

Withdrawal/Redaction Sheet

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. cable	Re: SACO [Special Action Committee on Okinawa] Process: Ambassador's April 8 Meeting (3 pages)	04/06/1996	P1/b(1)
002. cable	Re: SACO [Special Action Committee on Okinawa]: Ambassador's Meeting (5 pages)	04/08/1996	P1/b(1)
003. cable	Re: SACO [Special Action Committee on Okinawa]: Ambassador's Meeting (4 pages)	04/10/1996	P1/b(1)
004. cable	Re: Your State Visit to Japan: An Historic Opportunity (5 pages)	04/12/1996	P1/b(1)
005. cable	Re: Secretary's Morning Summary (19 pages)	04/12/1996	P1/b(1)
006. cable	Re: Ambassador's Meeting on Futenma (6 pages)	04/12/1996	P1/b(1)
007. cable	Re: Support Cable for East Asia Brief (3 pages)	04/15/1996	P1/b(1)

COLLECTION:

Clinton Presidential Records
NSC Cables
Jan 1995-Dec 1996 ([Futenma])
OA/Box Number: 510000

FOLDER TITLE:

[04/06/1996 - 04/15/1996]

2016-0420-F
sb1867

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or
financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advice between the President
and his advisors, or between such advisors [(a)(5) of the PRA]
P6 Release would constitute a clearly unwarranted invasion of
personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed
of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C.
2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

b(1) National security classified information [(b)(1) of the FOIA]
b(2) Release would disclose internal personnel rules and practices of
an agency [(b)(2) of the FOIA]
b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
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personal privacy [(b)(6) of the FOIA]
b(7) Release would disclose information compiled for law enforcement
purposes [(b)(7) of the FOIA]
b(8) Release would disclose information concerning the regulation of
financial institutions [(b)(8) of the FOIA]
b(9) Release would disclose geological or geophysical information
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NSC Cables
Jan 1995-Dec 1996 ([Futenma])
OA/Box Number: 510000

FOLDER TITLE:

[04/06/1996 - 04/15/1996]

2016-0420-F
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Cable

PREC: IMMEDIATE
CLASS: UNCLASSIFIED
LINE1: OAAUZYUW RUEHKO A3225 1000424-UUUU--RHEHAAA.
LINE2: ZNR UUUUU ZZH
LINE3: O 090424Z APR 96
LINE4: FM AMEMBASSY TOKYO
OSRI: RUEHKO
DTG: 090424Z APR 96
ORIG: AMEMBASSY TOKYO
TO: RUEHC/SECSTATE WASHDC IMMEDIATE 1127
RUEHIA/USIA WASHDC IMMEDIATE 8430
INFO: RUEAIIA/CIA WASHDC
RUEBBEA/USDOT WASHDC
RUYNJDK/COMNAVFORJAPAN YOKOSUKA JA
RUALSFJ/COMUSJAPAN YOKOTA AB JA
RUCPDO/USDOC WASHDC
RHHMHAH/CINCPACFLT PEARL HARBOR HI//N5//
RUEKJCS/JOINT STAFF WASHDC//J5//
RHHMUNA/USCINCPAC HONOLULU HI//USIA//
RUEKJCS/SECDEF WASHDC
RHEHAAA/WHITEHOUSE WASHDC
SUBJ: JAPANESE MORNING PRESS HIGHLIGHTS APRIL 9

TOP HEADLINES

TEXT:

////////////////// INCOMPLETE MESSAGE //////////////////

UNCLAS SECTION 01 OF 08 TOKYO 003225

USIA

FOR: USIA D/P, I/GEA, I/RF, I/RFW, EA, RMR; STATE FOR
EAR/J; STATE PASS TO USTR/PUBLIC AFFAIRS OFFICE; CIA
WASHDC; SECDEF FOR JCS/J-5/JAPAN, OASD/ISA/EAPR/JAPAN;
TREASURY/OASIA/IMI; WHITE HOUSE; COMMERCE FOR DAS;
USCINCPAC/PA; CINCPACFLT/PA; COMUSJ/PA;
COMNAVFORJAPAN/PA.

E.O. 12958: N/A

SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS APRIL 9

TOP HEADLINES

ASAHI: UNIVERSITY STUDENTS' LIVING COST GOES DOWN --
830,000 YEN YEARLY; DIFFICULTY IN GETTING PART-TIME JOBS
DUE TO RECESSION, ACCORDING TO SURVEY FOR FY1994 BY
EDUCATION MINISTRY; RECREATION COST DROPS BY 10 PERCENT

NIHON KEIZAI: AGRICULTURE, FORESTRY AND FISHERIES
MINISTRY CONSIDERING REVISING LAW; LIKELY TO EASE
RESTRICTIONS ON OPERATION OF CENTRAL COOPERATIVE BANK;
POSSIBILITY OF REVIEWING TAX PREFERENTIAL TREATMENT BY
DIVERSIFYING LOAN BORROWERS; IN PREPARATION FOR MERGERS
WITH NATIONAL ASSOCIATION OF PREFECTURAL CREDIT
FEDERATION OF AGRICULTURAL COOPERATIVES

TOKYO SHIMBUN: HOUSING LOAN BORROWER SUENO KOSAN NOW
CHARGED WITH A HUGE AMOUNT OF DEPOSIT LAUNDERING; BY
MEANS OF DEPOSIT CHECKS; FREQUENT TRANSFERS OF MONEY FROM
ONE BANK ACCOUNT TO ANOTHER; FOR PURPOSE OF DODGING
CREDITORS' COLLECTING DEBTS?

MAINICHI: CENTRAL EDUCATION COUNCIL TO REQUEST FIRMS TO
REVIEW THEIR EXCESS EMPHASIS ON FAMOUS UNIVERSITY
GRADUATES IN HIRING

YOMIURI: ACSA BETWEEN SELF-DEFENSE FORCES AND U.S.
FORCES; WEAPONS PARTS TO COME UNDER SUCH A PACT; TO SIGN
IT AT UPCOMING SUMMIT; ASSISTANCE LIKELY TO EXPAND TO
"REAR SUPPORT" (ARTICLE IN THE ENGLISH ED.)

SANKEI: OSAKA DISTRICT PUBLIC PROSECUTORS' OFFICE,
NATIONAL TAX ADMINISTRATION AGENCY TO JOINTLY
INVESTIGATE INTO HOUSING LOAN BORROWER SUENO KOKAN TODAY;
ITS PRESIDENT NOW CHARGED WITH TAX EVASION

PRIME MINISTER TO GIVE PRIORITY TO ECONOMIC RECOVERY IN
SUMMIT MEETING (NIHON KEIZAI - PAGE 1)

PRIME MINISTER RYUTARO HASHIMOTO WILL EXPRESS TO UNITED
STATES PRESIDENT CLINTON DURING THEIR SUMMIT MEETING IN
TOKYO ON APRIL 17 THE JAPANESE GOVERNMENT'S DETERMINATION
TO DO ITS BEST TO BRING ABOUT A RECOVERY OF THE JAPANESE
ECONOMY. REGARDING SPECIFIC TRADE ISSUES, HE WILL PRAISE
THE AGREEMENT REACHED IN THE ALL-CARGO SECTOR, AND THEN
REITERATE HIS WILLINGNESS TO SETTLE THE ISSUE OF THE
JAPAN-U.S. SEMICONDUCTOR ACCORD, BASED ON THE FRAMEWORK
OF PRIVATE-SECTOR COOPERATION, BEFORE THE JUNE
INDUSTRIALIZED SUMMIT CONFERENCE (LYON SUMMIT).

PRIME MINISTER HASHIMOTO WILL EXPLAIN THE CURRENT STATE
OF THE JAPANESE ECONOMY MOVING INTO A RECOVERY MOOD, AND
WILL STRESS THE GOVERNMENT'S EFFORTS TO HURRIEDLY SETTLE
THE JUSEN (HOUSING LOAN COMPANIES) ISSUE AND TO MAINTAIN
ITS EASY-MONEY POLICY TO SOLIDIFY THE RECOVERY PATH. BUT
REFLECTING THE U.S. SIDE'S CONCERN THAT ECONOMIC RECOVERY
IN JAPAN MIGHT SLOW DOWN IN THE LATTER HALF OF THE FISCAL
YEAR, THE PRESIDENT MIGHT POINT OUT THE NEED FOR
ADDITIONAL ECONOMIC MEASURES THAT INCLUDE DISBURSEMENTS
OF GOVERNMENT FUNDS.

THE U.S. GOVERNMENT IS DISSATISFIED WITH THE GENERAL
CONTENTS OF THE DEREGULATION PROMOTION PROGRAM REVISED
LATE LAST MONTH BY THE JAPANESE GOVERNMENT, ALTHOUGH IT
HAS POSITIVELY EVALUATED MEASURES IN THE HOUSING SECTOR
AND CERTAIN OTHER AREAS. KEEPING SUCH IN MIND, THE PRIME

MINISTER WILL EXPRESS HIS WILLINGNESS TO TAKE MORE
DEREGULATORY MEASURES.

ON SPECIFIC ISSUES, THE PRESIDENT IS EXPECTED TO EXPRESS
HIS HOPES FOR AN EARLY SETTLEMENT OF SUCH REMAINING
ISSUES AS SEMICONDUCTORS AND PHOTOFILM. IN CASE THE
ONGOING WORKING-LEVEL INSURANCE TALKS REMAIN STALLED,
HARSH EXCHANGES OF VIEWS WILL LIKELY OCCUR AT THE SUMMIT
MEETING.

BT
#3225

NNNN
UNCLAS SECTION 03 OF 08 TOKYO 003225

USIA

FOR: USIA D/P, I/GEA, I/RF, I/RFW, EA, RMR; STATE FOR
EAR/J; STATE PASS TO USTR/PUBLIC AFFAIRS OFFICE; CIA
WASHDC; SECDEF FOR JCS/J-5/JAPAN, OASD/ISA/EAPR/JAPAN;
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USCINCPAC/PA; CINCPACFLT/PA; COMUSJ/PA;
COMNAVFORJAPAN/PA.

E.O. 12958: N/A

SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS APRIL 9

ACSA -- A MAJOR ELEMENT PLANNED FOR INCLUSION IN THE
JAPAN-U.S. JOINT DECLARATION -- AND A REVIEW OF THE
"GUIDELINES FOR JAPAN-U.S. DEFENSE COOPERATION," THE
AMBASSADOR STATED, "THE NEW MEASURES CAN BE SAID TO BE
HIGHLY SIGNIFICANT." HE HIGHLY EVALUATED THE MEASURES
ESTABLISHED TO FACILITATE JOINT JAPAN-U.S. ACTION IN AN
EMERGENCY.

ON THE PROBLEM OF U.S. BASES ON OKINAWA, HE UNDERScored
EFFORTS MADE BY BOTH JAPANESE AND U.S. GOVERNMENT TO
IMPROVE THE OPERATION OF THE STATUS OF FORCES AGREEMENT
(SOFA) AND TO REALIGN AND REDUCE BASES, EXPLAINING,
"SIGNIFICANT ACTION WILL BE TAKEN. EFFORTS ARE NOW BEING
MADE TO ASSUAGE THE CONCERNS OF THE OKINAWAN PEOPLE AS
WELL AS TO REDUCE THE PLACE NOW U\ED BY U.S. FORCES
THERE:"

MEANWHILE, HOWEVER, THE AMBASSADOR STATED, "REALIGNMENT
AND REDUCTION OF (U.S.) FACILITIES SHOULD BE CARRIED OUT
IN A WAY SO THAT THE CAPABILITY THE U.S. HAS TO POSSESS
UNDER THE U.S.-JAPAN SECURITY TREATY WILL NOT BE
WEAKENED. FOR THE U.S. TO FULFILL ITS RESPONSIBILITY,
BASES AND A QUICK RESPONSE SYSTEM ARE NEEDED, AND

TRAINING AND EXERCISES ALSO SHOULD BE DONE." HE THEN MADE CLEAR THAT THE POLICY LINE RULED OUT CUTTING BACK THE CURRENT TROOP STRENGTH AND COMBAT CAPABILITY, BOTH OF WHICH ARE SAID TO BE NEEDED TO DEAL WITH AN EMERGENCY IN THE FAR EAST, IF IT OCCURS.

IN REFERENCE TO THE ECONOMIC AREA, HE IMPLICITLY SOUGHT CONCESSIONS FROM JAPAN SO THAT PROGRESS SHOULD BE MADE IN THREE SECTORS, NAMELY, SEMICONDUCTORS, PHOTOFILM AND INSURANCE.

WITH RESPECT TO THE ASIAN SITUATION, HE TOUCHED ON THE FUTURE CHINA-TAIWAN SITUATION, AND EXPRESSED HIS PERSPECTIVE THAT EFFORTS WOULD BE MADE TO EASE TENSIONS THROUGH DIALOGUE, ADDING, "THE U.S. HAS STRESSED TO BOTH CHINA AND TAIWAN THAT THE TWO SHOULD LESSEN THEIR TENSIONS AND THEN RESUME BILATERAL TALKS. THEY WILL PRESUMABLY GO THAT ROUTE." IN ADDITION, HE REVEALED HIS VIEW THAT DESPITE THE EARLIER STRAINED RELATIONS ACROSS THE TAIWAN STRAITS, (THE U.S.) WOULD CONTINUE ITS PREVIOUS CHINA POLICY, NOTING, "THE U.S. POLICY TOWARD CHINA IS NOT MEANT TO CONTAIN CHINA, BUT IS DESIGNED TO INVOLVE CHINA IN A COMPREHENSIVE WAY. I DO NOT THINK THE U.S.' CHINA POLICY WILL CHANGE IN FUTURE."

ON NORTH KOREA'S THREATENING MOVES THAT VIOLATE THE TRUCE, HE CRITICIZED: "THE U.S. NATURALLY IS OPPOSED TO SUCH ACTIONS. NORTH KOREA HAS VIOLATED THE RULES." BUT ON THE OTHER HAND, HE UNDERLINED THE NECESSITY OF REOPENING A SOUTH-NORTH DIALOGUE. FURTHERMORE, CITING AS AN EXAMPLE (THE U.S.) TACKLING OF THE KOREAN PENINSULA ENERGY DEVELOPMENT ORGANIZATION (KEDO), HE CALLED FOR THE NEED FOR JAPAN AND THE U.S., AND THE REPUBLIC OF KOREA, TO WORK IN CLOSER COOPERATION. ADDITIONALLY, REFERRING TO THE U.S. PRESIDENTIAL ELECTION, HE REMARKED, "CONSIDERABLE OPTIMISM EXISTS REGARDING THE RE-ELECTION OF PRESIDENT CLINTON," INDICATING HIS PREDICTION THAT (CLINTON) WOULD BE RE-ELECTED.

FUTENMAQS TRANSPORT FUNCTIONS COULD BE TRANSFERRED TO KADENA AIR BASE (TOKYO SHIMBUN - PAGE 1)

AT A MEETING OF THE "SPECIAL ACTION COMMITTEE ON FACILITIES AND AREAS IN OKINAWA" (SACO) TO BE HELD ON APRIL 15, THE JAPANESE AND U.S. GOVERNMENTS WILL ADOPT AN INTERIM REPORT REGARDING THE ISSUE OF REALIGNING, CONSOLIDATING, AND REDUCING THE U.S. MILITARY BASES ON OKINAWA. ITS CONTENTS ARE NOW GENERALLY FINALIZED THROUGH THE TWO COUNTRIES' INTERGOVERNMENTAL COORDINATION UP UNTIL APRIL 8.

ACCORDING TO THE FINAL VERSION, THE JAPANESE AND U.S.

BT

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UNCLAS SECTION 04 OF 08 TOKYO 003225

USIA

FOR: USIA D/P, I/GEA, I/RF, I/RFW, EA, RMR; STATE FOR
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USCINCPAC/PA; CINCPACFLT/PA; COMUSJ/PA;
COMNAVFORJAPAN/PA.

E.O. 12958: N/A

SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS APRIL 9

GOVERNMENTS, IN THE CASE OF FUTENMA AIR STATION WHICH HAS BEEN PRIMARILY FOCUSED ON, WILL CONSIDER TRANSFERRING ITS TRANSPORT FUNCTIONS TO KADENA AIR FORCE BASE AS A FUTURE TASK. THE JAPANESE GOVERNMENT TAKES IT THAT THE INTERIM REPORT'S REFERRING TO THE FUTENMA AIRFIELD -- EVEN THOUGH IT MAY BE A PLAN TO TRANSFER PART OF ITS FUNCTIONS -- IS ONE OF THE MOST REMARKABLE RESULTS TO BE INCORPORATED IN THE INTERIM REPORT. ADDITIONALLY, THE INTERIM REPORT WILL ALSO INCORPORATE SUCH MATTERS AS THE REVERSION OF A STATE-OWNED PORTION OF THE NORTHERN TRAINING AREA.

ON THE OTHER HAND, THE OKINAWA PREFECTURE SIDE HAS BEEN STRONGLY CALLING FOR THE GOVERNMENT TO HAVE THE KADENA AFB SITE RETURNED TO THE LOCAL SIDE AS WELL AS THE FUTENMA AIRFIELD. HOWEVER, THE INTERIM REPORT WILL NOT REFER TO THIS CASE.

AS A RESULT OF COORDINATION TO DATE, THERE ARE NO MORE THAN 10 FACILITIES TO BE CONSIDERED FOR REALIGNMENT, CONSOLIDATION, OR REDUCTION, AND THIS IS STILL QUITE FAR FROM OKINAWA PREFECTURE'S DESIRE. THE JAPANESE SIDE, FROM NOW ON, WILL ACCUMULATE NEGOTIATIONS WITH THE U.S. SIDE TO THE VERY LIMIT SET FOR APRIL 15, AND WILL DEVOTE ALL ITS ENERGIES TO INCREASE THE NUMBER OF FACILITIES FOR REALIGNMENT, CONSOLIDATION, OR REDUCTION, AND PRESENT AN ANNUAL PLAN FOR REALIGNMENT, CONSOLIDATION, AND REDUCTION.

THE INTERIM REPORT IS NOW IN THE MAKING FOR U.S. PRESIDENT CLINTON'S VISIT TO JAPAN FROM APRIL 16. IT WILL BE ADOPTED AT A SACO MEETING ON APRIL 15. AFTER THAT, IT IS GOING TO BE APPROVED AND ANNOUNCED ON THE SAME DAY AT A JAPAN-U.S. SECURITY CONSULTATIVE COMMITTEE (2-PLUS-2) MEETING OF THE TWO COUNTRIES' FOREIGN AND DEFENSE MINISTERS, INCLUDING U.S. SECRETARY OF DEFENSE PERRY.

THE PRIMARY FOCUS OF THE INTERIM REPORT IS ON HOW TO HANDLE THE CASE OF THE FUTENMA AIRFIELD. THIS IS BECAUSE

PRIME MINISTER RYUTARO HASHIMOTO AT THE JAPAN-U.S. SUMMIT MEETING AT SANTA MONICA (CALIFORNIA) THIS FEBRUARY TOUCHED ON IT AS A BASE TO BE CONSIDERED FOR REALIGNMENT, CONSOLIDATION, OR REDUCTION, WITH OKINAWA PREFECTURE'S STRONG DESIRE AS THE BACKGROUND.

IN THE CASE OF THE FUTENMA AIRFIELD, THE U.S. SIDE HAS CALLED FOR ANOTHER PLACE, BUT THE JAPANESE GOVERNMENT COULD NOT FIND ANY ALTERNATIVE PLACE. SO, THE INITIAL VIEW WAS THAT IT WOULD BE DIFFICULT TO TAKE UP THE AIRFIELD'S PARTIAL TRANSFER AS A TASK TO BE STUDIED IN THE FUTURE. HOWEVER, THE JAPANESE SIDE, BACKED BY THE HASHIMOTO PROPOSITION, ASKED FOR THE U.S. SIDE'S RECONSIDERATION. AS A RESULT, THE SACO INTERIM REPORT IS GOING TO STIPULATE THAT THE JAPANESE AND U.S. GOVERNMENTS WILL MULL OVER THE ISSUE OF TRANSFERRING THE FUTENMA AIRFIELD'S FUNCTIONS TO KADENA AFB AS A FUTURE TASK.

AFTER THE INTERIM REPORT IS PRESENTED ON APRIL 15 AS WELL, THE JAPANESE AND U.S. GOVERNMENTS WILL CONTINUE THEIR WORK OF REALIGNING, CONSOLIDATING, AND DOWNSCALING THE U.S. MILITARY BASES ON OKINAWA AT SACO MEETINGS, AND WILL DRAW UP A FINAL REPORT BY NOVEMBER.

GOVERNMENT HAS STRONG SENSE OF ALARM ABOUT NORTH KOREA'S TRUCE VIOLATIONS (YOMIURI - PAGE 2)

WITH HEAVILY ARMED NORTH KOREAN TROOPS ENTERING NIGHTLY INTO THE DEMILITARIZED ZONE IN PANMUNJON, THE GOVERNMENT ON THE 8TH HAS ADOPTED A STANCE OF URGING NORTH KOREA TO RESTRAIN SUCH BASED ON ITS CONCERN THAT THE NORTH'S MOVES MIGHT LEAD TO A MILITARY CLASH (WITH SOUTH KOREA). IT ALSO AIMS AT REINFORCING THE INFORMATION-COLLECTING CAPABILITIES OF THE MINISTRY OF FOREIGN AFFAIRS (MOFA) AND THE DEFENSE AGENCY (JDA).

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USIA

FOR: USIA D/P, I/GEA, I/RF, I/RFW, EA, RMR; STATE FOR EAR/J; STATE PASS TO USTR/PUBLIC AFFAIRS OFFICE; CIA WASHDC; SECDEF FOR JCS/J-5/JAPAN, OASD/ISA/EAPR/JAPAN; TREASURY/OASIA/IMI; WHITE HOUSE; COMMERCE FOR DAS; USCINCPAC/PA; CINCPACFLT/PA; COMUSJ/PA; COMNAVFORJAPAN/PA.

E.O. 12958: N/A

SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS APRIL 9

ADMINISTRATIVE FOREIGN VICE-MINISTER SADAYUKI HAYASHI IN A PRESS BRIEFING YESTERDAY STATED: "WE DO NOT KNOW WHAT NORTH KOREA'S INTENTION IS, BUT THE SITUATION IS VERY DANGEROUS." HE MENTIONED THAT MOFA HAS INSTRUCTED ITS EMBASSIES IN SEOUL AND BEIJING TO STRENGTHEN THEIR INFORMATION-GATHERING EFFORTS. JDA ADMINISTRATIVE VICE-MINISTER NAOAKI MURATA, TOO, IN HIS PRESS MEETING YESTERDAY REVEALED THAT THE JDA IS NOW DOING ITS BEST TO GET INFORMATION FROM THE SOUTH KOREAN DEFENSE MINISTRY AND THE UNITED STATES FORCES IN SOUTH KOREA THROUGH THE U.S. FORCES IN JAPAN, WHILE THE SELF-DEFENSE FORCES THEMSELVES ARE NOW ANALYZING NORTH KOREA'S COMMUNICATIONS.

THE GOVERNMENT, FOR THE TIME BEING, WILL TAKE THE POSITION THAT "SINCE AN EXCESSIVE REACTION MIGHT HAVE AN ILL EFFECT ON (THE NORTH), WE WOULD LIKE TO DEAL WITH IT CAUTIOUSLY" (FOREIGN MINISTER IKEDA). BUT THE REASON WHY THE GOVERNMENT IS CONCERNED ABOUT THE NORTH KOREA'S MILITARY ACTION THIS TIME IS EXPRESSED IN (ADMINISTRATIVE VICE FOREIGN MINISTER HAYASHI'S REMARKS) THAT "WE CANNOT UNDERSTAND THE NORTH'S MOTIVE."

SOME SPECULATE THAT "THE NORTH KOREA'S MOVE THIS TIME WILL HARDEN AMERICAN AND SOUTH KOREAN POLICY LINES" (GOVERNMENT SOURCE). THE CONCERN WAS HIGHLIGHTED IN THE STATEMENT (BY VICE MINISTER HAYASHI) THAT "THERE IS A DANGER OF AN ACCIDENTAL INCIDENT OCCURRING."

LDP SENDING MISSION TO TAIWAN BUT NO ONE WANTS TO LEAD IT (YOMIURI - PAGE 3)

THE LIBERAL DEMOCRATIC PARTY (LDP) AND OTHER POLITICAL PARTIES ARE MULLING OVER WHO TO SEND TO THE INAUGURATION CEREMONY FOR PRESIDENT LEETENGHUI IN TAIWAN ON MAY 20. ESPECIALLY REGARDING THE SELECTION OF A DELEGATION LEADER, SOME HAVE BEEN CALLING FOR APPOINTING "A FORMER PRIME MINISTER," BUT OTHERS ARE CONCERNED ABOUT "A NEGATIVE REACTION OF CHINA TO A BIG-NAME LEADER" (FOREIGN MINISTRY SOURCE), CONSIDERING THE TENSE RELATIONSHIP NOW BETWEEN CHINA AND TAIWAN. WHILE WATCHING THE MOVES OF THE UNITED STATES AND OTHER COUNTRIES, THE PARTIES INTEND TO PUSH AHEAD WITH "THE SELECTION WORK CAUTIOUSLY." IT WILL LIKELY TAKE MORE TIME UNTIL THEY REACH A FINAL DECISION.

THE LDP "ROUND-TABLE DISCUSSION BY DIETMEMBER RELATED TO JAPAN-CHINA RELATIONSHIP" (CHAIRER BY MASAYUKI FUJIO) IS RESOLVED TO SPEED UP CHOOSING REPRESENTATIVES AND HAS BEEN EXCHANGING VIEWS ABOUT TAIWAN'S NEW LINEUP.

THE DELEGATION WILL BE COMPOSED OF ABOUT 10 POLITICIANS FROM VARIOUS PARTIES AS WELL AS SOME PERSONS FROM THE PRIVATE SECTOR. WHEN THE MEMORIAL CEREMONY (FUNERAL) WAS HELD FOR FORMER TAIWANESE PRESIDENT CHIANG CHINGKUO IN

JANUARY 1988, FORMER PRIME MINISTER FUKUDA, FORMER LOWER HOUSE SPEAKER HIROSHI NADAO, FORMER VICE PRESIDENT SHIN KANEMARU ATTENDED. ON THE OCCASION OF THE INAUGURATION CEREMONY FOR PRESIDENT LEE IN MAY 1990, AS WELL, KANEMARU AND FUJIO WERE SENT.

ON APRIL, 3, UPPER HOUSE SECRETARY GENERAL MURAKAMI, WHO IS PRO-TAIWAN, CALLED ON PRIME MINISTER HASHIMOTO AND ADVISED A "CHIEF OF STATE-LEVEL" OFFICIAL BE DISPATCHED. CANDIDATES ARE SUCH FORMER PRIME MINISTERS AS NAKASONE, TAKESHITA AND MIYAZAWA, BUT SINCE THEY ALL HAVE SOME "TIES WITH CHINA," THEY REPORTEDLY ARE UNWILLING TO HEAD THE DELEGATION.

THE SAKIGAKE PARTY HAS TAKEN A NON-COMMITTAL STANCE, A POLICY BOARD SENIOR OFFICIAL REMARKING "A POLITICAL DECISION WILL BE NECESSARY."

NO PROGRESS IN DIET SQUABBLE OVER SUMMONING LDP POLICY CHAIRMAN KATO AS WITNESS (NIHON KEIZAI - PAGE 1)

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UNCLAS SECTION 06 OF 08 TOKYO 003225

USIA

FOR: USIA D/P, I/GEA, I/RF, I/RFW, EA, RMR; STATE FOR EAR/J; STATE PASS TO USTR/PUBLIC AFFAIRS OFFICE; CIA WASHDC; SECDEF FOR JCS/J-5/JAPAN, OASD/ISA/EAPR/JAPAN; TREASURY/OASIA/IMI; WHITE HOUSE; COMMERCE FOR DAS; USCINCPAC/PA; CINCPACFLT/PA; COMUSJ/PA; COMNAVFORJAPAN/PA.

E.O. 12958: N/A

SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS APRIL 9

THE THREE RULING CAMP AND THE OPPOSITION SHINSHINTO (NEW FRONTIER PARTY) HELD A DIET AFFAIRS COMMITTEE CHAIRMEN'S MEETING ON THE 8TH TO DISCUSS TAKING A VOTE ON THE FISCAL 1996 BUDGET BILL IN THE LOWER HOUSE BUDGET COMMITTEE SESSION. THE BUDGET INCLUDES FISCAL FUNDING TO LIQUIDATE HOUSING LOAN COMPANIES (JUSEN). THE RULING CAMP PRESENTED A FIVE-ITEM COMPROMISE PLAN. BUT THE TWO SIDES FAILED TO FIND COMMON GROUND REGARDING POSSIBLE DIET TESTIMONY BY LIBERAL DEMOCRATIC PARTY SECRETARY GENERAL KOICHI KATO. AS A RESULT, A VOTE WILL NOT BE TAKEN UNTIL THE 10 OR LATER. THE DIET AFFAIRS CHIEFS OF THE TWO CAMPS WILL MEET AGAIN ON THE AFTERNOON OF THE 9TH. BUT

WITH THE TWO SIDES STILL FAR APART, NO EASY SETTLEMENT CAN BE EXPECTED.

KEIDANREN BUSINESS LEADERS STRONGLY SPEAKING OUT TO POLITICIANS (YOMIURI - PAGE 7)

ECONOMIC AND BUSINESS ORGANIZATIONS HAVE BEGUN TO GEAR UP THEIR APPROACHES TO POLITICIANS AS PART OF THEIR EFFORTS TO ESTABLISH NEW RELATIONS WITH THE POLITICAL WORLD FOLLOWING THE DEMISE OF THE SO-CALLED 1955 POLITICAL STRUCTURE (TN: THE YEAR THE LDP WAS FORMED AND ASSUMED SINGLE-PARTY RULE, WITH THE JAPAN SOCIALIST PARTY BECOMING THE PERMANENT OPPOSITION PARTY). THE MOVE DERIVED FROM THE JUDGMENT THAT THE SHORTEST WAY TO ENHANCING THE BUSINESS COMMUNITY'S CLOUT WOULD BE RAISE THE INTEREST OF MANAGERS IN POLITICS. HOW THIS APPROACH WILL WORK OUT REMAINS TO BE SEEN.

KEIDANREN (JAPAN FEDERATION OF ECONOMIC ORGANIZATIONS; CHAIRED BY SHOICHIRO TOYODA) AT ITS CHAIRMAN AND VICE CHAIRMEN'S MEETING ON THE 8TH REACHED A POLICY DIRECTION TO LAUNCH WHAT IS CALLED THE "ENTREPRENEURS' POLITICAL FORUM" TO ENCOURAGE PERSONAL POLITICAL DONATIONS AND THE LIKE. ANOTHER OBJECTIVE IS TO CREATE OPPORTUNITIES TO EXCHANGE VIEWS BETWEEN POLITICIANS AND CORPORATE EXECUTIVES AS WELL AS TO SUPPLY INFORMATION ON PERSONAL CONTRIBUTIONS AND TAX INCENTIVES. THE FORUM WILL FORMALLY KICK OFF ITS ACTIVITIES IN JUNE UNDER A CHAIRPERSON WHO WILL BE PICKED FROM THE KEIDANREN VICE CHAIRMEN.

INVITING JUNIOR RULING AND OPPOSITION PARTY MEMBERS TO THE SESSION, KEIDANREN YESTERDAY HELD A ROUND-TABLE FORUM TITLED "OUR ADVICE TO POLITICIANS." IN ADDITION, GENERALLY EVERY WEEK SINCE JANUARY THE GROUP HAS BEEN HOLDING A "POLITICAL ROUND-TABLE CONFERENCE," A BREAKFAST MEETING WITH MID-RANKING DIETMEMBERS. ALL THOSE ACTIVITIES ARE A PART OF KEIDANREN'S EFFORTS TO MEND ITS RELATIONSHIP WITH THE POLITICAL COMMUNITY, WHICH HAS BEEN STRAINED EVER SINCE IT STOPPED HANDLING POLITICAL DONATIONS.

CHAIRMAN TOYODA REMARKED IN HIGH SPIRITS: "BOOSTING POLITICAL DONATIONS ON THE PERSONAL LEVEL IS DIFFICULT. BUT I BELIEVE THAT THE ESTABLISHMENT OF THE FORUM WOULD HELP OUR MEMBERS TO GET TO KNOW BETTER WHAT LAWMAKERS ARE THINKING AND THAT WOULD CHANGE THE PRESENT SITUATION EVENTUALLY."

MEANWHILE, THE TOKYO COMMERCE AND INDUSTRY FEDERATION (CHAIRED BY MAHIKO (?) NAKANISHI, VICE PRESIDENT OF THE TOKYO CHAMBER OF COMMERCE AND INDUSTRY (TCCI)), A POLITICAL ORGANIZATION COMPOSED OF SMALL AND MEDIUM-SCALE BUSINESS EXECUTIVES OF 23 TOKYO WARDS, WILL HOLD ON THE 23RD A "TOKYO CONVENTION TO CHANGE THE POLITICAL TIDE." RALLYING TOGETHER THE POWER OF SMALL BUSINESSES, THE GROUP WILL ADOPT A DECLARATION TO "SELECT POLITICIANS BY OUR OWN YARDSTICK BASED STRICTLY ON THEIR POLICIES"

(CHAIRMAN NAKANISHI) AN"Zpy:'

THE FEDERATION IS CLOSELY
ASSOCIATED WITH THE TCCI, WHICH

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UNCLAS SECTION 07 OF 08 TOKYO 003225

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E.O. 12958: N/A

SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS APRIL 9

HOLDS ABOUT 1.5 MILLION VOTES OF ITS MEMBER COMPANIES.
WITH SUCH IN HAND, THE FEDERATION INTENDS TO "SEEK
CORRECTION OF THE FARM-ORIENTED BUDGET" (NAKANISHI)

INSURANCE TALKS: JAPAN FLOATS NEW PROPOSAL CALLING FOR
MORE DEREGULATION (YOMIURI - PAGE 7)

(LOS ANGELES, APRIL 7, REPORTER HIROKO KONO) TWO DAYS OF
NEGOTIATIONS OVER REFORM OF JAPAN'S INSURANCE SYSTEM WERE
HELD BETWEEN JAPAN AND THE UNITED STATES UNTIL THE 7TH
(8TH, JAPAN TIME) AT A HOTEL IN LOS ANGELES. AS A
CONDITION FOR ALLOWING JAPAN'S LIFE AND NON-LIFE INSURERS
TO ENTER THROUGH THEIR SUBSIDIARIES THAT PART OF THE
INSURANCE MARKET CALLED THE THIRD SECTOR, WHICH INCLUDES
ILLNESS AND ACCIDENT INSURANCE POLICIES, JAPAN PRESENTED
A COMPROMISE PLAN FOR PROMOTING FURTHER DEREGULATION IN
THE LIFE AND NON-LIFE INSURANCE SECTORS.

THE TWO COUNTRIES, HOWEVER, FAILED TO REACH AN ACCORD.
THE NEGOTIATIONS ARE EXPECTED TO BE RESUMED LATER THIS
WEEK.

THE NEGOTIATIONS BROUGHT TOGETHER EISUKE SAKAKIBARA,
DIRECTOR GENERAL OF THE FINANCE MINISTRY (MOF)
INTERNATIONAL FINANCE BUREAU AND OTHERS FROM THE JAPANESE
SIDE AND AMBASSADOR SHAPIRO OF THE OFFICE OF THE UNITED
STATES TRADE REPRESENTATIVE (USTR). AFTER THE
NEGOTIATIONS, THE TWO DELEGATIONS BRIEFED REPORTERS, "WE
ENGAGED IN CONSTRUCTIVE DISCUSSIONS IN A THOROUGH MANNER,

BUT OUR VIEWS STILL REMAIN FAR APART."

AT THIS ROUND OF NEGOTIATIONS THE JAPANESE SIDE PROPOSED A NEW DEREGULATION PROMOTION POLICY REGARDING PREMIUMS FOR FIRE AND CAR INSURANCE POLICIES AND THE INSURANCE PRODUCTS NOTIFICATION SYSTEM. THESE WERE ADDED TO THE PROPOSALS ALREADY MADE, SUCH AS SUSPENSION OF APPROVAL FOR A CERTAIN FIXED PERIOD FOR LIFE AND NON-LIFE INSURANCE FIRMS' SUBSIDIARIES MAKING INROADS INTO THE THIRD SECTOR BY HANDLING SUCH PRODUCTS AS "CANCER INSURANCE," IN WHICH FOREIGN-AFFILIATED INSURERS ARE DOING SUCCESSFUL BUSINESS.

THE U.S. IS EXPECTED TO COORDINATE WITH ITS DOMESTIC INSURANCE INDUSTRY BASED ON THIS OFFER. NEGOTIATIONS WILL BE RESUMED LATER THIS WEEK. CLIFF-HANGER NEGOTIATIONS ARE LIKELY TO CONTINUE BETWEEN THE TWO COUNTRIES, EYEING A SETTLEMENT BEFORE THE JAPAN-U.S. SUMMIT MEETING ON THE 17TH.

IN OCTOBER 1994, THE TWO GOVERNMENTS SIGNED AN ACCORD FOR THE INSURANCE AREA IN THE JAPAN-U.S. FRAMEWORK TALKS. THEY AGREED ON THE WAY TO PROMOTE DEREGULATORY STEPS IN JAPAN'S INSURANCE MARKET. HOWEVER, WITH A CONFRONTATION OVER THE INTERPRETATION OF THE AGREEMENT SURFACING FROM AROUND LAST FALL, BILATERAL NEGOTIATIONS HAVE BEEN STRAINED WITH THE U.S. ASSERTING, "IT IS A VIOLATION OF THE AGREEMENT TO ALLOW JAPANESE LIFE AND NON-LIFE INSURANCE FIRMS TO ENTER THE THIRD SECTOR WITHOUT FULLY DISMANTLING REGULATORY CONTROLS IN THE LIFE AND NON-LIFE INSURANCE SECTORS," AND THE JAPANESE SIDE CLAIMING, "PARTICIPATION THROUGH SUBSIDIARIES DOES NOT RUN COUNTER TO THE AGREEMENT."

MITI VICE MINISTER'S RECENT TRADE-NEGOTIATIONS REMARKS SLAMMED (SANKEI - PAGE 9)

A SPEECH MADE BY YOSHIHIRO SAKAMOTO, DEPUTY VICE INTERNATIONAL TRADE AND INDUSTRY (MITI) MINISTER, AT THE FOREIGN PRESS CLUB IN JAPAN, IS DRAWING CRITICISM OF JAPAN IN THE AMERICAN MEDIA AND THE CONGRESS. SAKAMOTO HIMSELF SAYS, "MY TRUE INTENTION WOULD BE UNDERSTOOD IF THEY READ THE FULL TEXT OF MY SPEECH," BUT ON THE THRESHOLD OF U.S. PRESIDENT CLINTON'S VISIT TO JAPAN, THE SITUATION WILL NOT ALLOW HIM TO JUST WAIT FOR IT "BURN ITSELF OUT."

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E.O. 12958: N/A

SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS APRIL 9

THE PORTION OF THE SPEECH THAT CAME UNDER FIRE REFERRED
TO MEASURES TO RESOLVE FUTURE TRADE FRICTION: "THE ERA OF
BILATERALISM IS OVER. TRADE DISPUTES SHOULD BE RESOLVED
UNDER THE WORLD TRADE ORGANIZATION (WTO) OR IN COMPLIANCE
WITH INTERNATIONAL RULES." THIS POINT IS, HOWEVER,
PROBABLY ONLY NATURAL IN LIGHT OF THE SPIRIT OF THE WTO,
WHICH ADVOCATES MULTILATERAL NEGOTIATIONS.

NEVERTHELESS, THE U.S. IS UPSET BY THE SPEECH AND IS
ALMOST OVERREACTING TO IT. WHAT ONE SEES THERE IS "THE
DEMOCRATIC PARTY'S STRATEGY TO ATTACK ENEMIES WHO HAPPEN
TO BE NEAR AT HAND" (SENIOR MITI OFFICIAL) WITH THE
PRESIDENTIAL ELECTION APPROACHING. AS A PROOF OF THAT,
"KODAK EXECUTIVES REPORTEDLY ARE SEEN SITTING AND
INTENTIONALLY GATHERING VIEWS" IN THEIR INTERNET
CONFERENCE ROOM.

ASKED TO SUBMIT A REBUTTAL BY THIS NEWSPAPER, SAKAMOTO
REFRAINED FROM TAKING ANY ACTION, JUST NOTING, "ALL I
WANTED TO SAY IS IN THE SPEECH I MADE THAT DAY. I WOULD
RATHER REFRAIN FROM MAKING A REBUTTAL." "REFRAIN FROM
MAKING AN EXCUSE" IS ONE WAY OF MANIFESTING ONE'S TRUE
INTENTIONS IN JAPAN. HOWEVER, THE MATTER IS CONCERNED
WITH JAPAN'S NATIONAL INTERESTS. IT SOMETIMES HAPPENS
THAT A STATEMENT TAKES ON A LIFE OF ITS OWN, SHOULD THE
AUTHOR NEGLECT TO GIVE AN ACCOUNT OF THE TRUTH OF THE
MATTER. IN THIS CASE, SAKAMOTO PROBABLY SHOULD GIVE
FIRST CONSIDERATION TO NATIONAL INTERESTS. (HIDEMI
TAKAHASHI)

MORTAR SHELLS CONFISCATED IN THE MOUNTAINS; POSSIBLE
CHUKAKU-HA LINK (ASAHI - PAGE 27)

KANAGAWA PREFECTURAL POLICE'S THIRD PUBLIC SECURITY
DIVISION ANNOUNCED ON APRIL 8 THAT IT HAD DISCOVERED AND
SEIZED A NUMBER OF ITEMS INCLUDING MORTAR ROCKET(S),
EXPLOSIVES, AND TIMER(S) IN THE MOUNTAINS OF OISO TOWN,
KANAGAWA PREFECTURE.

ACCORDING TO AN INVESTIGATION, A BIRD-WATCHING MAN FOUND
TWO CLOTHING CASES, HALF-BURIED IN THE GROUND, NEAR A
HIKING COURSE AT THE TOP OF A MOUNTAIN (153 METERS ABOVE
SEA LEVEL) SITUATED IN KOMA, OISO TOWN, ON THE AFTERNOON
OF MARCH 6. THOSE CASES WERE CLOSED UP, AND CONTAINED

ELECTRONIC PARTS AND DRIERS, IN ADDITION TO MORTAR ROCKET(S) AND OTHER THINGS. POLICE FOUND THAT THE DISCOVERED PARTS WERE SIMILAR TO THOSE USED IN INCIDENTS BROUGHT ABOUT BY CHUKAKUHA (MIDDLE CORE FACTION) GROUPS.

THE ROCKET IS ABOUT 30 CENTIMETERS LONG, HAVING A DIAMETER OF ABOUT 4 CENTIMETERS. OLICE SAY ITS IMPACT COULD LEAD TO EXPLOSION. JUDGING FROM THE CONDITION AND OTHER CIRCUMSTANCES OF THE PLACE WHERE THOSE OBJECTS WERE DISCOVERED, THE KANAGAWA PREFECTURAL POLICE HEADQUARTERS SUSPECT SUCH MIGHT HAVE BEEN PREPARED FOR ACTIVITIES AIMED AT PRESIDENT CLINTON'S VISIT TO JAPAN. BLACKBURN
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SECT: SECTION: 01 OF 08

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SSN: 3225

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RHHMHAH/CINCPACFLT PEARL HARBOR HI//N5//
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SUBJ: JAPANESE DAILY PRESS SUMMARY 04/10/96
TEXT:
UNCLAS SECTION 01 OF 09 TOKYO 003293

DEPT FOR E, P, PM, EB, EAP/J AND S/AL
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WHITE HOUSE FOR NEC CUTTER
TREASURY FOR OASIA/IMI/JAPAN
DEPT PASS USTR FOR SHAPIRO/WOLD
DEPT PASS ELECTRONICALLY TO USDA FAS/ITP FOR SCHROETER

E.O. 12356: N/A
TAGS: PGOV, PINR, JA
SUBJECT: JAPANESE DAILY PRESS SUMMARY 04/10/96

INDEX:

(1) North Korean Attempts to Smuggle Sarin
Material Via Rice Aid Ship: Humanitarian Measure
Misused; Growing Distrust of "North"; Ruling

Coalition in State of Self-Admonishment for
"Optimistic View"; Foreign Ministry Taking Wait-and-
See Attitude

(2) The Reason the Rumor Is Afloat; Predicting
Improvement of the Relationship between Former
Komeito and Former Keiseikai

(3) Questions and Answers in Interview with
Ambassador Walter Mondale: Likely to Carry out
Reduction in the Way that Does Not Weaken U.S.
Military Capability

(4) First Weapon Codeveloped by Japan, U.S.: Heavy
Burden on F-2's Takeoff; Dogged by Trade and
Technology Friction; Priced at 8 Billion Yen Per
Unit, But Different Views about Performance

(5) Sakamoto Statement Is "Not Government's View,"
Says Ambassador to the U.S. Saito; Also Reveals
Clearly Japan's Posture of Responding to Bilateral
Talks

ARTICLES:

(1) North Korean Attempts to Smuggle Sarin
Material Via Rice Aid Ship: Humanitarian Measure
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Coalition in State of Self-Admonishment for
"Optimistic View"; Foreign Ministry Taking Wait-and-
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SANKEI (Page 3) (Excerpts) April 9, 1996

It was brought to light on April 8 that North
Korea (Democratic People's Republic of Korea) had
attempted to secretly import chemical substances
which can be processed into sarin (nerve gas), by
making use of a transport ship for Japan's rice aid
bound for North Korea. This revealed fact shocked
the Government and the ruling parties. Concerning
the North Koreans' misuse of Japan's humanitarian
aid out of its sympathy for those suffering from
famine in North Korea, Dietmembers belonging to the
Liberal Democratic Party and other ruling parties,
which were positive about rice aid to North Korea,
are now self-reflecting on the incident, one
remarking, "Japan's diplomatic posture toward North
Korea might have been too easygoing."

That evening, former Parliamentary Foreign Vice
Minister Muneo Suzuki (Liberal Democratic Party)
pointed out, "They might have taken advantage of
our hurried shipments (of rice aid)." Suzuki
continued self-admonishingly, "We'll have to wait
for the results of the investigative authorities'
investigations and testimony from those involved.
But, from now on, we'll also have to think of

taking cautious measures so as to prevent North Korea from casually exploiting our assistance."

One of the Liberal Democratic Party leaders

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UNCLAS SECTION 02 OF 09 TOKYO 003293

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SUBJECT: JAPANESE DAILY PRESS SUMMARY 04/10/96

remarked with a sour face, "I knew the rice we sent there as our aid was said to have been diverted for military use. But I thought it was also true that North Korea desperately needs food in order to feed its people. But if they can afford to do something like spying activities, we have to doubt even that."

On the other hand, a top-level official of the Foreign Ministry stated, "That (smuggling) is outrageous. But the case is now under investigation. This is not a matter for the Foreign Ministry to comment on." The official added, "And this is not a matter for the Foreign Ministry to investigate openly, either." So remarking, the official clarified the Foreign Ministry's intention of taking a wait-and-see attitude for the time being. The official insisted, "Rice aid is one thing, and smuggling is another. We should think of these two things separately." The official also expressed a sense of wariness over the possibility that emotional, negative reactions may emerge to an unnecessarily high extent in the Government and the ruling coalition against North Korea, and that the case may affect Japan's future diplomacy.

However, a Foreign Ministry source notes, "Everything cannot be settled by saying that the Government didn't know that. If what was reported

is true, then I wonder what they (North Korea) are thinking about." The source thus indicated that the Foreign Ministry cannot but become concerned about a possible impact on Japan's future diplomacy toward North Korea, such as the talks for diplomatic normalization between Japan and the North.

Problems in Aid with No Security Argument

Yoichi Masuzoe, an international political scientist, comments: "The case this time has two problems. The first problem is that a ship carrying aid-purpose rice was used. It's outrageous to carry raw materials for chemical weapons. But the reason why the case this time took place is that Japan extended its assistance without sufficient discussion about the state of Japan's relations with North Korea including the major question of security. The other problem is that strategic goods were transferred to North Korea. COCOM and other restrictions used to function during the cold war, but such restrictions have been eased since the Soviet Union collapsed. There are no arrangements to encircle countries that continue dictatorship like China and North Korea. The world will have to carry out strict restrictions against these countries. If North Korea had pulled the wires, Japan should stop its rice aid, as a matter of course."

Chemical Weapons Can Be Used in Limited Areas

Hideshi Takesada, chief of a research office (for Korean Peninsula affairs) at the Japan Defense Agency's National Institute for Defense Studies, says: "Since the collapse of the cold war, North
BT
#3293

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UNCLAS SECTION 03 OF 09 TOKYO 003293

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Korea's relations with East Europe have been cut off. So, more than half of the COCOM-restricted strategic materials, including raw materials for chemical weapons, might have been illegally imported from Japan as is the case this time. In case an emergency takes place on the Korean Peninsula, if they are going to use a nuclear weapon, they will have to realize that they will also sustain damage. But chemical weapons are convenient because such can be used locally. Moreover, it's important for Japan to urge North Korea to disclose information, through such approaches as calling for North Korea to come up with data regarding its local rice production. It will be also necessary to have an international organization to see if the rice is really delivered to people there."

(2) The Reason the Rumor Is Afloat; Predicting Improvement of the Relationship between Former Komeito and Former Keiseikai

SENTAKU (Full) April 1996

With the problem of disposal of jusen (housing loan companies) dragging on, there now has been bred the observation that an increasing number of former Komeito members are now turning away from the Shinshinto (New Frontier Party). Recently, former Komeito members have been meeting often, supposedly for study sessions. Komei Representative Kimiaki Fujii has declared, "The Komei will not merge with the Shinshinto before the next general election." All those developments perhaps are a signal directed to the Liberal Democratic Party (LDP).

Analyzes one senior LDP member who is well-versed in former Komeito affairs: "The former Komeito says formally that it will support anyone in the next election, for the quality of each candidate is most important. But the truth is the group wants to improve its relationship with the former Keiseikai, to which the group had been particularly close when they were both LDP constituents." "Such is evident in the number of candidates a Komeito source indicated to support, which is about 80, that coincides with the number of Keiseikai members the Soka Gakkai religious sect used to back," says this member.

In addition, the observation is prevalent that Shinshinto head Ichiro Ozawa's hard-line stance toward the jusen issue was devised by the former Komeito group. Supposedly, the group's aim is to

"press the LDP into dropping its plan to summon Daisaku Ikeda, Soka Gakkai's honorary chairman, in exchange for the same deal for LDP Secretary General Koichi Kato."

(3) Questions and Answers in Interview with Ambassador Walter Mondale: Likely to Carry out Reduction in the Way that Does Not Weaken U.S. Military Capability

SANKEI (Page 3) (Full) April 9, 1996

BT
#3293

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UNCLAS SECTION 04 OF 09 TOKYO 003293

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The following are the questions and answers in the interview with United States Ambassador to Japan Walter Mondale (Interviewer: Takamitsu Kumasaka, Senior Political News Editor):

-- What is your view about the current state of the Japan-U.S. relationship?

Ambassador Mondale: An acquisition and cross-serving agreement (ACSA) is about to be concluded, and the Japanese side also has decided to shoulder for another five years the cost of the stationing of the U.S. Forces in Japan. A new National Defense Program Outline has been set. The U.S., too, has previously issued its statement (East Asian Strategic Report in February 1995) related to East Asia. Security is in very good shape.

-- How about economic relations?

Ambassador: Japan and the U.S. have in common open trading and the banking systems. Japan's trade

surplus is beginning to shrink, and the results of a number of bilateral accords are now emerging.

-- What is the significance of the planned Japan-U.S. summit?

Ambassador: The upcoming U.S.-Japan summit meeting will be most successful and important one for the bilateral relationship in the postwar period. That is because it will handle substantive problems, instead of just being an arrangement of flowery words.

-- To put it specific terms

Ambassador: The summit meeting will have five elements. In the security area, new measures to reaffirm the U.S.-Japan. security treaty arrangement in the post-cold-war period will be of great significance. On the question of U.S. bases on Okinawa, meaningful steps will be taken. On the political side, what will be put on agenda for discussion will be cooperation for the Korean Peninsula Energy Development Organization (KEDO) and for the Asia-Pacific Economic Cooperation (APEC) forum, and problems linked to the United Nations.

-- How about economic issues and other subjects

Ambassador: Japan and the U.S. recently arrived at an agreement in the air-cargo area. I am looking for some progress on insurance and semiconductors. On photofilm, I hope some progress will start. Agreement will likely be reached on broadening the common agenda (global-scale common tasks), and the promotion of student and cultural exchanges will also come up as a topic for discussion.

-- The (Japanese) Government and the ruling parties, taking into account a possible #8Tys for Japan-U.S. defense cooperation, including that of the right of collective self-defense.

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UNCLAS SECTION 05 OF 09 TOKYO 003293

DEPT FOR E, P, PM, EB, EAP/J AND S/AL
USIA FOR MR AND REA

WHITE HOUSE FOR NSC ROTH
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E.O. 12356: N/A
TAGS: PGOV, PINR, JA
SUBJECT: JAPANESE DAILY PRESS SUMMARY 04/10/96

Ambassador: We do not intend to become involved in domestic matters.

-- How will the Japan-U.S. security arrangement be redefined at the summit meeting?

Ambassador: (Negotiations) on ACSA are making headway, but that issue concerns Japan's defense and how Japan and the U.S. will work together in United Nations peacekeeping operations (PKO). North Korea's violation of the truce and tensions in the Taiwan Straits have now reminded us of the need for both Japan and the U.S. to mutually play a role.

-- How will the China-Taiwan situation develop?

Ambassador: Both China and Taiwan appear to be exercising self-restraint. The U.S. has strongly advised both China and Taiwan to regain their cool-headedness. What we have insisted on is for the two to resume a bilateral dialogue. They will presumably move in that direction.

-- Will the U.S. change its previous China policy?

Ambassador: I do not think it will change. Our China policy is designed to involve China in a comprehensive way and then to have constructive conversations at frequent intervals. The U.S.-Japan alliance is not aimed at containing China but at involving it.

-- How do you see the moves on the Korean Peninsula?

Ambassador: North Korea is unwilling to fulfill the responsibility imposed on it under the truce agreement. The U.S. is naturally opposed to such a stance. The North should start a South-North dialogue.

-- What are your perceptions about the role and importance of U.S. troops stationed on Okinawa?

Ambassador: American forces play two roles -- defense of Japan and forward deployment to keep stability in the region. Regarding the situation

across the Taiwan Straits, our navy bases in Yokosuka, Sasebo and Kadena play a major role. While taking seriously the worries of the Okinawan people, we in the Special Action Committee on Facilities and Areas on Okinawa (SACO) are making efforts to reduce the sources of irritation felt by the Okinawans as well as to trim the space the U.S. bases uses. Yet, under the security treaty, realignment and reduction must be done in a way that the capabilities the U.S. has to possess will not be weakened.

-- Why is it difficult to return Futenma Airfield?

Ambassador: To fulfill our responsibility under the security treaty, a quick reaction system in addition to the bases are necessary, and we also must have training and exercises. All efforts made by SACO is on the premise that the capability of BT
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UNCLAS SECTION 06 OF 09 TOKYO 003293

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SUBJECT: JAPANESE DAILY PRESS SUMMARY 04/10/96

the U.S. Forces in Japan will not be weakened. The reason why the reversion problem of Futenma Airfield is hard to do is that it is a critical place equipped with functions indispensable for the U.S. to perform its role.

-- If President Clinton is reelected, will there any change occur in the Japan policy?

Ambassador: As for his reelection, considerable optimism exists, If he is re-elected, solidifying the Japan-U.S. security arrangement, which is to be discussed at the upcoming summit, and continuing to seek progress in the economic area will be maintained as an overall policy line for the

bilateral Japan-U.S. relationship into the future. Cooperation will be needed also for common agenda. That will be of primary importance for the Clinton Administration if he is re-elected.

(4) First Weapon Codeveloped by Japan, U.S.: Heavy Burden on F-2's Takeoff; Dogged by Trade and Technology Friction; Priced at 8 Billion Yen Per Unit, But Different Views about Performance

YOMIURI (Page 3) (Excerpts) April 8, 1996

The follow-on F-2 fighter support plane model for the Air Self-Defense Force is now ready for mass production starting in the current fiscal year. The prototype F-2 fighter was delivered to the Japan Defense Agency last month, and it is already undergoing operational tests. In the midst of economic friction casting its shadow over Japan-U.S. relations, the two countries somehow managed to set about their first joint development of a weapon, which is now been shaped into the F-2, despite experiencing numerous setbacks. All the more because of such a course of events, some are praising the F-2 as "a symbol of cooperation between Japan and the United States" (U.S. Ambassador to Japan Walter Mondale). On the other hand, criticism is also deep-rooted that "the cost of the merchandise was much too expensive." It would not be easy for the F-2 to "take off" from the runway. (Takayuki Tanaka Political Section, Yomiuri Shimbun)

Attack Plane in Fact

The "fighter support plane" (shien sentoki) is a term peculiar to the Self-Defense Forces. Generally, such would be called an attack plane. One of the major missions assigned to fighter support planes is to attack the landings of ground troops and approaching ships by launching missiles or dropping bombs. Among those corresponding to the fighter support plane are the FA-18, developed by the U.S., and the Tornado, developed by Britain, Germany, and Italy. JDA explains that fighter support planes are "equipment systems that are indispensable for Japan, which is surrounded by ocean, to block enemy intrusion."

The currently deployed F-1 fighter support planes are now being scrapped in succession having reached the end of their shelf-life. Their deployment will

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UNCLAS SECTION 07 OF 09 TOKYO 003293

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SUBJECT: JAPANESE DAILY PRESS SUMMARY 04/10/96

be reduced to zero in FY2005. The F-2 is the follow-on model. The budget for FY1996 -- the first year of mass production -- earmarks 130.9 billion yen for 11 F-2s. JDA plans to introduce 47 F-2s during the period of the mid-term defense buildup plan (chukibo plan) until FY2000. In the end, JDA will introduce a total of 130 F-2s. They are likely to be deployed to Misawa (Aomori Prefecture) and Tsuiki (Fukuoka Prefecture).

Cost Effectiveness

What is often pointed out as a problem about the F-2 is its price, which is said to be 8 billion yen per unit -- or 11.9 billion yen per unit in the first year. The F-2 is also said to be "one of the most expensive fighters in the world." Its per unit price is now far higher than the initial estimate of approximately 5.4 billion yen (in FY1988), reflecting such factors as cost increases incident to Japanese and U.S. manufacturers' production sharing. Even after a deduction of price increases, the unit cost is 1.7 billion yen more than the initial estimate.

If exports are approved, the cost can be expected to go down with mass production. However, such an option is impossible due to the three principles on weapons exports. Accordingly, the unit price is unlikely to drop.

On the other hand, performance is a key factor. For instance, the F-2 can be loaded with up to four air-to-ship missiles (ASM-2) and bombs for anti-ground attacks. As seen in this, the F-2 features its enhanced capability of carrying weapons. Additionally, the F-2's 'sales point' is its light configurational performance like an interceptor fighter and its cruising radius of about 450 nautical miles -- larger than the F-1's radius of

about 300 nautical miles.

In concrete terms, the ASDF is planning to deploy F-2s for such purposes as: (1) attacking the enemy's ground troops in a battle; (2) escorting Maritime Self-Defense Force ships; and (3) intercepting enemy fighters and the like. JDA says the F-2 satisfies such conditions, since it is "highly capable of commanding the air, in addition to being capable of carrying out anti-ship and anti-ground attacks."

However, there are also several objections. For example, former Posts and Telecommunications Minister Shun Oide, of the Social Democratic Party, pointed out at a meeting of the Lower House Security Affairs Committee in November last year that (1) the F-2 is not equipped with the pinpoint bombing system that is attached to the F-16; and (2) the FA-18 is less expensive than the F-2 and is capable of carrying two more ASMs than in the case of the F-2. Oide, basing himself on these points, stressed that it would be "possible to acquire even more superior fighters (at lower costs)."

The Wall Street Journal, a U.S. newspaper, said, "The F-2 is inferior to the F-16 in spite of the BT
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SUBJECT: JAPANESE DAILY PRESS SUMMARY 04/10/96

time and money it took." This critical comment also was based on a similar position.

JDA sent out rebuttals: "It is so designed in order to carry more weapons." "The FA-18's speed and cruising radius do not satisfy our requirements." Yet, Mitsubishi Heavy Industries,

Ltd. (MHI), which undertook the F-2 development project, says, "When considering cost effectiveness, we will have to step up and keep it in an updated condition." With this, MHI also points out even the feasibility of remodeling the F-2 in the future.

Japan's 3 Principles on Weapons Exports: Special Exception for F-2 Production; Calls for Applying Brakes

Japan has adopted the so-called "three principles on weapons exports," under which Japan, in principle, is not allowed to export weapons. Therefore, Japan cannot sell F-2 fighters to foreign countries, as a matter of course. However, the F-2 created a special exception because it was the product of joint Japan-U.S. development.

The Japanese and U.S. contractors, including MHI and Lockheed Martin, shared the development project -- broken down piecemeal from the main wings to minute parts. Consequently, it will be necessary to export parts from Japan to the U.S. temporarily when mass production starts.

According to the Government's conventional interpretation, weapons' parts are also weapons. In December last year, however, the Government launched a new view to the effect that such a case is not contrary to the three principles on weapons exports, taking the position that "F-2's will be shipped back to Japan in the end and they will not be used as equipment other than our country's equipment." It was an expanded interpretation of exceptional regulations limited to Japan's transfer of weapons technology to the U.S., and it may safely be said that such a case has now paved the way to other Japan-U.S. joint development projects expected to take place in the future.

Of course, the defense industry is strongly calling for a further easing of the three principles. Takami Nishioka, an MHI managing director, says, "The three principles on weapons exports are strictly interpreted. So, there has been one-way traffic (such as Japan's imports of defense equipment from the U.S.). For our joint development in a real sense, Japan and the U.S. will have to stand on an equal footing. On the other hand, however, there are also some people voicing their fear of "losing the brakes." It is also true that the F-2 development has now reignited this problem.

(5) Sakamoto Statement Is "Not Government's View," Says Ambassador to the U.S. Saito; Also Reveals Clearly Japan's Posture of Responding to Bilateral

Talks

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UNCLAS SECTION 09 OF 09 TOKYO 003293

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USIA FOR MR AND REA
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E.O. 12356: N/A
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SUBJECT: JAPANESE DAILY PRESS SUMMARY 04/10/96

SANKEI (Page 1) (Full)
Eve., April 10, 1996

(Washington, April 9, Yoshihisa Komori)

Deputy Vice Minister Yoshihiro Sakamoto of the Ministry of International Trade and Industry (MITI) has remarked, "The era is over for Japan and the U.S. to handle trade issues bilaterally." In this connection, Ambassador to the United States Kunihiro Saito on the 9th stated, "Sakamoto's opinion is not the view of the Japanese Government." He also made it clear the Japanese Government's basic policy direction of responding to bilateral talks on trade issues with the U.S. It is extremely unusual for a Japanese ambassador to renounce in effect a formal bureaucratic statement on behalf of the Japanese Government.

Ambassador Saito on the 9th stated to the American press: "I have read the manuscript of his speech. But I don't think it says that the Japanese Government would not conduct trade talks at all with the U.S. But if he did give such an impression, that is wrong." The Ambassador continued, "The Japanese Government has been making efforts to settle trade issues through the World Trade Organization (WTO) but also continuing bilateral talks with the U.S. Government. (The Japanese Government) will continue to follow such a policy direction from now on as well."

A question came from an American journalist: "The Sakamoto speech is definitely taken by the U.S. side as a statement renouncing bilateral talks. In fact, the Japanese side has rejected bilateral talks on photofilm, hasn't it?" In response, Ambassador Saito said: "It is regrettable if we generated such an impression (of turning down bilateral talks). In any case, Sakamoto's speech does not represent the Japanese Government's view or its stance."

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SUBJ: JAPANESE MORNING PRESS HIGHLIGHTS APRIL 11

TOP HEADLINES

TEXT:

UNCLAS SECTION 01 OF 08 TOKYO 003314

USIA

FOR: USIA D/P, I/GEA, I/RF, I/RFW, EA, RMR; STATE FOR
EAR/J; STATE PASS TO USTR/PUBLIC AFFAIRS OFFICE; CIA
WASHDC; SECDEF FOR JCS/J-5/JAPAN, OASD/ISA/EAPR/JAPAN;
TREASURY/OASIA/IMI; WHITE HOUSE; COMMERCE FOR DAS;
USCINCPAC/PA; CINCPACFLT/PA; COMUSJ/PA;
COMNAVFORJAPAN/PA.

E.O. 12958: N/A

SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS APRIL 11

TOP HEADLINES

ASAHI: JUSEN ISSUE FINALIZED WITH BUDGET IMPLEMENTATION
WITHHELD; NO CHANGE IN FRAMEWORK OF INJECTING TAX MONEY;
TO BE PASSED IN LOWER HOUSE TODAY; BANKING SPECIAL

TKI0741 SECURITY ERROR COMMITTEE TO BE ESTABLISHED

NIHON KEIZAI: RULING CAMP, SHINSHINTO ARRIVE AGREEMENT ON
MODIFICATION OF BUDGET BILL; JUSEN-RELATED OUTLAYS TO BE

"FROZEN"; RELATED BILLS TO BE DISCUSSED AT SPECIAL COMMITTEE; A VOTE TO BE TAKEN IN LOWER HOUSE TODAY (TRANSLATION BELOW)

TOKYO SHIMBUN: BUDGET BILL TO PASS LOWER HOUSE TODAY; IMPLEMENTATION OF JUSEN BUDGET TO BE "FROZEN"; SHINSHINTO TO ATTEND BUT OPPOSE (BUDGET BILL); PROBLEM OF SUMMONING KATO TO CONTINUE TO BE DISCUSSED

MAINICHI: SETTLEMENT REACHED ON "FREEZING" JUSEN BUDGET; LIKELY TO PASS LOWER HOUSE TODAY; SHINSHINTO TO RESPOND TO VOTING; SUMMONS OF KATO STILL ON AGENDA FOR DISCUSSION

YOMIURI: BUDGET BILL TO PASS LOWER HOUSE TODAY; JUSEN LIQUIDATION FINALIZED WITH MODIFICATION OF BUDGET BILL; IMPLEMENTATION AFTER SYSTEMS IMPROVED; SHINSHINTO TO ATTEND BUT OPPOSE (BUDGET BILL)' QUESTION OF SUMMONS STILL ON AGENDA FOR DISCUSSION

SANKEI: JUSEN BUDGET ISSUE FINALIZED WITH "FREEZING SUCH BUDGET"; TO PASS LOWER HOUSE TODAY; RULING, OPPOSITION CAMPS' WRITTEN AGREEMENT: "IMPLEMENTATION AFTER SYSTEM IMPROVED"; "SUMMONS OF KATO" TO BE FURTHER DISCUSSED

RULING AND OPPOSITION CAMPS AGREE TO REVISE BUDGET BILL, QFREEZINGQ JUSEN OUTLAYS (NIHON KEIZAI - TOP PLAY)

IN THE DIET, THE THREE RULING PARTIES AND THE SHINSHINTO (NEW FRONTIER PARTY) INTERMITTENTLY HELD TALKS BETWEEN THE DIET POLICY BOARD CHAIRMEN ON THE FY1996 BUDGET BILL THAT INCLUDES THE ALLOCATION OF FISCAL FUNDS TO HELP LIQUIDATE HOUSING LOAN CORPORATIONS (JUSEN). AS A RESULT, THEY REACHED AN AGREEMENT TO PASS THE BUDGET BILL ON THE 11TH, AFTER MODIFYING SOME SEGMENTS. THE GOVERNMENT AND RULING PARTIES HELD A MEETING BY THE THREE PARTY HEADS, INCLUDING PRIME MINISTER RYUTARO HASHIMOTO AND DECIDED ON THE POLICY APPROACH OF ADDING IN THE GENERAL RULES OF THE BUDGET PAPER A CLAUSE THAT CAN BE TAKEN AS A "FREEZE" ON JUSEN FISCAL OUTLAYS, A MODIFICATION OF THE BUDGET BILL. THEY PRESENTED A COMPROMISE PLAN CONSISTING OF THREE CONDITIONS TO THE SHINSHINTO, AND IT WAS ACCEPTED. THE SHINSHINTO IS, HOWEVER, EXPECTED TO OPPOSE THE ORIGINAL GOVERNMENT BILL AND THE AMENDED BILL DURING THE ROLL CALL.

ITEMS AGREED BETWEEN RULING PARTIES AND SHINSHINTO

CLAUSE 16, WHICH STATES, "REGARDING THE 685 BILLION YEN PROPOSED AS EMERGENCY FINANCIAL STABILIZATION FUNDS, THE MEASURE WILL BE TAKEN AFTER THE SYSTEM IS CONSOLIDATED," IS TO BE ADDED TO THE GENERAL PROVISIONS OF THE BUDGET TEXT.

REFORM IS TO BE IMPLEMENTED REGARDING THE EXISTING FINANCIAL, TAX AND FISCAL SYSTEMS AND THE ECONOMIC STRUCTURE AS A WHOLE. AT THE SAME TIME, A SPECIAL COMMITTEE IS TO BE ESTABLISHED FOR CONFERRING ON AND SETTLING VARIOUS PROBLEMS INVOLVING FINANCIAL

INSTITUTIONS.

A SINCERE RESPONSE TO THE QUESTION OF SUMMONING DIET WITNESS IS CONFIRMED. THE MATTER IS TO BE HANDLED BY THE SPECIAL COMMITTEE.

AMBIGUOUS RESOLUTION OF JUSEN ISSUE LEAVES CITIZENS STILL ANGRY (ASAHI - PAGE 35)

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UNCLAS SECTION 02 OF 08 TOKYO 003314

USIA

FOR: USIA D/P, I/GEA, I/RF, I/RFW, EA, RMR; STATE FOR EAR/J; STATE PASS TO USTR/PUBLIC AFFAIRS OFFICE; CIA WASHDC; SECDEF FOR JCS/J-5/JAPAN, OASD/ISA/EAPR/JAPAN; TREASURY/OASIA/IMI; WHITE HOUSE; COMMERCE FOR DAS; USCINCPAC/PA; CINCPACFLT/PA; COMUSJ/PA; COMNAVFORJAPAN/PA.

E.O. 12958: N/A

SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS APRIL 11

BITTER WRANGLING BETWEEN THE RULING AND OPPOSITION CAMPS OVER THE BUDGET CONTINUED LATE INTO THE NIGHT OF THE 10TH, BUT IN THE END THE TWO SIDES REACHED AN AGREEMENT

TKI0742 SECURITY ERROR IN OUTLINE TO PASS THE BUDGET IN THE LOWER HOUSE. BUT

THEY ALSO DECIDED IN EFFECT TO PUT THE JUSEN (HOUSING LOAN COMPANIES) LIQUIDATION PACKAGE ON HOLD. CITIZENS GROUPS OPPOSING THE JUSEN SCHEME ARE NOW REACTING STRONGLY AGAINST THE USUAL "NAGATACHO-STYLE" AMBIGUOUS SETTLEMENT, SNAPPING FURIOUSLY, "THEY ARE ALL FROM THE SAME GANG," AND, "IT IS A CHEAP TRICK." THE "HEAVY DEBTS FROM THE BUBBLE ECONOMY" THAT REQUIRES 685 BILLION YEN IN PUBLIC MONEY STILL STANDS AS A SERIOUS ISSUE FOR THE TAXPAYERS.

QHASHIMOTO COLORQ MAY RETURN TO POLICY ONCE THE BUDGET IS PASSED (ASAHI - PAGE 7)

IT HAS BEEN THREE MONTHS AS OF THE 11TH SINCE PRIME MINISTER HASHIMOTO TOOK OFFICE. FOR HIS ADMINISTRATION, THE PASSAGE OF THE BUDGET BILL BY THE LOWER HOUSE IS A MAJOR ACHIEVEMENT IN THE SENSE THAT IT HAS BEEN A PENDING PROBLEM FOR IMMEDIATE ATTENTION. THE PRIME MINISTER HAS BEEN BUSIED WITH THE JUSEN (HOUSING LOAN

CORPORATION) DIET, IN WHICH THE RULING AND OPPOSITION CAMPS HAVE ENGAGED IN A "POWER" STRUGGLE WITH EYES ON THE NEXT GENERAL ELECTION AND THE REALIGNMENT OF THE POLITICAL WORLD. HIS PRESENCE HAS NOT BEEN SO STRONGLY RECOGNIZED WITH ISSUES LIKE ADMINISTRATIVE REFORM AND SOCIAL WELFARE, WHICH ARE IN HIS ELEMENT, OVERSHADOWED BY A HURLY-BURLY IN THE DIET. DURING THE PAST THREE MONTHS, PEOPLE TURNED SKEPTICAL EYES TO THE PRIME MINISTER'S LEADERSHIP IN STEERING POLITICS, WHICH IS EXPECTED TO CONTINUE TO MOVE VIOLENTLY.

THE DIET DURING THIS PERIOD HAS BEEN BESET WITH COMPLEX PROBLEMS. LET ALONE BARGAINING BETWEEN THE RULING AND OPPOSITION PARTIES OVER THE JUSEN PROBLEM, THERE HAVE BEEN, FOR EXAMPLE, VARIOUS POLITICAL REALIGNMENT INITIATIVES, INCLUDING A POSSIBLE "CONSERVATIVE-CONSERVATIVE ALLIANCE," A "NEW HATOYAMA PARTY," AND THE WAGING OF A "GENERATIONAL STRUGGLE" WITHIN THE LIBERAL DEMOCRATIC PARTY (LDP) OVER A "CONSERVATIVE-CONSERVATIVE ALLIANCE" OR AN "LDP-SOCIAL DEMOCRATIC PARTY-SAKIGAKE" ALLIANCE.

THE PRIME MINISTER HAS, HOWEVER, TENDED TO STEER CLEAR OF MAKING STATEMENTS ON THOSE ISSUES. WHEN HE ATTENDED A MEETING BY THE HEADS OF THE FIVE POLITICAL PARTIES, HE APPEARED TO BE AVOIDING GETTING INVOLVED, NOTING, "MY POSITION IS BEING THE INVITED CHAIR."

IT WAS NOT THE PRIME MINISTER BUT CHIEF CABINET SECRETARY SEIROKU KAJIYAMA WHO ARRANGED HIS RECENT MEETING WITH ICHIRO OZAWA, HEAD OF THE SHINSHINTO, WHICH WAS HELD ON MARCH 19, AND WHICH CREATED A STIR AMONG THE RULING AND OPPOSITION PARTIES. POLITICAL CIRCLES TOOK INTEREST IN KAJIYAMA'S INTENTIONS, NOT THE PRIME MINISTER'S. THE PRIME MINISTER WAS WORRIED ABOUT THE STRAINED RELATIONSHIP BETWEEN KAJIYAMA AND LDP SECRETARY GENERAL KOICHI KATO, BUT HE DID NOT DISPLAY LEADERSHIP IN ORDER TO ACT AS AN INTERMEDIARY BETWEEN THEM.

RIGHT FROM THE BEGINNING, THQ PRIME MINISTER'S INTENTION SEEMS TO HAVE BEEN TO PATIENTLY ENDURE THE CONTROVERSIAL JUSEN HANDLING AND THEN TO PUT A "HASHIMOTO IMPRINT" ON POLICY AFTER THE PASSAGE OF THE BUDGET BILL. KAJIYAMA ALSO INDICATED TO REPORTERS HIS DESIRE FOR THE FUTURE ON THE MIDNIGHT OF THE 10TH, "HOPE TO PASS THE BUDGET BILL BY THE LOWER HOUSE AND THE MOVE TO U.S. PRESIDENT CLINTON'S VISIT TO JAPAN NEXT WEEK. THEN, THE HASHIMOTO ADMINISTRATION WILL BE ABLE TO HOLD ITS OWN."

IT IS TRUE THAT COLORFUL DIPLOMATIC SCHEDULES, SUCH AS THE JAPAN-U.S. SUMMIT MEETING AND ATTENDANCE AT THE

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#3314

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UNCLAS SECTION 03 OF 08 TOKYO 003314

USIA

FOR: USIA D/P, I/GEA, I/RF, I/RFW, EA, RMR; STATE FOR
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WASHDC; SECDEF FOR JCS/J-5/JAPAN, OASD/ISA/EAPR/NAPAN;
TREASURY/OASIA/IMI; WHITE HOUSE; COMMERCE FOR DAS;
USCINCPAC/PA; CINCPACFLT/PA; COMUSJ/PA;
COMNAVFORJAPAN/PA.

E.O. 12958: N/A

SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS APRIL 11

ATOMIC ENERGY AND SECURITY SUMMIT IN RUSSIA, AWAIT THE
PRIME MINISTER. SUCH ISSUES AS A REVIEW OF THE
CONSUMPTION TAX RATE, DEBTS HELD BY THE FORMER JAPAN
NATIONAL RAILWAYS AND FISCAL RESTRUCTURING, ARE CRAMMED

TKI0743 SECURITY ERROR INTO THE POLICY AGENDA. THE PRIME MINISTER TAKES P
HANDLING PROBLEMS IN THOSE AREAS. WILL HE BE ABLE TO
CHANGE HIS IMAGE WITH THE BENEFIT OF PATIENCE HE HAS HAD
TO DEVELOP DURING THE FIRST THREE MONTHS?

PRESIDENTQS SPEECH WILL HAVE A BILATERAL-EXCHANGE THEME
(ASAHI - PAGE 2)

SCHEDULES FOR UNITED STATE PRESIDENT CLINTON, WHO WILL
VISIT JAPAN AS A STATE GUEST ON THE 16TH, WERE DECIDED ON
THE 10TH. THE PRESIDENT WILL HOLD THE SUMMIT MEETING
WITH PRIME MINISTER HASHIMOTO ON THE 17TH. ON THE 18TH,
HE WILL GIVE A SPEECH AT THE DIET WITH "EXCHANGES WITH
THE JAPANESE PEOPLE" AS A THEME AND PARTICIPATE IN A
LUNCHEON PARTY TO WHICH ABOUT 300 GUESTS HAVE BEEN
INVITED.

THE PRESIDENT WILL ARRIVE IN TOKYO LATE ON THE 16TH FROM
KOREA. AFTER RECEIVING AN AUDIENCE WITH THE EMPEROR AND
EMPRESS AT THE IMPERIAL PALACE ON THE MORNING OF THE
17TH, THE PRESIDENT WILL THEN MEET WITH PRIME MINISTER
HASHIMOTO FOR THEIR BILATERAL SUMMIT. THE MEETING IS
EXPECTED TO LAST ABOUT TWO HOURS. AFTER THE MEETING, THE
TWO LEADERS WILL SIGN THE SECURITY AND GENERAL DOCUMENTS
AND THEN HOLD A JOINT PRESS CONFERENCE. AFTER THAT, THE
PRESIDENT WILL GIVE A SPEECH ABOARD THE U.S. AIRCRAFT
CARRIER INDEPENDENCE AT THE YOKOSUKA NAVAL BASE.

ON THE MORNING OF THE 18TH, HE WILL DELIVER A SPEECH FOR
ABOUT ONE HOUR AT THE LOWER HOUSE PLENARY HALL. HE WILL
BE THE SECOND AMERICAN PRESIDENT TO GIVE A SPEECH AT THE
DIET FOLLOWING PRESIDENT REAGAN WHO DID SO IN 1983. TO
THE LUNCHEON PARTY HOSTED BY PRIME MINISTER HASHIMOTO,
THE GOVERNMENT HAS INVITED 300 GUESTS -- THE LARGEST-OF
ITS KIND, -- INCLUDING FULBRIGHT GRADUATES AND OFFICIALS

OF LOCAL GOVERNMENTS WHICH ARE SISTER CITIES WITH U.S. CITIES, IN ADDITION TO REPRESENTATIVES FROM THE GOVERNMENT AND THE BUSINESS WORLD.

PRIME MINISTER TO RUSSIA ON THE 19TH (MAINICHI - PAGE 3)

PRIME MINISTER RYUTARO HASHIMOTO IS TO PARTICIPATE IN THE NUCLEAR POWER SAFETY SUMMIT PLANNED IN MOSCOW FOR APRIL 19 AND 20. A VISIT TO RUSSIA (OR ITS PREDECESSOR, THE SOVIET UNION) BY A JAPANESE PRIME MINISTER WILL BE THE FIRST IN 11 YEARS, THE LAST ONE BEING PRIME MINISTER YASUHIRO NAKASONE'S. PRIOR TO HIS ATTENDANCE AT THE SUMMIT, PRIME MINISTER HASHIMOTO WILL MEET PRESIDENT YELTSIN. BUT THE CHANCE OF PROGRESS IN THE PENDING TERRITORIAL ISSUE IS HIGHLY UNLIKELY BECAUSE THE PRESIDENTIAL ELECTION IN RUSSIA IS APPROACHING.

THE SUMMIT WILL BE CO-CHAIRLED BY PRESIDENT YELTSIN AND FRENCH PRESIDENT CHIRAC AND BE JOINED BY LEADERS OF THE GROUP OF SEVEN (G-7) AND THE UKRAINIAN PRESIDENT.

THE FOLLOWING WILL COME UP AS MAJOR THEMES AT THE SUMMIT:

1. SECURING THE SAFETY OF OLD-FASHIONED NUCLEAR POWER PLANTS STILL LEFT IN THE FORMER SOVIET UNION AND EAST EUROPEAN COUNTRIES;
 2. CONTROL OF RADIOACTIVE WASTE GENERATED IN THE OPERATION OF NUCLEAR POWER PLANTS;
 3. SAFETY MANAGEMENT OF NUCLEAR MATERIALS TO PREVENT NUCLEAR PROLIFERATION AND NUCLEAR-WEAPONS-RELATED TERRORISM; AND
 4. THE NUCLEAR DISARMAMENT PROBLEM, PARTICULARLY THE EARLY CONCLUSION OF THE COMPREHENSIVE TEST BAN TREATY
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UNCLAS SECTION 04 OF 08 TOKYO 003314

USIA

FOR: USIA D/P, I/GEA, I/RF, I/RFW, EA, RMR; STATE FOR EAR/J; STATE PASS TO USTR/PUBLIC AFFAIRS OFFICE; CIA WASHDC; SECDEF FOR JCS/J-5/JAPAN, OASD/ISA/EAPR/JAPAN; TREASURY/OASIA/IMI; WHITE HOUSE; COMMERCE FOR DAS; USCINCPAC/PA; CINCPACFLT/PA; COMUSJ/PA; COMNAVFORJAPAN/PA.

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SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS APRIL 11

(CTBT).

WHAT WILL COME INTO FOCUS AMONG OTHER THINGS IS THE CHERNOBYL NUCLEAR POWER PLANT, WHICH CAUSED A SERIOUS

TKI0744 SECURITY ERRORACCIDENT IN APRIL 1986. UKRAINE HAS SET ITS POLICY COURSE OF SHUTTING DOWN THAT NUCLEAR POWER PLANT BY THE YEAR 2000, AND IN RESPONSE, THE G-7 COUNTRIES HAS PLEDGED TO RENDER ASSISTANCE WORTH 2.3 BILLION DOLLARS. BUT UKRAINE IS ASKING THA SUCH ASSISTANCE BE EXPANDED, AND IT IS LIKELY TO SEEK ADDITIONAL ASSISTANCE AT THE SUMMIT.

ON THE PROBLEM OF CONTROL OF RADIOACTIVE WASTE, THE JAPANESE GOVERNMENT IS NOW CONSTRUCTING A STORAGE AND DISPOSAL FACILITY OFF OF VLADIVOSTOK IN AN EFFORT TO SETTLE THE PROBLEM OF RUSSIA'S DUMPING LOW-LEVEL RADIOACTIVE WASTE INTO THE SEA OF JAPAN. SO IT INTENDS TO UNDERScore THIS KIND OF CONTRIBUTION. MEANWHILE, THERE IS EVERY POSSIBILITY THAT RUSSIA WILL ANNOUNCE ITS ACCEPTING THE "REVISED LONDON TREATY" (CONVENTION ON RESTRICTIONS ON DUMPING OF POISONOUS MATERIALS INTO THE SEA, " A TREATY FOR A TOTAL BAN ON DUMPING OF RADIOACTIVE WASTE INTO THE SEA.

THE JAPAN-RUSSIA SUMMIT MEETING WILL TAKE PLACE AFTER AN INTERVAL OF TWO AND HALF YEARS, FOLLOWING THE ONE HELD IN OCTOBER 1993 WHEN PRESIDENT YELTSIN CAME TO JAPAN. IN THE MEETING, PRIME MINISTER HASHIMOTO WILL ONCE AGAIN EXPRESS HIS SUPPORT FOR RUSSIA'S REFORM POLICY LINE. AS FOR THE TERRITORIAL ISSUE PENDING BETWEEN THE TWO COUNTRIES, THERE IS THE VIEW THAT "IF (THE PRESIDENT) IS DRIVEN INTO A CORNER BEFORE THE PRESIDENTIAL ELECTION, THE FEAR IS ADVERSE EFFECTS MAY EMERGE" (SENIOR FOREIGN MINISTRY OFFICIAL). SO IT IS LIKELY NO MORE ACTION THAN REAFFIRMING THE "TOKYO DECLARATION" (ISSUED IN 1993), WHICH ACKNOWLEDGES THE EXISTENCE OF THE TERRITORIAL PROBLEM, WILL BE TAKEN. (SHIN NAKAYAMA OF THE POLITICAL DEPARTMENT)

NORTH KOREA DELEGATION REQUESTS THIRD DELIVEERY OF RICE AID (YOMIURI - PAGE 2)

THREE MID-RANKING MEMBERS LED BY GANG JONG KUN OF THE ASIA-PACIFIC PEACE COMMITTEE (CHAired BY KIM YONG SUN) -- THE NORTH KOREAN DIPLOMATIC ORGANIZATION THAT ACTUALLY DEALS WITH JAPAN, MET ON THE 10TH WITH DIETMEMBERS RESPONSIBLE FOR JAPAN-NORTH KOREAN AFFAIRS, INCLUDING ACTING SECRETARY GENERAL HIROMU NONAKA OF THE LIBERAL DEMOCRATIC PARTY (LDP). IN THE MEETING, THE NORTH KOREAN DELEGATION FORMALLY REQUESTED A THIRD TRANCHE OF RICE ASSISTANCE.

THE DELEGATION ALSO MET LDP PRESIDENT HASHIMOTO, SECRETARY GENERAL KATO, POLICY RESEARCH COUNCIL CHAIRMAN YAMASAKI AND OTHERS TO HAND OVER THE LETTER FROM CHAIRMAN

KIM.

NORTH KOREA, WHICH SUFFERED FROM FLOODS LAST SUMMER, IS NOW IN A CRITICAL ECONOMIC STATE DUE TO FOOD SHORTAGES AND OTHER FACTORS. IT ASKED THE UNITED NATIONS FOR ADDITIONAL ASSISTANCE LATE LAST MONTH. ON APRIL 5, IT ALSO REQUESTED SOUTH KOREA TO RESUME BILATERAL RICE NEGOTIATIONS.

NONAKA SUGGESTED THAT THEY DISCUSS THE MATTER WITH THE MINISTRY OF FOREIGN AFFAIRS AND HE DID NOT GIVE A READY ANSWER. WITH THIS, HE INDICATED A POLICY LINE OF ENTRUSTING RICE NEGOTIATIONS WITH NORTH KOREA THAT HAD BEEN CARRIED OUT UNTIL NOW UNDER THE LDP'S INITIATIVE, TO THE GOVERNMENT.

THE GOVERNMENT PROVIDED NORTH KOREA WITH 50,000 TONS OF RICE IN TOTAL IN LAST JUNE AND OCTOBER.

JAPAN-CHINA FISHERIES TALKS: SPAT OVER SPRATLYS
(TOKYOSHIMBUN - PAGE 2)

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UNCLAS SECTION 05 OF 08 TOKYO 003314

USIA

FOR: USIA D/P, I/GEA, I/RF, I/RFW, EA, RMR; STATE FOR
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SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS APRIL 11

ON APRIL 10, JAPAN AND CHINA CONCLUDED A TWO-DAY SESSION OF INFORMAL CONSULTATIONS AT THE MINISTRY OF FOREIGN AFFAIRS REGARDING THE UNITED NATIONS (CONVENTION ON THE) LAW OF THE SEA AND THE ISSUE OF FISHERIES. ACCORDING TO THE JAPANESE SIDE, THE CHINESE SIDE TOOK UP THE PENDING ISSUE OF DOMINIUM OVER THE SENKAKU ISLANDS BETWEEN JAPAN AND CHINA, AND THEN MAINTAINED: "THE SENKAKU ISLANDS HAVE BEEN PART OF CHINA'S TERRITORY. THIS IS A PROBLEM CONCERNED WITH THE DEMARCATION OF THE EAST SEA (EAST CHINA SEA)." WITH THIS, THE CHINESE SIDE INDICATED ITS VIEW THAT REGARDS THE SENKAKU ISLANDS AS THE BASIC POINT

OF CHINA'S 200-NAUTICAL-MILE ECONOMIC WATERS.

REFERRING ALSO TO THE DEMARCATION OF CONTINENTAL SHELVES, THE CHINESE SIDE INSISTED, "CHINA ADOPTS THE THEORY OF NATURAL EXTENSION (OR THE POSITION OF REGARDING CONTINENTAL SHELVES AS EXTENDED GROUNDS OF ITS OWN TERRITORY). THE PROBLEM OF THE EAST SEA'S CONTINENTAL SHELVES ALSO SHOULD BE RESOLVED ON THE BASIS OF THIS PRINCIPLE." THE CHINESE SIDE THUS ARTICULATED ITS USUAL STANDPOINT OF CLINGING TO THE THEORY OF NATURAL EXTENSION."

ON THE OTHER HAND, THE JAPANESE SIDE CLARIFIED ITS VIEW, "THERE IS NO TERRITORIAL PROBLEM BETWEEN JAPAN AND CHINA." PREMISED ON THE POSITION THAT THE SENKAKU ISLANDS ARE PART OF JAPANESE TERRITORY AS A MATTER OF COURSE, THE JAPANESE SIDE CONVEYED ITS HAVING NO INTENTION OF NEGOTIATING THE POSSESSION OF THE SENKAKU ISLANDS.

ABOUT CONTINENTAL SHELVES AS WELL, THE JAPANESE SIDE UNDERScoreD ITS INHERITED POSITION: "CONCERNING THE OVERLAPPING ZONE OF WATERS, JAPAN STANDS FOR THE THEORY OF IN-BETWEEN DEMARCATION (OR THE POSITION OF DRAWING A MIDDLE LINE)."

BASED ON THAT POSITION, THE JAPANESE SIDE PROPOSED, "WE'D LIKE TO START NEGOTIATIONS AS EARLY AS POSSIBLE FOR A NEW FISHERIES AGREEMENT." HOWEVER, THE CHINESE SIDE JUST STATED, "WE WANT TO DISCUSS VARIOUS PROBLEMS REGARDING THE LAW OF THE SEA, INCLUDING FISHERIES." THE TWO COUNTRIES THUS FAILED TO REACH AN AGREEMENT ON WHEN TO START NEGOTIATIONS FOR A NEW AGREEMENT.

SINCE THE CHINESE SIDE HAS NOW BROUGHT UP THE SENKAKU ISLANDS ISSUE AND REFERRED ALSO TO THE THEORY OF CONTINENTAL SHELVES' NATURAL EXTENSION, NEGOTIATIONS FOR A NEW AGREEMENT ARE LIKELY TO BE ROUGH GOING, EVEN IF SUCH TALKS ARE STARTED.

THE CONSULTATIONS WERE ATTENDED BY MOFA'S ASIAN AFFAIRS BUREAU DEPUTY DIRECTOR GENERAL KENZO OSHIMA AND OTHER OFFICIALS FROM THE JAPANESE SIDE. ON THE CHINESE SIDE WERE FOREIGN MINISTRY TREATIES BUREAU DEPUTY DIRECTOR GENERAL XUE HANQIN AND SOME OTHER OFFICIALS.

LDP POLICY CHIEF YAMAZAKI TALKS OF CONSERVATIVE ALLIANCE, NORTH KOREA ISSUE (MAINICHI - PAGE 2)

LIBERAL DEMOCRATIC PARTY (LDP) POLICY AFFAIRS RESEARCH COUNCIL CHAIRMAN TAKU YAMASAKI IN A PRESS CONFERENCE HELD AT THE JAPAN PRESS CLUB ON APRIL 12 REVEALED THAT TWO YEARS AGO IN THE FINAL DAYS OF THE HOSOKAWA ADMINISTRATION PRIOR TO THE HATA ADMINISTRATION, THE CONCEPT OF FORMING A "CONSERVATIVE-CONSERVATIVE ALLIANCE" (HOHO RENGU) WAS MAKING HEADWAY, FOCUSING ON CRISIS MANAGEMENT IN THE WAKE OF THE EMERGENCE OF THE PROBLEM OF THE DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA'S (NORTH KOREA)

NUCLEAR WEAPONS DEVELOPMENT PROGRAM.

ALTHOUGH AT THAT TIME, YAMASAKI WAS IN THE OPPOSITION CAMP, HE VISITED NORTH KOREA TO ASK THE NORTH TO CHANGE ITS NUCLEAR WEAPONS DEVELOPMENT POLICY, BUT (HE NOW

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UNCLAS SECTION 06 OF 08 TOKYO 003314

USIA

FOR: USIA D/P, I/GEA, I/RF, I/RFW, EA, RMR; STATE FOR EAR/J; STATE PASS TO USTR/PUBLIC AFFAIRS OFFICE; CIA WASHDC; SECDEF FOR JCS/J-5/JAPAN, OASD/ISA/EAPR/JAPAN; TREASURY/OASIA/IMI; WHITE HOUSE; COMMERCE FOR DAS; USCINCPAC/PA; CINCPACFLT/PA; COMUSJ/PA; COMNAVFORJAPAN/PA.

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SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS APRIL 11

REMARKS), "WHILE STAYING IN NORTH KOREA, WHAT I HAD IN MIND WAS A CONSERVATIVE-CONSERVATIVE ALLIANCE." BUT IN JUNE 1994, TALKS PROGRESSED BETWEEN THE LATE NORTH KOREAN PRESIDENT KIM IL SUNG AND FORMER U.S. PRESIDENT CARTER. "THAT PUT A HALT TO MOVES TO FORM A CONSERVATIVE-

TKI0746 SECURITY ERROR CONSERVATIVE ALLIANCE, WHICH WAS BASED ON POLICY COORDINATION CENTERING ON THE SECURITY ISSUE. IF THAT HAD NOT HAPPENED, THE CURRENT COALITION GOVERNMENT OF THE LDP, THE SOCIAL DEMOCRATIC PARTY (SDP) AND THE SAKIGAKE PARTY WOULD NOT HAVE BEEN ORGANIZED," STATED YAMASAKI.

RECENTLY IN THE WAKE OF THE STRAINED NORTH KOREAN SITUATION AND TENSIONS RISING BETWEEN CHINA AND TAIWAN, SHINSHINTO (NEW FRONTIER PARTY) PRESIDENT ICHIRO OZAWA HAS REPEATEDLY EXPRESSED HIS OPINION THAT THE RIGHT OF COLLECTIVE SELF-DEFENSE IS "CONSTITUTIONAL." HOWEVER, ASKED ABOUT A POSSIBILITY OF AN OCCURRENCE OF ANOTHER POLITICAL REALIGNMENT CENTERING ON SECURITY ISSUES, YAMASAKI POINTED OUT THAT ONLY HALF THE MEMBERS OF THE SHINSHINTO AND THE LDP FAVOR (SUCH A CONSERVATIVE-CONSERVATIVE ALLIANCE CONCEPT). HE TOOK A COOL STANCE, REMARKING, "IT IS HIGHLY DOUBTFUL THAT A GROUP STRONG ENOUGH TO TAKE THE HELM OF STATE CAN BE FORMED.Q (SHINYA TOKUMASU)

SACO REPORT TO INCLUDE REVERSION OF MAKINOTO, NOR FUTENMA

(NIHON KEIZAI - PAGE 1)

THE JAPAN-U.S. SPECIAL ACTION COMMITTEE ON OKINAWA (SACO), WHICH HAS BEEN STUDYING THE ISSUE OF REALIGNING, CONSOLIDATING, AND REDUCING U.S. MILITARY BASES ON OKINAWA, HAS REACHED AN EFFECTIVE AGREEMENT ON ITS INTERIM REPORT ON THE BASE PROBLEM WHICH WILL BE PRESENTED TO THE JAPAN-U.S. SECURITY CONSULTATIVE COUNCIL (2 PLUS 2) TO BE CONVENED ON THE 15TH. IT WILL INCLUDE A COMPLETE REVERSION OF THE MAKINOTO SUPPLY ZONE AND PARTIAL REVERSION OF THE NORTHERN ISLAND TRAINING GROUND. FUTENMA AIRFIELD, A POINT AT ISSUE, WILL BE HANDLED BY CONTINUING DISCUSSION, DELAYING A CONCLUSION UNTIL THE FINAL REPORT THIS NOVEMBER.

PRIME MINISTER AND AMBASSADOR MONDALE PROMISE MORE EFFORTS ON SACO REPORT (NIHON KEIZAI - PAGE 2)

PRIME MINISTER RYUTARO HASHIMOTO LATE ON THE 10TH MET WITH U.S. AMBASSADOR TO JAPAN MONDALE FOR ABOUT 35 MINUTES AT HIS RESIDENTIAL OFFICE. AS A RESULT, THE TWO LEADERS REACHED AGREEMENT TO MAKE FURTHER EFFORTS TO COMPILE AN INTERIM REPORT OF THE JAPAN-U.S. SPECIAL ACTION COMMITTEE (SACO) SLATED TO COME OUT ON THE 15TH. IN THE MEETING, THE PRIME MINISTER STATED REGARDING SACO, "LET US MAKE MAXIMUM EFFORTS TO ACHIEVE GOOD RESULTS." THE AMBASSADOR AGREED.
(SIMILAR COVERAGE ALL DAILIES.)

LANDOWNER CHIBANA WANTS TO BRING 50 PEOPLE INTO SOBE TELECOM SITE (NIHON KEIZAI - PAGE 39)

A GROUP OF LOCAL RESIDENTS INCLUDING LANDOWNER SHOICHI CHIBANA (47) -- WHO HAS FILED A LAWSUIT AGAINST THE GOVERNMENT SEEKING THE TERMINATION OF ITS "ILLEGAL OCCUPATION" OF THE U.S. SOBE TELECOMMUNICATIONS STATION (YOMITANSON, OKINAWA PREFECTURE) AND PERMISSION FOR HIS ENTRY TO THE SITE -- ON THE 10TH FILED A LETTER TO THE NAHA DISTRICT COURT (PRESIDING JUDGE: INABA) REQUESTING PERMISSION FOR ENTRY IN THE SITE FOR A TOTAL OF 50 PEOPLE, INCLUDING HIMSELF, HIS FAMILY MEMBERS, LAND SURVEYORS, HIS LAWYER, AND HIS FRIENDS AS RECORD-KEEPERS.

CHIBANA'S LETTER URGES THE GOVERNMENT'S QUICK EVICTION, POINTING OUT THE FOLLOWING:

CHIBANA'S UNCLE USED TO LIVE ON THE SITE BEFORE THE WAR. THE ANNIVERSARY OF HIS DEATH, APRIL 1, HAS ALREADY PASSED. THE CHIBANA FAMILY WOULD LIKE TO HOLD A MEMORIAL
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UNCLAS SECTION 07 OF 08 TOKYO 003314

USIA

FOR: USIA D/P, I/GEA, I/RF, I/RFW, EA, RMR; STATE FOR
EAR/J; STATE PASS TO USTR/PUBLIC AFFAIRS OFFICE; CIA
WASHDC; SECDEF FOR JCS/J-5/JAPAN, OASD/ISA/EAPR/JAPAN;
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E.O. 12958: N/A

SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS APRIL 11

SERVICE AS SOON AS POSSIBLE;
THE CENTRAL GOVERNMENT HAS FILED A REQUEST FOR EMERGENCY
USE OF THE LAND. CHIBANA WOULD LIKE TO HAVE HIS LAND
SURVEYED BY SPECIALISTS REGARDING THE EXACT LOCATION, THE
SHAPE, AND THE SIZE OF THE LAND; AND

TKI0747 SECURITY ERROR CHIBANA WOULD LIKE TO SURVEY THE LAND TO MAKE A PL
PREPARATION FOR THE DAY THE LAND IS RETURNED TO HIM

PARC CHAIRMAN YAMASAKI SAYS CHINA NOW TARGETED BY U.S.-
JAPAN SECURITY ARRANGEMENT (TOKYO SHIMBUN - PAGE 2)

THE LIBERAL DEMOCRATIC PARTY'S POLICY AFFAIRS RESEARCH
COUNCIL CHAIRMAN TAKU YAMASAKI MET THE JAPAN NATIONAL
PRESS CLUB ON APRIL 10, AND THEN POINTED OUT: "CHINA HAS
BEEN BUILDING UP ITS MILITARY POWER. FROM NOW ON, THE
PROBLEM OF JAPAN'S NATIONAL SECURITY IS A PROBLEM WITH
CHINA." YAMASAKI ALSO TOUCHED ON PRIOR CONSULTATIONS
UNDER THE JAPAN-U.S. SECURITY TREATY, AND CLARIFIED HIS
VIEW: "WE MUST HAVE NOT ONLY 'YES' BUT ALSO 'NO' AS OUR
CHOICE OF EXERCISING DIPLOMATIC RIGHTS. OTHERWISE, WE
WILL NOT BE ABLE TO CONDUCT DIPLOMACY TOWARD CHINA WHILE
WE MAY BE ABLE TO CONDUCT DIPLOMACY THAT(FOLLOWS THE
U.S."

YAMASAKI ALSO REFERRED TO A FUTURE TASK TO BE STUDIED FOR
SECURITY COOPERATION BETWEEN JAPAN AND THE U.S. IN THIS
CONNECTION, HE REMARKED, "WE WILL HAVE TO DECIDE ON
WHETHER OR NOT IT WILL BE POSSIBLE TO PROVIDE THEM (U.S.
FORCES) WITH SUPPLIES (SUCH AS FUEL) WHEN AN AIRCRAFT
CARRIER DEPARTS JAPAN FOR A GRAY ZONE WHICH IS NEITHER AN
EMERGENCY NOR A PEACETIME AS IN THE CASE OF THE RECENT
TENSION BETWEEN CHINA AND TAIWAN."

JAPAN TO PROPOSE NEW COMPROMISE IN INSURANCE DISPUTE:
ALLOW TELEMARKETING OF AUTO INSURANCE
(NIHON KEIZAI - PAGE 1)

THE MINISTRY OF FINANCE (MOF) PRESENTED A COMPROMISE PLAN
TO THE OFFICE OF UNITED STATES TRADE REPRESENTATIVE
(USTR) DURING BILATERAL INSURANCE TALKS LATE LAST WEEK.
THE PLAN INCLUDES DRASTIC DEREGULATORY MEASURES, SUCH AS

INTRODUCTION OF THE DIRECT MARKETING SYSTEM FOR AUTO INSURANCE AND LIBERALIZATION OF FIRE INSURANCE RATES. IN RESPONSE, THE U.S. SIDE SENT A LETTER TO PRIME MINISTER RYUTARO HASHIMOTO ON THE 10TH EXPRESSING ITS DISSATISFACTION WITH THE CONTENTS THAT LACKED SPECIFICS. JAPAN AND THE U.S. WILL RESUME TALKS IN WASHINGTON ON THE 12TH, BUT IT IS STILL UNCLEAR WHETHER THEY CAN REACH AGREEMENT BEFORE THE JAPAN-U.S. SUMMIT MEETING ON THE 17TH.

EYE-CATCHING MEASURES IN THE PLAN ARE AN INTRODUCTION OF DIRECT MARKETING SALES FOR AUTO INSURANCE AND THE LIBERALIZATION OF FIRE INSURANCE RATES. IN THE U.S., SALES OF INSURANCE UNDER THE DIRECT MAIL MARKETING ARE COMMON, BUT IN JAPAN, MORE THAN 90 PERCENT OF AUTO INSURANCE HAVE BEEN SOLD AT FIXED RATES THROUGH AGENTS. MOF HAD PUT OFF INTRODUCING THIS SYSTEM, ON THE GROUNDS THAT UNDER THE DIRECT MAIL SYSTEM, IN WHICH CUSTOMERS MAKE A CONTRACT DIRECTLY WITH NON-LIFE INSURERS, THE YOUNGER GENERATION, HAVING A HIGHER RECORD OF ACCIDENTS, WILL FIND IT DIFFICULT TO BUY INSURANCE.

REGARDING FIRE INSURANCE, MOF HAS ALREADY LIBERALIZED PREMIUM RATES WHEN CORPORATIONS MAKE A CONTRACT FOR LARGE-LOT INSURANCE OF MORE THAN 30 BILLION YEN, BUT THE MINISTRY WILL LOWER THE FLOOR LEVEL FURTHER TO INCREASE LIBERALIZED CASES. IT HAS YET TO GIVE A NEW LEVEL, BUT THE U.S. HAS CALLED FOR A REDUCTION TO 3 BILLION YEN.

IN THE TALKS HELD UNTIL NOW, JAPAN SHOWED A PLAN TO PARTIALLY CONSTRAIN JAPANESE INSURERS' NEW ENTRIES INTO THE "THIRD-SECTOR MARKET," WHICH INCLUDES ILLNESS AND CASUALTY INSURANCE -- A STRONGHOLD OF FOREIGN INSURANCE COMPANIES. BY PROPOSING LIBERALIZATION IN THE LIFE AND
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UNCLAS SECTION 08 OF 08 TOKYO 003314

USIA

FOR: USIA D/P, I/GEA, I/RF, I/RFW, EA, RMR; STATE FOR EAR/J; STATE PASS TO USTR/PUBLIC AFFAIRS OFFICE; CIA WASHDC; SECDEF FOR JCS/J-5/JAPAN, OASD/ISA/EAPR/JAPAN; TREASURY/OASIA/IMI; WHITE HOUSE; COMMERCE FOR DAS; USCINCPAC/PA; CINCPACFLT/PA; COMUSJ/PA; COMNAVFORJAPAN/PA.

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SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS APRIL 11

NON-LIFE INSURANCE SECTOR IN ACCORDANCE WITH THE U.S.
REQUEST, JAPAN INCREASED AREAS OF COMPROMISE. BLACKBURN
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DIST:

SIT: NSC

Cable

PREC: IMMEDIATE
CLASS: UNCLASSIFIED
LINE1: OAAUZYUW RUEHKO3360 1030351-UUUU--RHEHAAX.
LINE2: ZNR UUUUU ZZH
LINE3: O 120351Z APR 96 ZDK CITE RUEHCB #7410 1031346
LINE4: FM AMEMBASSY TOKYO
OSRI: RUEHKO
DTG: 120351Z APR 96
ORIG: AMEMBASSY TOKYO
TO: RUEHC/SECSTATE WASHDC IMMEDIATE 1287
RUEHIA/USIA WASHDC IMMEDIATE 8517
INFO: RUEKJCS/JOINT STAFF WASHDC//J5//
RUALSFJ/COMUSJAPAN YOKOTA AB JA
RUEKJCS/SECDEF WASHDC
RHHMHAH/CINCPACFLT PEARL HARBOR HI//N5//
RUCPDO/USDOC WASHDC
RUEBBEA/USDOT WASHDC
RUYNJDK/COMNAVFORJAPAN YOKOSUKA JA
RUEHAAA/WHITE HOUSE WASHDC
RUEAIIA/CIA WASHDC
RHHMUNA/USCINCPAC HONOLULU HI//USIA//
SUBJ: JAPANESE MORNING PRESS HIGHLIGHTS APRIL 12

TOP HEADLINES

TEXT:

////////////////////////////////// INCOMPLETE MESSAGE //////////////////////////////////

UNCLAS SECTION 01 OF 06 TOKYO 003360

USIA

FOR- USIA D/P, I/GEA, I/RF, I/RFW, EA, RMR; STATE FOR
EAR/J; STATE PASS TO USTR/PUBLIC AFFAIRS OFFICE; CIA
WASHDC; SECDEF FOR JCS/J-5/JAPAN, OASD/ISA/EAPR/JAPAN;
TREASURY/OASIA/IMI; WHITE HOUSE; COMMERCE FOR DAS;
USCINCPAC/PA; CINCPACFLT/PA; COMUSJ/PA;
COMNAVFORJAPAN/PA.

E.O. 12958: N/A

SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS APRIL 12

TOP HEADLINES

ASAHI: BUDGET BILL PASSES LOWER HOUSE, TAX-MONEY
INJECTION FOR "JUSEN" LIQUIDATION APPROVED;
IMPLEMENTATION, HOWEVER, PUT OFF; DELIBERATIONS TO
CONTINUE AT SPECIAL COMMITTEE

NIHON KEIZAI: JAPAN, U.S. IN AGREEMENT IN PRINCIPLE; FUTENMA BASE TO BE RETURNED IN FIVE YEARS; FUNCTIONS LIKELY TO BE TRANSFERRED TO KADENA; REALIGNMENT AND CONSOLIDATION INCLUDING IWAKUNI BASE; "SOBE" ALSO TO BE RETURNED AT EARLY TIME (TRANSLATION BELOW)

TOKYO SHIMBUN: BUDGET BILL WITH JUSEN LIQUIDATION OUTLAYS FROZEN PASSES LOWER HOUSE; EMERGING POSSIBILITY OF EXTENDING DIET SESSION, INTERTWINED WITH "LIFTING OF FREEZE"; MORE INTENSE WRANGLING LIKELY TO OCCUR OVER WHETHER TO SUMMON KATO

MAINICHI: GENERAL ELECTION IN ROK; RULING PARTY SEES ITS FORCES COMING CLOSER TO MAJORITY; PRESIDENT KIM MAY RECOVER CENTRIPETAL FORCE

YOMIURI: UNTREATED BLOOD PRODUCTS GIVEN TO 23 PATIENTS; AT A HOSPITAL IN KANSAI AREA; FOR MEDICAL TREATMENT FOR STOMACH AND LIVER; PART OF ACTUAL STATE OF 4TH ROUTE OF AIDS INFECTION CLARIFIED .

SANKEI: THIS FISCAL YEAR'S BUDGET PASSES LOWER HOUSE; "IMPLEMENTATION OF JUSEN BAILOUT PACKAGE" WITHHELD; DEBATE IN SPECIAL BANKING COMMITTEE (TRANSLATION BELOW)

U.S., JAPAN REACH AGREEMENT TO REVERT FUTENMA AIR SITUATION WITHIN FIVE YEARS (NIHON KEIZAI - TOP PLAY)

(WASHINGTON, APRIL 11, AKIHIKO MIYAMOTO) ON THE PROBLEM OF REALIGNING, CONSOLIDATING, AND REDUCING U.S. MILITARY BASES ON OKINAWA, REGARDING WHICH JOINT TALKS ARE PROGRESSING PRIOR TO PRESIDENT CLINTON'S VISIT TO JAPAN, THE JAPANESE AND AMERICAN GOVERNMENTS HAVE BASICALLY AGREED TO BRING ABOUT WITHIN A TARGET PERIOD OF FIVE YEARS THE REVERSION OF FUTENMA AIR STATION, WHICH HAS BEEN A POINT AT ISSUE. THIS WAS REVEALED ON THE 11TH BY INFORMED JAPANESE AND U.S. SOURCES (NICHIBEI KANKEI SUJI). THE FUNCTIONS OF FUTENMA AIR STATION WOULD BE SHIFTED TO KADENA AIR BASE, AND REALIGNMENT AND CONSOLIDATION TO BE CARRIED OUT WOULD INCLUDE IWAKUNI BASE IN YAMAGUCHI PREFECTURE. BY SUCH ACTIONS, IT WOULD BECOME POSSIBLE TO REMOVE A PORTION OF THE AMERICAN TROOP STRENGTH PRESENT IN OKINAWA PREFECTURE. IT WAS ALSO AGREED TO REVERT AT AN EARLY TIME SOBE TELECOM SITE, A PORTION OF WHICH HAS NO MORE LEASE AND IS NOW IN A STATE OF BEING USED ILLEGALLY BY THE CENTRAL GOVERNMENT.

ALTHOUGH THE REVERSION OF FUTENMA AIR STATION HAS BEEN A TOP PRIORITY REQUEST BY OKINAWA PREFECTURE, THE U.S. HAS INDICATED SUCH WOULD BE DIFFICULT GIVEN ITS IMPORTANCE AS A TACTICAL AIR BASE FOR THE MARINE CORPS, AND THE PREDOMINANT VIEW WAS THAT THERE WOULD BE CONTINUED DISCUSSION UNTIL NOVEMBER.

HOWEVER, THE U.S. GOVERNMENT, IN CONSIDERATION OF THE STRONG DESIRE OF PRIME MINISTER RYUTARO HASHIMOTO, AND IN ORDER TO MAKE THE JOINT SECURITY STATEMENT A SUCCESS BY PROMOTING THE FIRM UPHOLDING OF THE U.S.-JAPAN SECURITY

TREATY, HAS JUDGED THE REVERSION OF THE FUTENMA FACILITY UNAVOIDABLE. AS A RESULT OF CONTINUING DIRECT NEGOTIATIONS BETWELL, AN EFFECTIVE AGREEMENT WAS REACHED.

ACCOMPANYING THE REVERSION OF FUTENMA, THE MARINE UNIT AT THAT BASE IS TO BE TRANSFERED "TO ANOTHER LOCATION IN OKINAWA PREFECTURE," WITH THE OUTLOOK THAT THE UNIT WOULD BE CONCENTRATED INSIDE KADENA AIR BASE, WHICH IS A MAJOR AIR FACILITY. AT THE SAME TIM, A PORTION OF KADENA
BT
#3360

NNNN

SECT: SECTION: 01 OF 06

SSN: 3360

TOR: 960414204309 M2179120

DIST:

SIT: NSC

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
004. cable	Re: Your State Visit to Japan: An Historic Opportunity (5 pages)	04/12/1996	P1/b(1)

COLLECTION:

Clinton Presidential Records
NSC Cables
Jan 1995-Dec 1996 ([Futenma])
OA/Box Number: 510000.

FOLDER TITLE:

[04/06/1996 - 04/15/1996]

2016-0420-F
sb1867

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

Cable

PREC: IMMEDIATE

CLASS: UNCLASSIFIED

LINE1: OAAUZYUW RUEHKO A3399 1031016-UUUU--RHEHAAA.

LINE2: ZNR UUUUU ZZH

LINE3: O 121016Z APR 96

LINE4: FM AMEMBASSY TOKYO

OSRI: RUEHKO

DTG: 121016Z APR 96

ORIG: AMEMBASSY TOKYO

TO: RHEHAAA/WHITEHOUSE WASHDC IMMEDIATE
RUEHIA/USIA WASHDC IMMEDIATE 8525
RUEKJCS/SECDEF WASHDC//USDA/ISA// PRIORITY
RUEHC/SECSTATE WASHDC PRIORITY 1336
RUHBBMA/AMCONSUL NAHA PRIORITY 3772
RUEHBJ/AMEMBASSY BEIJING PRIORITY 6102
RUEHUL/AMEMBASSY SEOUL PRIORITY 2120
RUALSFJ/COMUSJAPAN YOKOTA AB JA PRIORITY
RUHBANB/OAFO CAMP BUTLER JA PRIORITY
RUHVPAC/HQPACAF HICKAM AFB HI//CC/PA// PRIORITY
RHHMHAH/CINCPACFLT PEARL HARBOR HI//N514// PRIORITY
RHHMUNA/USCINCPAC HONOLULU HI//USIA// PRIORITY
RUYNJDK/COMNAVFORJAPAN YOKOSUKA JA PRIORITY
RUEATRS/TREASURY DEPT WASHDC PRIORITY
RUCPDOG/USDOC WASHDC PRIORITY

INFO: RUEHOK/AMCONSUL OSAKA KOBE PRIORITY 5996
RUEHKOF/AMCONSUL FUKUOKA PRIORITY 9536

SUBJ: MEDIA REACTION, ASIA; JAPAN

LEAD STORIES: THE NIHON KEIZAI GAVE TOP COVERAGE FRIDAY
MORNING TO THE U.S.-JAPAN AGREEMENT TO RETURN THE
FUTENMA MARINE CORPS AIR STATION WITHIN FIVE YEARS.

TEXT:
UNCLAS SECTION 01 OF 02 TOKYO 003399

USIA

FOR: USIA FOR I/RF, I/RFW, I/GEA, EA, RMR; STATE/EAP/J,
EAP/P, PM, STATE DEPT. PLS PASS TO USTR/PUBLIC AFFAIRS
OFFICE; TREASURY/OASIA/IMI; NSC; SECDEF FOR OASD/PA; CP
BUTLER OKINAWA FOR AREA FIELD OFFICE

E.O. 12958: N/A
SUBJECT: MEDIA REACTION, ASIA; JAPAN

LEAD STORIES: THE NIHON KEIZAI GAVE TOP COVERAGE FRIDAY
MORNING TO THE U.S.-JAPAN AGREEMENT TO RETURN THE
FUTENMA MARINE CORPS AIR STATION WITHIN FIVE YEARS.
OTHER PAPERS GAVE TOP PLAY TO THE PASSAGE OF THE FISCAL
1996 STATE BUDGET THROUGH THE LOWER HOUSE THURSDAY
EVENING.

1. "U.S.-JAPAN SUMMIT -- A GOOD OPPORTUNITY TO RESTRUCTURE BILATERAL SECURITY TIES" THE TOP-CIRCULATION, MODERATE YOMIURI'S POLITICAL WRITER (FORMER WASHINGTON CORRESPONDENT) KITO REMARKED (APRIL 12), "FORMER PRIME MINISTER MIYAZAWA SAID IN A RECENT INTERVIEW WITH A BRITISH PAPER THAT IF U.S. MILITARY FORCES WITHDRAW FROM EAST ASIA, JAPAN MAY BECOME A MILITARY POWER AND A NUCLEAR POWER... NEEDLESS TO SAY, MIYAZAWA, WHO HAD CONSISTENTLY DENIED THE POSSIBILITY OF JAPAN'S NUCLEAR ARMAMENT, DARED TO REFER TO SUCH A POSSIBILITY IN ORDER TO CHECK, IN A PARADOXICAL WAY, RECENT REMARKS BY FORMER ASSISTANT SECRETARY OF DEFENSE ARMITAGE WHICH SAID 'THE U.S.-JAPAN ALLIANCE WILL COME TO AN END IF JAPAN CANNOT GIVE AS MUCH SUPPORT TO U.S. FORCES AS WASHINGTON HOPES IN CASE OF AN EMERGENCY ON THE KOREAN PENINSULA OR ELSEWHERE.'

2. THESE REMARKS REFLECT GROWING CONCERNS IN THE U.S. AND JAPAN OVER THE 'WEAR AND TEAR' OF THE U.S.-JAPAN SECURITY SYSTEM WHICH REMAINS IN EFFECT SINCE ITS REVISION IN 1960. AGAINST SUCH A BACKGROUND, THE CLINTON-HASHIMOTO SUMMIT IS SCHEDULED TO BE HELD NEXT WEDNESDAY.

3. THE OKINAWA BASE ISSUE IS ONE OF MAJOR CONCERNS LEFT PENDING BETWEEN THE TWO COUNTRIES. THE RAPE OF AN OKINAWAN SCHOOLGIRL BY THREE U.S. SERVICEMEN LAST SEPTEMBER REKINDLED THE PENT-UP FEELINGS THAT OKINAWANS HAD ENTERTAINED TOWARD THE CONTINUING U.S. MILITARY PRESENCE SINCE THEIR ISLAND'S RETURN TO JAPANESE ADMINISTRATION 24 YEARS AGO...

4. HOWEVER, RECENT TENSIONS BETWEEN CHINA AND TAIWAN OVER THE LATTER'S PRESIDENTIAL ELECTION DID NOT ACTUALLY RESULT IN A MILITARY CLASH BECAUSE, AS A GOJ SOURCE PUT IT, THE U.S. DISPATCH OF SEVENTH FLEET WARSHIPS BASED IN JAPAN TO AN AREA NEAR TAIWAN SUCCESSFULLY CONTAINED CHINESE MILITARY MOVES. NEEDLESS TO SAY, HOWEVER, THE SINO-TAIWAN TENSION MADE CLEAR THE NECESSITY OF U.S.-JAPAN SECURITY TIES.

5. ON THE OTHER HAND, JAPAN REMAINS WEAKNEED OVER WHAT SUPPORT IT CAN GIVE TO THE U.S. MILITARY IN CASE OF AN EMERGENCY ON THE KOREAN PENINSULA. JAPAN'S WEAKNEED STANCE IS ALSO SEEN IN THE DISCUSSION CONCERNING A REVIEW OF THE CURRENT GUIDELINES FOR U.S.-JAPAN DEFENSE COOPERATION... SINCE THE U.S. IS SEEKING NOT ONLY AN INCREASE IN JAPAN'S HOST NATION SUPPORT FOR U.S. BASES BUT ALSO INCREASED DIRECT SUPPORT FOR THE U.S. MILITARY, THERE IS A STRONG POSSIBILITY THAT THE LACK OF JAPAN'S READINESS TO COPE WITH EMERGENCIES WILL BECOME A 'BOTTLENECK' IN THE FUTURE BILATERAL SECURITY RELATIONSHIP.

6. PRESIDENT CLINTON AND PM HASHIMOTO WILL ISSUE A JOINT SECURITY COMMUNIQUE, REAFFIRMING THE SIGNIFICANCE OF BILATERAL SECURITY RELATIONS. THIS WILL ALSO REFLECT THE 'SEVERE' RECOGNITION BY BOTH SIDES OF THE STATUS QUO

OF SECURITY ARRANGEMENTS. BUT IN RE
ALITY, CONCRETE
PLANS HAVE NOT YET BEEN WORKED OUT FOR OKINAWA BASE
CONSOLIDATION AND REMOVAL, AND ON HOW JAPAN SHOULD COPE
WITH EMERGENCIES... HOW WILL CLINTON AND HASHIMOTO
RESTRUCTURE THE U.S.-JAPAN ALLIANCE INTO THE 21ST
CENTURY? THIS IS A VERY IMPORTANT PROBLEM THAT BOTH
BT
#3399

NNNN
UNCLAS SECTION 02 OF 02 TOKYO 003399

USIA

FOR: USIA FOR I/RF, I/REW, I/GEA, EA, RMR; STATE/EAP/J,
EAP/P, PM, STATE DEPT. PLS PASS TO USTR/PUBLIC AFFAIRS
OFFICE; TREASURY/OASIA/IMI; NSC; SECDEF FOR OASD/PA; CP
BUTLER OKINAWA FOR AREA FIELD OFFICE

E.O. 12958: N/A
SUBJECT: MEDIA REACTION, ASIA; JAPAN

LEADERS SHOULD TACKLE." BLACKBURN
BT
#3399

NNNN
SECT: SECTION: 01 OF 02
<^SECT>SECTION: 02 OF 02
SSN: 3399
<^SSN>3399
TOR: 960412074216 M2176203
<^TOR>960412074306 M2176204
DIST:
SIT: BELL CULLIN FETIG HARMON JOHNSON KRISTOFF LAKEA SCHUKER SESTAK
SUETTINGER SUM SUM2
SIT: NSC
PRT: BASS BERGER DOHSE FUERTH HARMONPTR LAKE SENS SIT{C2} SODERBERG

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
005. cable	Re: Secretary's Morning Summary (19 pages)	04/12/1996	P1/b(1)

COLLECTION:

Clinton Presidential Records
NSC Cables
Jan 1995-Dec 1996 ([Futenma])
OA/Box Number: 510000

FOLDER TITLE:

[04/06/1996 - 04/15/1996]

2016-0420-F
sb1867

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
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PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

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- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
006. cable	Re: Ambassador's Meeting on Futenma (6 pages)	04/12/1996	P1/b(1)

COLLECTION:

Clinton Presidential Records
NSC Cables
Jan 1995-Dec 1996 ([Futenma])
OA/Box Number: 510000

FOLDER TITLE:

[04/06/1996 - 04/15/1996]

2016-0420-F
sb1867

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
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Cable

PREC: PRIORITY

CLASS: UNCLASSIFIED

LINE1: PAAUZYUW RUEHCAA6845 103233Z-UUUU--RHEHNSC.

LINE2: ZNR UUUUU ZZH ZEX

LINE3: P 122331Z APR 96

LINE4: FM SECSTATE WASHDC

OSRI: RUEHC

DTG: 122331Z APR 96

ORIG: SECSTATE WASHDC

TO: ALL EAST ASIAN AND PACIFIC DIPLOMATIC POSTS PRIORITY

RUEHKOF/AMCONSUL FUKUOKA PRIORITY 6689

RUEHKON/AMCONSUL NAGOYA PRIORITY 0329

RUHBBMA/AMCONSUL NAHA PRIORITY 0208

RHEHNSC/NSC WASHDC PRIORITY 8820

RUEHOK/AMCONSUL OSAKA KOBE PRIORITY 2637

RUAGNPP/AMCONSUL PUSAN PRIORITY 3987

RUEHKOS/AMCONSUL SAPPORO PRIORITY 5633

RUEHIA/USIA WASHDC PRIORITY 9131

RUCNDT/USMISSION USUN NEW YORK PRIORITY 8402

INFO: RUEHOL/AMEMBASSY BONN PRIORITY 0846

RUEHGV/USMISSION GENEVA PRIORITY 6660

RUEHLO/AMEMBASSY LONDON PRIORITY 9927

RUEHLE/AMEMBASSY LUXEMBOURG PRIORITY 6848

RUEHMO/AMEMBASSY MOSCOW PRIORITY 5583

RUEHFR/AMEMBASSY PARIS PRIORITY 1503

RHHMBRA/CINCPACFLT PEARL HARBOR HI PRIORITY

RHHMUNA/USCINCPAC HONOLULU HI PRIORITY

RUAGAAA/CHJUSMAG SEOUL KS PRIORITY

RUAGAAA/COMUSKOREA SEOUL KS//CC/BJ/CJ/EJ/PAJ/SJS// PRIORITY

RUAGAAA/SACINCUNC KS PRIORITY

RUAGAAA/USCINCUNC SEOUL KS PRIORITY

RUEKCCG/SECDEF WASHDC//USDP PRIORITY

RUEKJCS/JOINT STAFF WASHINGTON DC PRIORITY

RUEHVEN/USMISSION USVIENNA PRIORITY 0998

SUBJ: APRIL 12 PRESS GUIDANCES FOR THE EAP REGION

TEXT:

UNCLAS SECTION 01 OF 03 STATE 076845

USIA FOR EA; TOKYO FOR CYNKIN YAMAUCHI; MOSCOW FOR FERGIN

E.O. 12958: N/A

TAGS: OPRC XE US

SUBJECT: APRIL 12 PRESS GUIDANCES FOR THE EAP REGION

REF: (A) 96 SINGAPORE 1694

ALL POSTS -- ALSO FOR USIS

SECDEF -- ALSO FOR OASD/PA

USCINCPAC FOR FPA SALMON

USVIENNA FOR UNVIE

PARIS FOR ZEYA

1. SINGAPORE -- SEE PARA 8 FOR RESPONSE TO REFTEL

2. INDEX

--U.S. CONTRIBUTION OF \$89.2 MILLION TO ICRC (PARAS 3-4)

--KOREA: ELECTIONS (PARAS 5-6)

--JAPAN: FUTENMA MARINE CORPS AIR STATION (PARAS 5 AND 7)

--SINGAPORE: IHT LIBEL TRIAL (PARAS 5 AND 8)

--FOREIGN RELATIONS AUTHORIZATION ACT (PARAS 5 AND 9)

3. THE FOLLOWING STATEMENT BY SPOKESMAN NICHOLAS BURNS WAS RELEASED BY THE DEPARTMENT FOLLOWING THE 4/12/96 PRESS BRIEFING.

4. U.S. CONTRIBUTION OF 89.2 MILLION DOLLARS TO ICRC

THE UNITED STATES WILL CONTRIBUTE 89.2 MILLION DOLLARS TO THE INTERNATIONAL COMMITTEE OF THE RED CROSS (ICRC) IN RESPONSE TO ITS EMERGENCY AND HEADQUARTERS APPEALS FOR 1996. THESE FUNDS ARE FOR USE IN ICRC'S HUMANITARIAN ASSISTANCE PROGRAMS AROUND THE WORLD AND FOR SUPPORT OF ICRC'S HEADQUARTERS' ACTIVITIES.

THE UNITED STATES HAS THE HIGHEST REGARD FOR THE WORK OF THE ICRC. IT IS ONE OF THE MOST EFFECTIVE AND MOST COURAGEOUS HUMANITARIAN ORGANIZATIONS WORKING TO PROVIDE ASSISTANCE AND PROTECTION TO VICTIMS OF CONFLICT AROUND THE WORLD.

ICRC CARES FOR THOSE WOUNDED IN WAR AND CIVIL CONFLICT; IT PROTECTS PRISONERS OF WAR; IT ASSISTS CIVILIANS WHO HAVE BEEN DISPLACED; IT TRACES AND REUNITES FAMILIES SEPARATED BY EVENTS; AND IT DISSEMINATES THE RULES AND PRINCIPLES OF INTERNATIONAL HUMANITARIAN LAW. ICRC IS OFTEN THE ONLY ORGANIZATION ALLOWED TO GO PAST THE BARBED WIRE, TO MOVE FREELY WITHIN OCCUPIED TERRITORY, TO CROSS LINES, AND TO ACCESS PRISONS OR CAMPS. IT WORKS IN SUCH PLACES AS BOSNIA, RWANDA, LIBERIA, CHECHNYA, AND THE MIDDLE EAST, OFTEN IN SITUATIONS WHERE THE UNITED NATIONS AND OTHER AGENCIES ARE UNABLE TO FUNCTION.

THIS CONTRIBUTION IS ALLOCATED AS FOLLOWS:

AFRICA	41,700,000 DOLLARS
THE AMERICAS	4,000,000 DOLLARS
EAST ASIA @	2,700,000 DOLLARS
SOUTH ASIA	11,300,000 DOLLARS
MIDDLE EAST	6,300,000 DOLLARS
EUROPE	11,700,000 DOLLARS
HEADQUARTERS APPEAL	11,900,000 DOLLARS

5. THE FOLLOWING PRESS GUIDANCES, PREPARED ON 4/12/96, WERE NOT USED AT THAT DAY'S PRESS BRIEFING. POSTS MAY DRAW FROM THEM ON AN IF ASKED BASIS.

6. KOREA -- ELECTIONS

BT

#6845

NNNN

UNCLAS SECTION 02 OF 03 STATE 076845

USIA FOR EA; TOKYO FOR CYNKIN YAMAUCHI; MOSCOW FOR FERGIN

E.O. 12958: N/A

TAGS: OPRC XE US

SUBJECT: APRIL 12 PRESS GUIDANCES FOR THE EAP REGION

REF: (A) 96 SINGAPORE 1694

Q: DO YOU HAVE ANY COMMENT ON THE KOREAN ELECTIONS?

A: WE CONGRATULATE THE WINNERS. THESE ELECTIONS
UNDERScore THE MATURITY OF KOREAN DEMOCRACY.

THE U.S. LOOKS FORWARD TO CONTINUED CLOSE COOPERATION
WITH THE ROK GOVERNMENT.

Q: WHAT IS YOUR ANALYSIS OF THE OUTCOME? DID THE RECENT
INCIDENTS IN THE DMZ AFFECT THE RESULTS?

A: I WILL LEAVE THE JOB OF ANALYSIS TO YOU.

7. JAPAN -- FUTENMA MARINE CORPS AIR STATION

Q: WHAT CAN YOU TELL US ABOUT THE FATE OF FUTENMA MARINE
CORPS AIR STATION (MCAS) IN OKINAWA?

A: SINCE LAST NOVEMBER, OFFICIALS FROM THE STATE
DEPARTMENT AND DOD HAVE WORKED VERY HARD WITH JAPANESE
COUNTERPARTS IN THE SPECIAL ACTION COMMITTEE ON OKINAWA
(SACO), TO REVIEW THE U.S. MILITARY PROFILE IN OKINAWA.

AMBASSADOR MONDALEh/OKYO THE RETURN OF FUTENMA MARINE CORPS AIR
STATION. AS AMBASSADOR MONDALE SAID, IT BECAME CLEAR IN
THE COURSE OF OUR REVIEW THAT AN ATTEMPT TO RELOCATE THE
IMPORTANT CAPABILITIES NOW LOCATED AT FUTENMA SHOULD BE
CENTRAL TO OUR EFFORTS.

DURING SECRETARY PERRY'S VISIT TO TOKYO EARLY NEXT WEEK
(APRIL 14-16), OUR TWO GOVERNMENTS WILL ANNOUNCE A NUMBER
OF OTHER SIGNIFICANT STEPS TO REDUCE THE IRRITANTS AND
INTRUSIVENESS OF OUR PRESENCE IN OKINAWA WHILE AT THE
SAME TIME FULLY MAINTAINING THE CAPABILITIES AND
READINESS OF OUR FORCES. WE VALUE THE HOSPITALITY AND
THE FRIENDSHIP THAT THE PEOPLE OF OKINAWA HAVE SHOWN US
OVER THE YEARS AND WE WANT TO CONTINUE TO BE GOOD
NEIGHBORS TO THEM.

WE ALSO WANT TO REASSURE THE PEOPLE OF BOTH THE UNITED

STATES AND JAPAN AS WELL AS OUR FRIENDS IN THE REGION THAT NONE OF THE ACTIONS WE WILL TAKE AS A RESULT OF THE SACO REVIEW WILL REDUCE THE MILITARY CAPABILITIES OR READINESS OF OUR FORCES BASED IN JAPAN. WE ANTICIPATE MAINTAINING ABOUT THE CURRENT LEVEL OF OUR FORCES IN JAPAN AND THE REGION.

8. SINGAPORE -- IHT LIBEL TRIAL

Q: DO YOU HAVE ANY COMMENT ON THE COURT DECISION ON THE LINGLE LIBEL SUIT?

A: THIS ACTION GROWS OUT OF A PERSONAL LIBEL SUIT BROUGHT AGAINST THE INTERNATIONAL HERALD TRIBUNE BY SENIOR MINISTER LEE KUAN YEW, HIS SON, DEPUTY PRIME MINISTER B.G. LEE, AND PRIME MINISTER GOH. THE SUIT RESULTS FROM AN OCTOBER 7, 1994 OPINION PIECE IN THE IHT BY CHRISTOPHER LINGLE. THE INTERNATIONAL HERALD TRIBUNE SETTLED SENIOR MINISTER LEE'S SUIT ON NOVEMBER 28. AT THAT TIME, SENIOR MINISTER LEE RESERVED HIS RIGHT OF ACTION AGAINST PROFESSOR LINGLE.

I DON'T HAVE ANYTHING MORE FOR YOU REGARDING THE SPECIFIC LEGAL ISSUES OF THIS CASE.

WE BELIEVE THAT FREEDOM OF EXPRESSION IS A UNIVERSAL RIGHT OF ALL PEOPLE, REGARDLESS OF THEIR NATIONALITY OR
BT
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UNCLAS SECTION 03 OF 03 STATE 076845

USIA FOR EA; TOKYO FOR CYNKIN YAMAUCHI; MOSCOW FOR FERGIN

E.O. 12958: N/A

TAGS: OPRC XE US

SUBJECT: APRIL 12 PRESS GUIDANCES FOR THE EAP REGION

REF: (A) 96 SINGAPORE 1694

CULTURE.

9. FOREIGN RELATIONS AUTHORIZATION ACT

Q: DOES THE PRESIDENT PLAN TO VETO H.R. 1561, THE FOREIGN RELATIONS AUTHORIZATION ACT FOR FISCAL YEARS 1996 AND 1997?

A: DECISION ON SUCH MATTERS RESTS WITH THE WHITE HOUSE. WE WILL PROVIDE YOU WITH THAT INFORMATION AS SOON AS IT IS AVAILABLE.
CHRISTOPHER

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SECT: SECTION: 01 OF 03
<^SECT>SECTION: 02 OF 03
<^SECT>SECTION: 03 OF 03
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DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
007. cable	Re: Support Cable for East Asia Brief (3 pages)	04/15/1996	P1/b(1)

COLLECTION:

Clinton Presidential Records
NSC Cables
Jan 1995-Dec 1996 ([Futenma])
OA/Box Number: 510000

FOLDER TITLE:

[04/06/1996 - 04/15/1996]

2016-0420-F
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RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

Cable

PREC: IMMEDIATE
CLASS: UNCLASSIFIED
LINE1: OAAUZYUW RUEHKO3428 1060815-UUUU--RHEHAAA.
LINE2: ZNR UUUUU ZZH
LINE3: O 150815Z APR 96
LINE4: FM AMEMBASSY TOKYO
OSRI: RUEHKO
DTG: 150815Z APR 96
ORIG: AMEMBASSY TOKYO
TO: RHEHAAA/WHITEHOUSE WASHDC IMMEDIATE
RUEHIA/USIA WASHDC IMMEDIATE 8538
RUEATRS/TREASURY DEPT WASHDC PRIORITY
RHHMUNA/USCINCPAC HONOLULU HI//USIA// PRIORITY
RHHMHAH/CINCPACFLT PEARL HARBOR HI//N514// PRIORITY
RUYNJDK/COMNAVFORJAPAN YOKOSUKA JA PRIORITY
RUHVPAC/HQPACAF HICKAM AFB HI//CC/PA// PRIORITY
RUHBANB/OAFO CAMP BUTLER JA PRIORITY
RUEKJCS/SECDEF WASHDC//USDA;ISA// PRIORITY
RUEHC/SECSTATE WASHDC PRIORITY 1366
RUCPDOG/USDOC WASHDC PRIORITY
RUALSFJ/COMUSJAPAN YOKOTA AB JA PRIORITY
INFO: RUEHOK/AMCONSUL OSAKA KOBE PRIORITY 6007
RUEHKOF/AMCONSUL FUKUOKA PRIORITY 9548
SUBJ: MEDIA REACTION, ASIA; JAPAN

LEAD STORIES: NO PAPERS WERE PUBLISHED MONDAY MORNING
BECAUSE SUNDAY WAS A PRESS HOLIDAY. NHK-TV THIS MORNING
GAVE TOP PLAY TO DEFENSE SECRETARY PERRY'S MEETINGS WITH

TEXT:
UNCLAS SECTION 01 OF 02 TOKYO 003428

USIA

FOR: USIA FOR I/RF, I/RFW, I/GEA, EA, RMR; STATE/EAP/J,
EAP/P, PM, STATE DEPT. PLS PASS TO USTR/PUBLIC AFFAIRS
OFFICE; TREASURY/OASIA/IMI; NSC; SECDEF FOR OASD/PA; CP
BUTLER OKINAWA FOR AREA FIELD OFFICE

E.O. 12958: N/A
SUBJECT: MEDIA REACTION, ASIA; JAPAN

LEAD STORIES: NO PAPERS WERE PUBLISHED MONDAY MORNING
BECAUSE SUNDAY WAS A PRESS HOLIDAY. NHK-TV THIS MORNING
GAVE TOP PLAY TO DEFENSE SECRETARY PERRY'S MEETINGS WITH
PRIME MINISTER HASHIMOTO, FOREIGN MINISTER IKEDA AND JDA
CHIEF USUI.

1. "STABILIZE U.S.-JAPAN SECURITY TIES" THE TOP-
CIRCULATION, MODERATE YOMIURI EDITORIALIZED (APRIL 14),
"THE OKINAWA BASE ISSUE, WHICH HAS BEEN THE BIGGEST,
IMMEDIATE SOURCE OF CONCERN IN THE U.S.-JAPAN SECURITY

ARRANGEMENT, HAS MADE A GREAT STEP FORWARD DAYS AHEAD OF A SUMMIT BETWEEN PRESIDENT CLINTON AND PRIME MINISTER HASHIMOTO. IT IS EPOCH-MAKING THAT THE U.S. AND JAPAN AGREED ON THE RETURN OF FUTENMA AIRFIELD, A 'SYMBOL OF THE DEMAND FOR STREAMLINING AND REDUCTION OF U.S. MILITARY BASES ON OKINAWA,' TO LOCAL LANDOWNERS OVER THE NEXT FIVE TO SEVEN YEARS.

2. "THE U.S. AND JAPAN HAVE ALSO AGREED TO LAUNCH A JOINT STUDY ON LETTING U.S. FORCES IN JAPAN USE JAPANESE COMMERCIAL AIRPORTS AND SELF-DEFENSE FORCES BASES IN CASE OF EMERGENCY. WE WELCOME BOTH AGREEMENTS AS EXTREMELY IMPORTANT POLITICAL DECISIONS MADE TO FURTHER STABILIZE AND FIRMLY MAINTAIN THE U.S.-JAPAN SECURITY SYSTEM. OVERRIDING OPPOSITION FROM THE U.S. MILITARY, WASHINGTON AGREED TO RETURN THE FUTENMA BASE BECAUSE IT WANTED TO DO WHAT IT COULD TO MITIGATE THE EMOTIONS OF THE OKINAWAN PEOPLE. THIS WAS AN UNAVOIDABLE DECISION TO SMOOTHLY REAFFIRM THE U.S.-JAPAN SECURITY SETUP. MANY PEOPLE, INCLUDING OKINAWANS, APPLAUD PM HASHIMOTO, AMBASSADOR MONDALE AND OTHER USG AND GOJ OFFICIALS WHO WORKED TO REACH THE AGREEMENT."

3. "ACCORD ON THE RETURN OF FUTENMA BASE WELCOMED" THE BUSINESS-ORIENTED NIHON KEIZAI REMARKED (APRIL 14), "WE WELCOME THE U.S.-JAPAN AGREEMENT ON THE RETURN OF FUTENMA AIRFIELD OVER THE NEXT FIVE TO SEVEN YEARS. THE U.S.-JAPAN SECURITY SYSTEM IS INDISPENSABLE FOR STABILITY IN JAPAN, AND THE ASIA AND PACIFIC REGION, AND IT IS NECESSARY TO GET PUBLIC SUPPORT FOR AND UNDERSTANDING OF THIS SYSTEM BY REDUCING THE EXCESSIVE 'SECURITY BURDEN' IMPOSED ON OKINAWA."

4. "THE FUTENMA BASE IS NOT THE WHOLE OF THE OKINAWA BASE PROBLEM... EVEN THOUGH THE CONTENTS OF A SACO MID-TERM REPORT ON OKINAWA BASE CONSOLIDATION AND REDUCTION (DUE TO BE ISSUED ON MONDAY) WILL NOT NECESSARILY SATISFACTORY TO THE OKINAWAN PEOPLE, WE WOULD LIKE TO ACCEPT THE REPORT AS THE FIRST STEP TOWARD SETTLING THE BASE ISSUE. THE RESULTS OF A 'TWO PLUS TWO' MEETING WILL BE IMPORTANT TO MAKE THE CLINTON-HASHIMOTO SUMMIT A SUCCESS. THE MAJOR PURPOSE OF THE SUMMIT WILL BE TO REAFFIRM THE IMPORTANCE OF U.S.-JAPAN SECURITY ARRANGEMENTS WHICH HAVE TAKEN ON A BROADER MEANING."

5. "THE U.S.-JAPAN SUMMIT SHOULD NOT END UP A MERE 'OKINAWA SUMMIT.' ALTHOUGH IT IS NOT PROPER TO OVEREMPHASIZE THE MURKINESS OF THE ASIA AND PACIFIC REGION, UNBRIDLED OPTIMISM IS NOT WARRANTED EITHER. THE SUMMIT WILL BE A VENUE WHERE THE TWO LEADERS WILL DELIVER TO THE WORLD MESSAGES OF WHAT THEY CAN DO TO MAINTAIN PEACE AND SECURITY IN THE REGION."

6. "WHAT MADE THE U.S. AND JAPAN AGREE ON FUTENMA'S RETURN?" THE LIBERAL ASAHI OPINED (APRIL 14),

"THE U.S. AND JAPANESE GOVERNMENTS HAVE AGREED ON THE RETURN OF FUTENMA AIRFIELD -- A SYMBOL OF THE HEAVY U.S. MILITARY PRESENCE ON OKINAWA -- WITHIN FIVE TO SEVEN

YEARS. THE ACCORD IS A GREAT ACHIEVEMENT (TOWARD RESOLVING THE OKINAWA BASE ISSUE) DAYS BEFORE PRESIDENT CLINTON'S STATE VISIT TO TOKYO. IT WAS, INDEED, AN EPOCH-MAKING EVENT... ELEVENTH-HOUR DECISIONS BY PRESIDENT CLINTON AND PM HASHIMOTO SHOULD BE PRAISED. BUT IT WAS ALSO A 'SWELL OF OPINIONS' AMONG OKINAWANS THAT PROMPTED THE TWO LEADERS TO AGREE ON FUTENMA'S RETURN. ALSO BEHIND THE ACCORD ON THE RETURN OF THE
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UNCLAS SECTION 02 OF 02 TOKYO 003428

USIA

FOR: USIA FOR I/RF, I/RFW, I/GEA, EA, RMR; STATE/EAP/J, EAP/P, PM, STATE DEPT. PLS PASS TO USTR/PUBLIC AFFAIRS OFFICE; TREASURY/OASIA/IMI; NSC; SECDEF FOR OASD/PA; CP BUTLER OKINAWA FOR AREA FIELD OFFICE

E.O. 12958: N/A
SUBJECT: MEDIA REACTION, ASIA; JAPAN

BASE WAS AN ATTEMPT BY BOTH GOVERNMENTS TO 'PULL OUT A BIG THORN' STUCK IN OKINAWA AND MAKE THE POST-COLD WAR U.S.-JAPAN SECURITY SYSTEM MORE SECURE.

7. THE U.S. WILL NOT LOSE ALMOST ANYTHING THROUGH THE ACCORD BECAUSE IT IS CERTAIN THAT THE RETURN OF FUTENMA AIRFIELD WILL NOT ADVERSELY AFFECT THE CAPABILITIES AND READINESS OF THE U.S. MILITARY; THAT THE U.S. CALL FOR THE CONCLUSION OF THE ACQUISITION AND CROSS-SERVING AGREEMENT (ACSA) WILL BE REALIZED; AND THAT THE U.S. MAY IMPOSE NEW 'SECURITY PRESSURE' ON JAPAN IN RETURN FOR ITS COMPROMISE ON FUTENMA.

8. THE LATEST ACCORD INCLUDES A CLAUSE CALLING FOR THE TWO GOVERNMENTS TO STUDY THE USE BY THE U.S. MILITARY OF JAPANESE COMMERCIAL AIRPORTS AND SELF-DEFENSE FORCES BASES IN CASE OF EMERGENCY. IN PLACE OF THE RETURN OF FUTENMA, THE GOVERNMENT SHOULD NOT 'OPEN THE FLOODGATE' TO SPUR THE UNPRINCIPLED STRENGTHENING OF THE SECURITY ARRANGEMENT. FURTHER STRENGTHENING OF THE U.S.-JAPAN SECURITY TREATY, WHICH WILL LEAD TO THE PERMANENT PRESENCE OF U.S. MILITARY BASES IN JAPAN, WILL AGAIN TRAMPLE ON THE WISHES OF THE OKINAWAN PEOPLE."

9. "U.S. UNDERSTANDING OF OKINAWANS' CALL FOR RETURN OF FUTENMA APPRECIATED" THE CONSERVATIVE SANKEI WROTE (APRIL 13), "... IN VIEW OF THE STRATEGIC, IMPORTANT ROLE THAT FUTENMA AIRFIELD PLAYS IN CASE OF EMERGENCY, THE U.S. DECISION (TO RETURN THE BASE) INDICATED

WASHINGTON'S POSITION TO GIVE PRIORITY TO THE SMOOTH MAINTENANCE OF THE OVERALL U.S.-JAPAN SECURITY RELATIONSHIP. WE PRAISE THE U.S. DECISION. CONSIDERING PRESENT U.S.-JAPAN TIES, A UNILATERAL OR SUBSTANTIAL COMPROMISE ON THE BASE ISSUE WILL BE UNLIKELY. JAPAN WILL BE PRESSED TO MAKE CONSIDERABLE EFFORTS TO SETTLE THE REMAINING PROBLEMS IN THE BASE ISSUE.

10. THE U.S. AGREED ON THE RETURN OF FUTENMA AIRFIELD BECAUSE IT SYMPATHIZED WITH THE FEELINGS OF OKINAWANS WHO GIVE PRIORITY TO THE BASE'S RETURN AND ALSO BECAUSE IT GAVE FULL CONSIDERATION TO THE OVERALL U.S.-JAPAN RELATIONSHIP. MOREOVER, WE BELIEVE THE U.S. ATTACHES HIGH IMPORTANCE TO THE PRESENCE OF U.S. BASES ON OKINAWA AND THAT IT WANTS TO KEEP OTHER BASES INTACT EVEN THOUGH FUTENMA IS TO BE RETURNED.

11. ALTHOUGH THE RETURN OF FUTENMA IS A BIG STEP FORWARD TOWARD RESOLVING THE OKINAWA BASE ISSUE, NEW PROBLEMS ALSO ARISE: THE TRANSFER OF A MARINE HELICOPTER UNIT FROM FUTENMA TO ANOTHER BASE ON OKINAWA, AND THAT OF KC AERIAL TANKERS FROM FUTENMA TO THE IWAKUNI MARINE CORPS AIR STATION IN MAINLAND JAPAN. PROBLEMS REMAIN OVER HOW TO PERSUADE IWAKUNI RESIDENTS TO ACCEPT THE TRANSFER OF AIR TANKERS FROM OKINAWA.

12. HAVING SECURED THE U.S. COMPROMISE, PRIME MINISTER HASHIMOTO MUST DEMONSTRATE HIS LEADERSHIP ROLE IN SETTLING THE OKINAWA BASE ISSUE. THE PRIME MINISTER MUST ALSO EXPLAIN TO THE OKINAWANS AND MAINLAND JAPANESE THE IMPORTANCE OF MAINTAINING THE REMAINING BASES ON OKINAWA AND FINDING ALTERNATE BASES FOR THE U.S. MILITARY IN MAINLAND JAPAN. JAPAN MUST REACT POSITIVELY TO THE UNDERSTANDING THE U.S. SHOWED OVER THE RETURN OF FUTENMA AIRFIELD." BLACKBURN

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