT ARRANGEMENT FOR CHINESE FISHING ON BASIS CUSTOM OR QUOTA, THE ASPECT OF PROBLEM IN WHICH USG MOST DIRECTLY INVOLVED WOULD BE SOLVED.

8. GRC, BY NOT CLAIMING SOVEREIGNTY OVER SENKAKUS, HAS LEFT DOOR OPEN TO CONCEDE GOJ SOVEREIGNTY EVENTUALLY. PRINCIPAL GRC INTEREST IS IN UNDERSEA RIGHTS, AND GRC MAY BE PLANNING TO USE SOVEREIGNTY ISSUE IN BARGAINING ON UNDERSEA RIGHTS.

9. GRC IS PREPARED TALK WITH GOJ, BUT GOJ SO FAR IS NOT

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PREPARED TALK WITH GRC,

10. WE THEREFORE SUGGEST WE MAKE FOLLOWING REPRESENTATIONS TO GRC AND GOJ AT FOREIGN MINISTER LEVEL (WE CAN PUT OUR APPROACH IN CONTEXT RESPONSE GRC DEMARCHE-TAIBEI 4000 AND STATE 163140.)

A. TELL GRC IT WOULD BE MOST UNFORTUNATE AND NOT IN GRC INTERESTS TO CHALLENGE USG ADMINISTERING AUTHORITY OVER SENKAKUS; THAT WE WELCOME RECENT GRC EFFORTS TO PREVENT FISHING AND ANY OTHER INTRUSIONS AND HOPE IT WILL CONTINUE THESE EFFORTS; THAT WE WILL ACCEPT FOR PERIOD WE ARE ADMINISTERING POWER, ANY FISHING ARRANGEMENT GOJ AND GRC AGREE TO; AND THAT WE ARE URGING GOJ TO DISCUSS ALL ASPECTS SENKAKU PROBLEM WITH GRC,

B. TELL GOJ WHAT WE ARE SAYING TO GRC, AND URGE GOJ TO START TALKING ASAP TO GRC SO AMICABLE SOLUTION CAN BE FOUND TO ALL THREE ASPECTS OF PROBLEM. WE ASSUME WE WILL NOT GIVE ANY SUPPORT TO APPARENT GOJ POSITION THAT IT IS UNWILLING TO DISCUSS ISSUE OF SOVEREIGNTY OVER SENKAKUS. CERTAINLY PROSPECTS FOR AMICABLE SOLUTION WILL BE POOR IF GOJ WERE TO INSIST UPON GRC CONCEDING SOVEREIGNTY ISSUE AS PRECONDITION ANY TALKS. GP-3

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Oil Rush in the East China Sea Becomes a Three-Nation Issue

By Selig S. Harrison

Washington Post Foreign Service

TOKYO—A long-festering battle over oil exploration rights in the East China Sea and adjacent Asian waters has ballooned recently into a major diplomatic issue between Japan, South Korea and Nationalist China.

With nine rival oil companies egging them on, the three countries are hastily parceling out overlapping concessions and counter-concessions in a sprawling, 210,000-square-mile region believed to contain some of the most extensive underwater petroleum deposits in the world.

Communist China has remained silent so far, but disenchanted Western diplomats point out that most of the contested areas are part of the continental shelf extending from the Chinese mainland and fear that sooner or later Peking will also assert its own claims.

Japan is seething over abrupt recent moves by South Korea and Nationalist China granting concessions to U.S. companies in disputed waters before negotiations requested by Japan could get underway.

Seoul and Taipei are themselves engaged in a separate dispute of their own over another area where Japan is a relatively late entrant in the competition.

Japanese Ambassador M. H. Kanayama lodged two protests in the past week at the South Korean Foreign Ministry following a Korean concession deal with American oilman Wendell Phillips and reiterated a three-month-old demand for talks on a wide range of continental shelf disputes between the two countries.

Charging that the Korean concession zones cut into projected Japanese exploration areas and that the Phillips concession overlaps an entire Japanese exploration zone, the Japan Oil Development Corporation has announced that it

Returning to Taiwan after consultations here, Japanese Ambassador Osamu Itagaki issued a statement Saturday reaffirming Japanese territorial claims over the disputed Senkaku Islands north of Taiwan and underlining Japanese plans to develop the offshore oil resources there despite a series of leases allocated this summer to Pacific Gulf, American Oil and Clinton International.

The Japanese Ministry of International Trade and Industry announced plans on Thursday to post an eight-man geological survey team on Okinawa "to establish mining rights" on the Senkakus and process concession applications.

U.S. Administration

The Senkakus have been administered by the United States since World War II as part of the Ryukyuan island chain centering in Okinawa. When a conflict over the rocky, uninhabited island developed between Tokyo and Taipei, the United States indicated that they would be returned to Japan under the Okinawa reversion agreement along with the rest of the Ryukyus.

Ryukyuan government patrol boats "acting with U.S. concurrence" ordered Taiwanese fishing craft to leave the Senkaku area in a series of incidents two weeks ago.

In contrast to the rest of the Ryukyuan chain, the Senkakus lie on the continental shelf area where oil is believed to exist, and possession of the islands could be crucial in establishing Japanese claims to a position on the shelf in the complex legal struggle over oil rights now unfolding.

The current Pacific oil rush dates back to geological studies in 1968 and 1969 conducted by the Economic Commission for Asia and the Far East and Japanese exploration teams.

Both studies found parallel ridges in the East China Sea regarded as a natural trap for sediment and organic matter. Japanese scientists estimated

At first, Western oil companies appeared hesitant to exploit the new findings, stressing that the deposits might in some cases prove to be more than 700 feet deep, far beyond the marine drilling levels now being attempted in the Gulf of Mexico. Then this summer Pacific Gulf, Clinton and Amoco suddenly got their leases.

The Taipei concession zones stretch northward for more than 525 miles at a distance of 100 miles from the China mainland. The northernmost concession, held by Clinton International, overlaps with South Korean concessions to Caltex, Wendell Phillips and Gulf.

Viewed in their entirety, the areas involved in disputes between the three countries form an uninterrupted, Y-shaped territory straddling both coasts of Korea and covering an overall north-south distance of 940 miles from the Korea-Japan region to Taiwan. The area has an east-west span at its widest point in mid-Pacific of more than two hundred miles.

Political Clash

Despite the concession announcements, Japan had hoped initially that a political clash with Nationalist China over the Senkakus could be avoided. But statements on the islands by Vice President C. K. Yen on Sept. 25 and Foreign Minister James Shen on Tuesday have put a chill on the hitherto warm relations between Taipei and Tokyo.

In addition to Caltex and Wendell Phillips, Gulf and Royal Dutch Shell have received Korean concessions.

Caltex is collaborating with the Japan Oil Development Corporation in exploring one area where it also has been given an overlapping concession zone by South Korea and is expected to play an important role behind-the-scenes in mediating the conflict. Imperial Oil and Standard Oil of

Seoul and Taipei arouse strong nationalist emotions here directed not only at the two neighboring countries but at the "encirclement" of the Japanese oil industry by the international oil companies.

At the same time, Japan is heavily dependent at present on technical cooperation with foreign companies in carrying out its own exploration activities and lacks significant elements of technology in oceanography and deep-water drilling.

The availability of oil nearby at favorable prices would be a bonanza for Japan, which currently imports nearly \$1 billion worth of oil yearly, almost all from the Middle East. Preliminary studies suggest that the East China Sea deposits will yield oil with a low sulfur content, a potential boon in dealing with pollution.

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Peking Claims Disputed in East China Sea

By TILLMAN DURDIN
Special to The New York Times

HONG KONG, Dec. 5.—Communist China has asserted sovereignty over the little Senkaku Islands in the East China Sea where Japanese and United States companies have been prospecting for petroleum.

In asserting its sovereignty in a dispatch by Hsinhua, the Peking press agency, Communist China took the same view as the Chinese Nationalists—that the disputed islets belonged to Taiwan. Peking contends that Taiwan and the islands under its jurisdiction are an integral part of China.

The regime of Chiang Kiashek on Taiwan asserts that the Senkaku Islands were administered as part of Taiwan when the island was under Japan's control, from 1895 to 1945. They therefore dispute Tokyo's present contention that the islets are part of the Ryukyu Islands, which the United States plans to return to Japan in 1972.

Peking's assertion of the offshore oil claim opens a new point of contention between Communist China and Japan, and less directly between Peking and Washington over rights in a continental shelf area. Recent geological studies have indicated the area may contain huge petroleum deposits. Not only the Tokyo and Peking Governments but also the Governments of South Korea and Nationalist China have an interest in the area because they are contiguous to it.

The Hsinhua dispatch condemned a liaison committee set up recently between Japanese, South Korean and Nationalist



The New York Times, Dec. 5, 1972

Chinese representatives have the aim of joint exploitation of the oil resources of the seabed around Taiwan, neighboring islands and the shallow sea adjacent to outer parts of China and Korea.

"This is a new crime committed by Japanese militarists in plotting aggression against China and Korea since the end of the second world war," Hsinhua said, "and is a serious provocation carried out by the U.S. and Japanese reactionaries against the Chinese and Korean people."

Hsinhua stated that the liaison committee "is in violation of the backbone of a counter-revolutionary alliance with U.S. imperialism" in accordance with the long-standing United States plan for a free Asia with Chinese leadership.

Hsinhua said that a Japanese proposal to temporarily shelve the title of China or Korea to islands in the Seas of Korea

and Japan for a "neutral joint development" of the Senkaku Islands was "a gross violation of the principle of national sovereignty" and "a gross violation of the principle of international law."

Hsinhua said that "there are rich oil, natural gas and other mineral resources" in the area. Hsinhua pointed to surveys conducted by American aircraft carrier ships and claimed "U.S. imperialism" was supporting the Government of Premier Shidehara of Japan in "seeking various pretexts to include into Japan's territory the Senkaku Islands and other islands and islets areas that belong to China."

The islands mentioned are 150 square kilometers under their Chinese name. The islands are 150 kilometers from the mainland.

The Chinese Nationalist Government has awarded exploration rights to the continental shelf around the Senkaku Islands to the Gulf Oil Company and elsewhere along the continental shelf to the Amoco Oil Company.

Japan Korea has given concessions to Wendell Phillips, Imperial and Royal Dutch Shell along the shelf off Korea, and Japan Oil Development Corporation is going ahead with plans for exploration in overlapping areas.

The United States, as the ruler of the Ryukyus until 1972, upheld Japan's claim to the Senkaku Islands as part of the Ryukyus. The Senkaku Islands are on the continental shelf while the more northern Ryukyus are not.

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FOOTNOTE
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Peking Claims Disputed Oil Rights

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1. ON STUDENT DEMONSTRATIONS OVER SENKAKUS, CHINA TIMES (220,000 - PRIVATELY OWNED) APRIL 19 EDITORIAL PRAISED PATRIOTIC SPIRIT OF STUDENTS, BUT STRESSED NORMAL DIPLOMATIC CHANNELS WERE PROPER MEANS TO RESOLVE PROBLEM. EDITORIAL SAID: "STUDENTS BY THEIR ACTIONS SHOWED THEY ONLY INTENDED TO EXPRESS VOICE OF CHINESE PEOPLE AND HAVE NEVER DOUBTED THE GOVERNMENT'S#E FRTS TO SAFEGUARD SOVEREIGNTY."

2. INDEPENDENCE EVENING POST (40,000 - INDEPENDENT TAIWANESE VIEWPOINT) EDITORIAL OF SAME DATE "SUPPORT PATRIOTIC SOLIDARITY MOVEMENT" CASTIGATED JAPAN AND U.S. WHILE PRAISING STUDENTS AND URGED THEM TO UNITE WITH GOVERNMENT. PAPER SAID: "SOME AMERICANS ARE EVEN ENGAGING IN ALIENATION MOVEMENT, PROMOTING TWO-CHINA THEORY, AND FLIRTING WITH CHICOMS. SERIES OF UNPLEASANT INCIDENTS ALL HAVE CONTRIBUTED TO CHINESE LOSING CONFIDENCE IN U.S. IN ADDITION TO JAPAN'S UNJUSTIFIABLE CLAIM TO TIADYUTAI, ISLANDS, U.S. HAS ANNOUNCED PLANS TO RETURN ISLATS TO JAPAN TOGETHER WITH RYUKYUS. STATE DEPARTMENT WENT EVEN FURTHER ON EVE OF DEMONSTRATIONS BY CHINESE STUDENTS IN U.S. APRIL 8 AND REITERATED U.S. SUPPORT FOR JAPANESE SOVEREIGNTY OVER TIADYUTAI. COLLEGE STUDENTS IN TAIWAN, INDIGNANT AT UNWISE U.S. DECISION, HAVE STAGED DEMONSTRATIONS ON CAMPUS AND DELIVERED PROTESTS TO AMERICAN EMBASSY." EDIT CONCLUDED WITH "... LET ALL CHINESE UNITE TOGETHER AND EXPAND PATRIOTIC

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MOVEMENT TO SAFEGUARD TIAOYUTAI, UN REPRESENTATION,
AND CHINESE CULTURE. WE WARMLY SUPPORT PATRIOTIC
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