

Withdrawal/Redaction Sheet

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. cable	Re: Nago Referendum - Draft Press Guidance (2 pages)	12/19/1997	P1/b(1)
002. cable	Re: Nago Referendum - Draft Press Guidance (3 pages)	12/19/1997	P1/b(1)
003. cable	Re: Economics (2 pages)	12/19/1997	P1/b(1)
004. cable	Re: Fiscal Outlays, Futenma (2 pages)	12/19/1997	P1/b(1)
005. cable	Re: Support Cable for East Asia Brief 97/296 (6 pages)	12/22/1997	P1/b(1)
006. cable	Re: Economy, Security Issues (4 pages)	12/22/1997	P1/b(1)
007. cable	Re: Nago Heliport Referendum (5 pages)	12/22/1997	P1/b(1)
008. cable	Re: Former Vice Gov. Yoshimoto (5 pages)	12/22/1997	P1/b(1)
009. cable	Re: Reaction to Nago Plebiscite (5 pages)	12/22/1997	P1/b(1)
010. cable	Re: Japan-U.S. / Okinawa Base Issues (2 pages)	12/22/1997	P1/b(1)
011. cable	Re: Deputy Secretary November 12 Meeting (4 pages)	12/22/1997	P1/b(1)
012. cable	Re: FBIS Foreign Media Note - Nago Referendum [partial] (1 page)	12/22/1997	P3/b(3)
013. cable	Re: MCAS Futenma Replacement Facility (5 pages)	12/23/1997	P1/b(1)

COLLECTION:

Clinton Presidential Records
NSC Cables
Jan 1997-Dec 1998 ([Futenma])
OA/Box Number: 520000

FOLDER TITLE:

[12/19/1997 - 12/23/1997]

2016-0420-F
sb1919

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]

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. cable	Re: Nago Referendum - Draft Press Guidance (2 pages)	12/19/1997	P1/b(1)

COLLECTION:

Clinton Presidential Records
NSC Cables
Jan 1997-Dec 1998 ([Futenma])
OA/Box Number: 520000

FOLDER TITLE:

[12/19/1997 - 12/23/1997]

2016-0420-F
sb1919

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 RUEHKOAO862 3530351-UUUU--RHEHAAA.
LINE2: ZNR UUUUU ZZH
LINE3: O 190351Z DEC 97
LINE4: FM AMEMBASSY TOKYO
OSRI: RUEHKO
DTG: 190351Z DEC 97
ORIG: AMEMBASSY TOKYO
TO: RUEHIA/USIA WASHDC IMMEDIATE 8143
RUEHC/SECSTATE WASHDC IMMEDIATE 4482
INFO: RUEKJCS/SECDEF WASHDC
RUEKJCS/JOINT STAFF WASHDC//J5//
RHHMUNA/USCINCPAC HONOLULU HI//USIA//
RHHMHAH/CINCPACFLT PEARL HARBOR HI//N5//
RUALSFJ/COMUSJAPAN YOKOTA AB JA//J5/JO21//
RUYNJDK/COMNAVFORJAPANRUEAWJA/USDOJ WASHDC
RUEBBEA/USDOT WASHDC
RUEHRC/USDA FAS WASHDC 4166
RUCPDOG/USDOC WASHDC
RUEAIIA/CIA WASHDC
RHEHAAA/WHITE HOUSE WASHDC
SUBJ: JAPANESE MORNING PRESS HIGHLIGHTS DECEMBER 19

TOP HEADLINES:

TEXT:
UNCLAS SECTION 01 OF 09 TOKYO 010862

USIA

FOR: USIA D/P, I/GEA, I/RF, I/RFW, EA, R/MR; 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; JUSTICE FOR STU
CHEMTOB IN ANT-TRUST DIVISION; COMMERCE FOR JEAN GRIER
IN GENERAL COUNCIL'S OFFICE, DAS; USCINCPAC/PA; CINCPAC
FLT/PA; COMNAVFORJAPAN/PA.

E.O. 12958: N/A

SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS DECEMBER 19

TOP HEADLINES:

ASAHI: KIM DAE JUNG CHOSEN IN ROK PRESIDENTIAL RACE;
FIRST CHANGE OF POSITIONS BETWEEN RULING AND OPPOSITION
PARTIES; AS RESULT OF CLOSE FIGHT WITH LEE HOI CHANG

NIHON KEIZAI: FOOD TRADING HOUSE, TOSHOKU, APPLIES FOR
CORPORATION REHABILITATION LAW; HEAVILY IN DEBT AMOUNTING

TO 640 BILLION YEN; AFFECTED BY FAILED FINANCIAL INVESTMENT

TOKYO SHIMBUN: KIM DAE JUNG MOST LIKELY TO BE ELECTED IN ROK PRESIDENTIAL RACE; FIRST CASE OF CHANGE OF GOVERNMENT; AS A RESULT OF NECK-AND-NECK FIGHT WITH LEE HOI CHANG

MAINICHI: KIM DAE JUNG TO BECOME PRESIDENT OF ROK; FOURTH CHALLENGE AT AGE OF 74; DEFEATS LEE HOI CHANG AND OTHER CANDIDATE; PEOPLE OPT FOR CHANGE AMID ECONOMIC CRISIS

YOMIURI: KIM DAE JUNG MOST LIKELY THE WINNER IN ROK PRESIDENTIAL ELECTION; OPPOSITION PARTY TO GAIN HELM OF POWER; CLOSE FIGHT WITH LEE HOI CHANG

SANKEI: KIM DAE JUNG MOST LIKELY TO BE ELECTED PRESIDENT OF ROK; FIRST OPPOSITION PARTY-LED GOVERNMENT LIKELY; SHAKING OFF RULING PARTY'S CANDIDATE, LEE HOI CHANG

ELECTION OF KIM DAE-JUNG AS ROK PRESIDENT MEANS CHANGE IN POLICY TOWARD JAPAN (MAINICHI - PAGE 2)

KIM DAE JUNG'S WINNING ELECTION AS NEW PRESIDENT OF THE REPUBLIC OF KOREA (ROK) SEEMS LIKELY TO PRODUCE A TURNING POINT IN THE JAPAN-ROK RELATIONSHIP PARTLY FOR HIS CLOSER CONNECTIONS WITH JAPAN. SOME IN THE JAPANESE GOVERNMENT PLACE EXPECTATIONS ON HIM, THINKING THAT HE MAY IN EARNEST EMBARK ON IMPROVING RELATIONS WITH JAPAN AND STARTING SOUTH-NORTH DIALOGUE THAT WILL HAVE A CARDINAL EFFECT ON THE JAPAN-NORTH KOREA RELATIONSHIP. ON THE OTHER HAND, KIM IS THE VERY PERSON INVOLVED IN THE KIDNAPPING INCIDENT -- VIEWED AS A "NEGATIVE LEGACY" FOR BOTH JAPAN AND THE ROK -- WHICH OCCURRED IN JAPAN. IF KIM'S REELECTION TRIGGERED A REKINDLING OF THIS INCIDENT IN BOTH JAPAN AND THE ROK, BILATERAL TIES MIGHT BE ROCKED AS SOME ARE CONCERNED.

THE BASIC STANDPOINT OF THE GOVERNMENT IS, "THERE WILL BE NO MAJOR CHANGE IN THE POLICY TOWARD JAPAN COMPARED WITH THE PRESENT GOVERNMENT" (FOREIGN MINISTRY SOURCE), BUT THE GOVERNMENT ASSUMES THE POSITION OF CAUTIOUSLY WATCHING HOW KIM, WHO POSSESSES GREAT CHARISMA, WILL MOVE.

KIM, FOR A WHILE AFTER HIS ELECTION, WILL HAVE TO CONCENTRATE HIS EFFORTS FIRST ON TACKLING THE DOMESTIC ISSUES, SUCH AS AN ECONOMIC CRISIS HIS COUNTRY IS NOW FACING, SO IT WILL LIKELY TAKE SOME TIME FOR HIM TO COME UP WITH A FOREIGN POLICY WITH HIS IDENTITY. BUT HE HAS A STRONG WILL TO IMPROVE RELATIONS WITH JAPAN. IN FACT, AT A NEWS CONFERENCE HELD BEFORE THE PRESIDENTIAL RACE, HE EXPRESSED HIS SENSE OF AFFINITY TO JAPAN. ON JAPAN-ROK TIES, HE EMPHASIZED: "IF I WERE ELECTED TO OFFICE, GREAT IMPROVEMENT WOULD BE MADE. PROBLEMS COULD BE RESOLVED IF THE TWO COUNTRIES DISCUSSED THEM UNRESERVEDLY."

ON THE PROBLEM OF WHETHER TO LIFT THE BAN ON JAPANESE POPULAR CULTURE, AN ELEMENT TO SEE WHAT STANCE A NEW

GOVERNMENT WILL ASSUME TOWARD JAPAN, KIM HAS STATED HIS POSITIVE POSITION. SO SOME IN JAPAN TAKE THE VIEW THAT "LIBERALIZATION (OF JAPANESE POPULAR CULTURE) MIGHT BE PUSHED DRASTICALLY" (JAPANESE FOREIGN MINISTRY SOURCE). IF REALIZED, BILATERAL RELATIONS WILL ENTER INTO A NEW PHASE OF DEVELOPMENT.

UNCLAS SECTION 02 OF 09 TOKYO 010862

USIA

FOR: USIA D/P, I/GEA, I/RF, I/RFW, EA, R/MR; 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; JUSTICE FOR STU CHEMTOB IN ANT-TRUST DIVISION; COMMERCE FOR JEAN GRIER IN GENERAL COUNCIL'S OFFICE, DAS; USCINCPAC/PA; CINCPAC FLT/PA; COMNAVFORJAPAN/PA.

E.O. 12958: N/A

SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS DECEMBER 19

ADDITIONALLY, THE PRESENCE OF LIBERAL DEMOCRATIC FEDERATION HONORARY PRESIDENT KIM JONG PIL AND ITS PRESIDENT PAK TAE JUN, FROM WHOM KIM RECEIVED SUPPORT IN THE PRESIDENTIAL CAMPAIGN, SERVES AS A FAVORABLE ELEMENT FOR KIM TO MOVE AHEAD WITH HIS (POSITIVE) POLICY TOWARD JAPAN. BOTH PERSONS HAVE A WIDE PERSONAL NETWORK WITH THE JAPANESE POLITICAL WORLD AND WILL LIKELY GIVE A STRONG HELPING HAND TO KIM.

ON THE PROBLEM OF RELATIONS WITH THE DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA (NORTH KOREA), SOME IN THE JAPANESE GOVERNMENT TAKE THE VIEWPOINT THAT KIM WILL PLACE MORE EMPHASIS ON SOUTH-NORTH DIALOGUE THAN "FOUR-WAY TALKS." JAPAN, TOO, ATTACHES THE HIGHEST IMPORTANCE TO PROGRESS IN SOUTH-NORTH DIALOGUE PARTLY BECAUSE JAPAN WILL LIKELY SOON RESUME NEGOTIATIONS WITH THE NORTH FOR DIPLOMATIC NORMALIZATION. JAPAN IN THIS ASPECT CONSIDERS THAT KIM'S COMING TO OFFICE WILL HAVE A FAVORABLE EFFECT ALSO ON JAPAN-NORTH KOREA RELATIONS.

HOWEVER, KIM DAE JUNG IS PORTRAYED AS A POLITICIAN WHO IS QUICK TO SEIZE AN OPPORTUNITY, SO SOME HARBOR THE CONCERN THAT DEPENDING ON PUBLIC OPINION TRENDS, HE MAY WIDELY CHANGE THE FOREIGN POLICY TOWARD JAPAN. NEGOTIATIONS FOR CONCLUDING A NEW FISHERIES PACT, AN ISSUE PENDING FOR THE TWO COUNTRIES, HAVE NOW HIT A SNAG, AND IF JAPAN NOTIFIES THE ROK OF TERMINATING THE PRESENT PACT, OBJECTIONS WILL UNAVOIDABLY ARISE IN THE ROK. JAPAN THEREFORE WANTS TO SETTLE IT BEFORE THE NEW GOVERNMENT IS LAUNCHED NEXT FEBRUARY.

TO ADD TO THAT, THE PAST KIDNAPPING INCIDENT IS ALSO THE MATTER OF CONCERN. SINCE KIM HAS STATED HE HAS NO INTENTION OF SUGGESTING A RE-INVESTIGATION, THE GOVERNMENT DENIES ANY POSSIBILITY OF THE INCIDENT

REKINDLING, NOTING, "THERE WOULD BE NO POSITIVE BENEFIT FOR HIM IN REHASHING THE INCIDENT" (FOREIGN MINISTRY SOURCE). BUT FOR A WHILE, THIS MATTER SEEMS LIKELY TO REMAIN AS A SOURCE OF ANXIETY.
(SHIGERU SAKURAI)

JAPAN PROVIDING BRIDGING LOANS TO ROK IN TURMOIL WORST THAN EXPECTED (MAINICHI - PAGE 9)

THE GOVERNMENT YESTERDAY DECIDED TO EXTEND DE FACTO ADDITIONAL LOANS TO THE ROK. THE MINISTRY OF FINANCE (MOF) SEES THAT THE END OF THE PRESIDENTIAL ELECTION IN THE ROK, WHICH HAS WORKED TO DESTABILIZE THE SITUATION THERE, WILL BOOST ITS EFFORTS TO PUT ITS ECONOMY BACK ON THE TRACK. HOWEVER, THE TURMOIL IN THE ROK ECONOMY IS MORE SERIOUS THAN ANTICIPATED, AS SEEN IN THAT JAPAN HAS TO SUPPLY "BRIDGING LOANS" AS ADDITIONAL SUPPORT. "A NEXT ROK PRESIDENT'S POLICY, WORDS AND ACTION MAY DETERMINE THE MOVES OF THE FINANCIAL AND CAPITAL MARKETS IN ASIA" (SENIOR MOF OFFICIAL). IT CAN BE SAID THAT THE SITUATION IN THE ROK WILL FOR THE TIME BEING WORK TO DISTURB ASIAN ECONOMIES.

IN THE INTERNATIONAL MONETARY FUND (IMF)-CENTERED SUPPORT SCHEME TOTALING 57 BILLION DOLLARS, JAPAN HAS SET THE LARGEST BILATERAL SUPPORT QUOTA FOR THE ROK. ALTHOUGH SUCH A SUPPORT STEP HAD BEEN CONSIDERED ADEQUATE, THE VALUE OF THE WON HAS KEPT FALLING. THE STOP-GAP LOANS THIS TIME AROUND TO BE MADE BY WAY OF THE BANK OF JAPAN (BOJ) STEM FROM THE FACT THAT THE ROK'S SHORTAGE OF FOREIGN CURRENCY HAS BECOME MORE SERIOUS THAN EXPECTED. THE SITUATION PROVES THAT THE ORIGINAL JUDGMENT THAT "BILATERAL SUPPORT IN ADDITION TO LOANS BY THE IMF WILL HELP RECOVER THE MARKET'S CONFIDENCE" (INTERNATIONAL FINANCIAL SOURCE) WAS LAX.

UNCLAS SECTION 03 OF 09 TOKYO 010862

USIA

FOR: USIA D/P, I/GEA, I/RF, I/RFW, EA, R/MR; 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; JUSTICE FOR STU CHEMTOB IN ANT-TRUST DIVISION; COMMERCE FOR JEAN GRIER IN GENERAL COUNCIL'S OFFICE, DAS; USCINCPAC/PA; CINCPAC FLT/PA; COMNAVFORJAPAN/PA.

E.O. 12958: N/A

SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS DECEMBER 19

MOF SEES THAT "IT WILL TAKE TIME TO REGAIN CONFIDENCE," BUT (IN THE ROK) THERE IS RESISTANCE TO A PAINFUL SUPPORT SYSTEM BY THE EUROPE AND AMERICA-CENTERED IMF, AS SEEN IN THAT SOME PRESIDENTIAL CANDIDATES VOICED OPENING RENEGOTIATIONS WITH THE IMF. THERE IS THE ASPECT THAT EUROPEAN COUNTRIES AND AMERICA ARE CHARACTERIZING

BILATERAL LOANS AS "STRATEGIC LOANS" FOR INVESTMENT, BUT THE REAL STATE FOR JAPAN IS: "CONSIDERING THE HISTORICAL CIRCUMSTANCES THE TWO COUNTRIES UNDERWENT, ALTHOUGH JAPAN IS TO EXTEND THE LARGEST AMOUNT OF LOANS TO THE ROK, IT IS NOT POSSIBLE FOR IT TO ATTACH SUCH CONDITIONS AS MARKET OPENING TO ITS LOANS" (INTERNATIONAL MONETARY SOURCE). CONSIDERING THE DELICATE ISSUE OF THE ROK'S ANTI-JAPANESE SENTIMENTS, JAPAN WILL HAVE TO TAKE A COMPLEX STAND OF KEEPING AN EYE ON THE SITUATION IN THE ROK, WHILE KEEPING ITSELF AT ARM'S LENGTH.
(KOICHI NAMURA)

JAPAN'S EXPORT MARKET KEEPING WATCH OVER WEAK WON

AT PRESENT, THE ROK'S ECONOMIC WOES ARE NOT SERIOUS AS TO DIRECTLY HIT JAPAN'S ECONOMIC WORLD, BUT MOVES ARE GRADUALLY AFOOT AMONG JAPANESE MEDIUM AND SMALL-SIZE ENTERPRISES THAT SUPPLY PARTS TO THE ROK TO RETRENCH EXPORTS TO THAT COUNTRY. THE STEEL AND SHIP-BUILDING INDUSTRIES ARE ALARMED THAT THE ROK'S PROMPTING A DUMPING OFFENSIVE ON THE GLOBAL MARKET MAY EAT INTO JAPANESE MANUFACTURERS' EXPORT MARKETS.

JAPAN'S LEADING STEEL MANUFACTURERS SAY THAT STEEL TRADING IS MAINLY BASED ON LONG-TERM CONTRACTS, AND SO, THE CURRENT DEPRECIATION OF THE WON IS NOT LEADING TO AN INCREASE IN EXPORTS TO JAPAN. HOWEVER, THEY PREDICT THAT IF EXPORTS TO JAPAN AUGMENT AS A RESULT OF THE PROLONGED DEPRECIATION OF THE WON, JAPAN'S ENTIRE STEEL MATERIAL MARKET WILL WEAKEN, WORKING AS A NEGATIVE FACTOR FOR THE EARNINGS AND PROFITS OF DOMESTIC MANUFACTURERS.

ACCORDING TO THE SHIP-BUILDING INDUSTRY, RELATIVELY NEW ROK-MADE USED SHIPS ARE NOW BEING SOLD TO MIDDLE-EAST COUNTRIES, HAMPERING JAPANESE SHIP BUILDERS FROM RECEIVING ORDERS FOR NEW SHIPS. HOWEVER, THERE IS NO SERIOUS SENSE OF ALARM IN THE JAPAN'S SHIP-BUILDING INDUSTRY, BECAUSE THE CURRENT SITUATION WHERE IT IS WHOLLY TAKEN UP WITH THE HANDLING OF A BACKLOG OF ORDERS WILL CONTINUE FOR SEVERAL YEARS. (YUTAKA KINOSHITA)

AMBASSADOR FOLEY LAUDS PRIME MINISTER'S TAX CUT DECISION
IN CALL ON LDP'S YAMASAKI (TOKYO SHIMBUN - PAGE 2)

UNITED STATES AMBASSADOR TO JAPAN FOLEY PAID A COURTESY CALL YESTERDAY AFTERNOON ON LIBERAL DEMOCRATIC PARTY (LDP) POLICY AFFAIRS RESEARCH COUNCIL CHAIRMAN TAKU YAMASAKI AT PARTY HEADQUARTERS. THE AMBASSADOR WELCOMED PRIME MINISTER RYUTARO HASHIMOTO'S ANNOUNCEMENT OF A 2 TRILLION YEN SPECIAL TAX CUT, SAYING, "WE LAUD IT AS A POSITIVE MEASURE TAKEN FOR ASIA AND THE GLOBAL ECONOMY." HE STATED, "PRESIDENT CLINTON REQUESTED JAPAN TO CORRECT ITS EXPANDING TRADE SURPLUS WITH THE U.S., AND WE PERCEIVE THIS AS HAVING LED TO THE PRIME MINISTER'S DECISION."

IN RESPONSE, YAMASAKI EXPLAINED, "THE PRIME MINISTER JUDGED THAT IT WAS NECESSARY TO COME UP WITH A NUMBER OF

MEANS, WITHIN THE SCOPE OF NOT UNDERMINING THE FISCAL STRUCTURE REFORM PROCESS."

COALITIONQS TRUST IN HASHIMOTO RUINED BY HIS POLITICAL DECISION WITHOUT PRIOR CONSULTATION (ASAHI - PAGE 1)

THE SOCIAL DEMOCRATIC PARTY (LDP) AND SAKIGAKE PARTY APPROVED YESTERDAY A PLAN TO IMPLEMENT A SPECIAL TAX UNCLAS SECTION 04 OF 09 TOKYO 010862

USIA

FOR: USIA D/P, I/GEA, I/RF, I/RFW, EA, R/MR; 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; JUSTICE FOR STU CHEMTOB IN ANT-TRUST DIVISION; COMMERCE FOR JEAN GRIER IN GENERAL COUNCIL'S OFFICE, DAS; USCINCPAC/PA; CINCPAC FLT/PA; COMNAVFORJAPAN/PA.

E.O. 12958: N/A

SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS DECEMBER 19

BREAK TOTALING 2 TRILLION YEN, WHICH WAS PROPOSED BY PRIME MINISTER RYUTARO HASHIMOTO. BUT THE TWO PARTIES ARE ANGRY WITH THE PRIME MINISTER FOR CHANGING THE POLICY LINE WITHOUT CONSULTING THEM. HASHIMOTO'S TOP-DOWN APPROACH HAS OPENED UP A FISSURE IN THE RULING COALITION.

ALTHOUGH THE SDP'S OWN DEMAND FOR TWO TRILLION YEN IN TAX CUTS HAS BEEN REALIZED, VOICES EXPRESSING UNHAPPINESS ABOUT THE PRIME MINISTER ERUPTED AT A MEETING OF THE STANDING SECRETARIES ON THE 18TH, ONE SDP MEMBER STRESSING, "WHEN CHAIRPERSON TAKAKO DOI PROPOSED IT, THE PRIME MINISTER BLUNTLY TURNED IT DOWN. IN TERMS OF PROCEDURES, HE HAS BROKEN TRUST." FOR THE SAKIGAKE PARTY, WHICH HAS PLACED POLICY PRIORITY ON ADMINISTRATIVE AND FISCAL REFORMS, THE SITUATION IS MORE SERIOUS. THE PARTY AGREED TO THE HASHIMOTO'S PROPOSAL AT AN EMERGENCY EXECUTIVE COUNCIL MEETING ON THE 18TH. BUT AT THE SAME TIME IT RELEASED AN UNUSUAL STATEMENT SEVERELY CRITICIZING THE PRIME MINISTER. THE STATEMENT GOES: "WE CANNOT BUT BE APPALLED BY THE FICKLENESS OF HIS POLICY."

IN THE LDP, A VIEW CALLING FOR DISCONTINUING ITS ALLIANCE WITH THE SDP AND SAKIGAKE IS NOW OPENLY TALKED ABOUT. THE BUD OF DISTRUST IN THE LDP WILL LIKELY GROW BIGGER.

OZAWA REELECTED SHINSHINTO HEAD AS NEGATIVE CHOICE TO AVOID PARTY BREAKUP (ASAHI - PAGE 2)

ICHIRO OZAWA WAS REELECTED AS THE PRESIDENT OF THE SHINSHINTO (NEW FRONTIER PARTY), THE LARGEST OPPOSITION PARTY SUFFERING FROM LOW POPULARITY. BEHIND OZAWA'S WAFFLE-THIN VICTORY DESPITE GROWING DISCONTENT WITH HIS MANAGEMENT STYLE LIES SHINSHINTO MEMBERS' MENTALITY TO "CONTINUE THE OZAWA STRUCTURE FOR THE TIME BEING IN ORDER

TO WARD OFF CREATING A SITUATION THAT WILL LEAD TO A BREAKUP OF THE PARTY." THEIR DECISION CAN SAID TO BE A PASSIVE ONE MIRRORING TODAY'S SHINSHINTO, WHICH IS IN THE DOLDRUMS. OZAWA INTENDS TO BEGIN SELECTING A NEW LINEUP OF PARTY EXECUTIVES FOR TURNING THE PARTY INTO AN "OZAWA PARTY" UNDER THE REFORM BANNER. NEVERTHELESS, HIS CONTENDER, MICHIIHIKO KANO'S STRONG ACHIEVEMENT -- HE COLLECTED OVER 40 PERCENT OF VOTES -- CAN BE TAKEN AS THE ESTABLISHMENT OF AN "ANTI-OZAWA PARTY" WITHIN THE PARTY. DISSOLVING DISCORD BETWEEN THE TWO SEEMS DIFFICULT. THE SHINSHINTO IS STILL BEING EXPOSED TO THE DANGER OF A BREAKUP.

SINCE AROUND THIS FALL, THE MOOD OPTIMISTIC ABOUT ACHIEVING VICTORY IN NEXT YEAR'S UPPER HOUSE ELECTION UNDER PRESIDENT OZAWA HAS SPREAD IN THE SHINSHINTO, CENTERING ON FORMER KOMEITO AND LABOR UNION MEMBERS. SENSING THE ATMOSPHERE, KATO FOCUSED ON OZAWA'S RESPONSIBILITY FOR THE PARTY'S DECLINING SURVIVABILITY AND ADOPTED THE POLICY LINE OF CONSOLIDATING OPPOSITION PARTIES IN AN ATTEMPT TO TURN CRITICISM AND DISCONTENT ABOUT OZAWA INTO A "KANO CALL."

MEANWHILE, THE OZAWA CAMP BEATEDLY KICKED OFF NEGATIVE YET POWERFUL "MR. KAN-LACKS-POWER" CAMPAIGN, WHILE BRANDISHING THE POSSIBILITY OF DISSOLVING THE PARTY TO FORM A NEW PATY. HIS CAMP INSISTED THAT IN ORDER TO WEATHER HE CRITICAL POLITICAL SITUATION, RELYING ON OZAW'S CAPABILITY WAS THE ONLY OPTION.

AS THE VOTIN DAY DREW NEAR' SUCH AN APPROACH OF THE OZAWA CAM PROVED "EFFECTIVE" GRADUALLY. ABOVE ALL, IN TH FORMER KOMEITO GROUP, WHICH HAD DECIDED TO LET IT MEMBER VOTE FREELY AT THEIR OWN WILL, UNEASINES WAS EVIDENT, FEARING THAT IF KANO WON THE RACE, OZAWA WOULD DUMP THE SHINSHINTO, INCLUDING THE KOEITO GROUP, AND MARCH TOWARD FORMING A NEW "CONSRVATIVE-CONSERVATIVE PARTY." IT CAN BE SAID THA THE "RETURNING TO OZAWA UNCLAS SECTION 05 OF 09 TOKYO 010862

USIA

FOR: USIA D/P, I/GEA, I/RF, I/RFW, EA, R/MR; 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; JUSTICE FOR STU CHEMTOB IN ANT-TRUST DIVISION; COMMERCE FOR JEAN GRIER IN GENERAL COUNCIL'S OFFICE, DAS; USCINCPAC/PA; CINCPAC FLT/PA; COMNAVFORJAPAN/PA.

E.O. 12958: N/A

SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS DECEMBER 19

THEORY" GAINED GROUND HELPED BY THE MOOD, "WE ARE FED UP WITH OZAWA BUT KANO IS SOMEWHAT UNDEPENDABLE" (FORMER KOMEITO MEMBER).

IN A PRESS MEETING AFTER HIS VICTORY BECAME CERTAIN, OZAWA INDICATED THAT HE WOULD CONSOLIDATE FORCES BASED ON THE PARTY'S BASIC CONCEPT FOR A JAPAN REVIVAL. IT WAS HIS DE FACTO DECLARATION TO ASSUME GREATER POWER IN RUNNING THE PARTY.

LAST NIGHT, OZAWA ATTENDED A CONGRATULATORY PARTY HELD BY FIRST-TERM MEMBERS. THERE, HE REMARKED, "WE HAVE A LOT OF THINGS TO DO. THERE STILL REMAINS A PART THAT NEEDS TO BE SETTLED." SEEMINGLY, HE HAS A SCENARIO TO PRESS THE KOMEITO GROUP AND KATO TO TAKE A "LITMUS TEST" IN PICKING NEW PARTY EXECUTIVES AND DETERMINING POLICY IN ORDER TO EVENTUALLY DRIVE THEM OUT FROM THE PARTY.

ON THE OTHER HAND, KANO HAS MADE IT CLEAR THAT HE WOULD COOPERATE WITH OZAWA. BUT A FORMER KOMEITO MEMBER STILL REVEALED A BULLISH POISE, REMARKING, "IF MR. OZAWA DETERMINES TO TAKE AN ALL-PARTY STRUCTURE, WE WILL COOPERATE. BUT IF HE TRIES TO REMOVE THE KOMEITO GROUP, WE WILL ENGAGE IN DO-OR-DIE RESISTANCE." WHAT THE KOMEITO GROUP IS WATCHING PARTICULARLY CLOSELY IS THE TREATMENT OF EXECUTIVE COUNCIL CHAIRMAN TAKENORI KANZAKI (FORMER KOMEITO GROUP LEADER), WHO WAS THE ONLY ONE WHO BACKED KANO AMONG THE FIVE TOP PARTY OFFICERS.

THERE IS OPINION AMONG THOSE CLOSE TO HIM THAT OZAWA SHOULD MAKE THE SHINSHINTO INTO A NEW "OZAWA PARTY" WITH LIKE-MINDED MEMBERS IN ORDER TO DEAL WITH POLITICAL ISSUES MORE FLEXIBLY. THE PARTY PRESIDENTIAL ELECTION HAS WIDENED THE FISSURE IN THE PARTY. INFIGHTING IS LIKELY TO BEGIN ITS THE NEXT ROUND IN THE NOT TOO DISTANT FUTURE.

WITH OZAWA'S REELECTION, ALARMS RAISED ABOUT REVIVAL OF CONSERVATIVE ALLIANCE MOOD IN LDP
(TOKYO SHIMBUN - PAGE 2)

IN THE WAKE OF ICHIRO OZAWA'S REELECTION YESTERDAY AS THE SHINSHINTO (NEW FRONTIER) PRESIDENT, LIBERAL DEMOCRATIC PARTY (LDP) SECRETARY GENERAL KOICHI KATO AND OTHER EXECUTIVES HAVE PREDICTED: "OZAWA OVERTONES WILL BECOME CLEARER BECAUSE HIS 'CONSERVATIVE-CONSERVATIVE' POLICY LINE WAS VIRTUALLY APPROVED IN THE ELECTION." THEY ALSO THINK THE SHINSHINTO WILL SHAKE THE HASHIMOTO ADMINISTRATION BY APPROACHING FORMER CHIEF CABINET SECRETARY SEIROKU KAJIYAMA AND OTHERS TO STRENGTHEN TIES WITH THE "CONSERVATIVE-CONSERVATIVE" GROUP IN THE LDP.

AT PRESENT, IN THE LDP, THE CONSERVATIVE-CONSERVATIVE GROUP IS PRESSING HARD THE ANTI-CONSERVATIVE-CONSERVATIVE GROUP, SEEING A POLICY SWITCH FROM THE FISCAL RECONSTRUCTION POLICY DIRECTION OVER ECONOMIC MEASURES. UNDER SUCH CIRCUMSTANCES, THE PARTY LEADERSHIP IS PARTICULARLY ALARMED AGAINST THE SHINSHINTO.

KATO HAS REMARKED TO THE PRESS: "WE WANT TO CARRY OUT A POLICY DEBATE AT THE DIET AS THE LARGEST RULING AND OPPOSITION PARTIES." HE ALSO STRESSED THAT THE LDP WOULD

NOT CHANGE ITS ANTAGONISTIC STANCE TOWARD THE SHINSHINTO AND THAT IT WOULD NOT LEAN TOWARD THE CONSERVATIVE-CONSERVATIVE POLICY LINE.

THE LDP INTENDS TO WATCH CLOSELY FOR THE TIME BEING HOW OZAWA WILL DETERMINE SHINSHINTO EXECUTIVES. MANY LDP MEMBERS THINK THAT OZAWA WILL GIVE KEY "CONSERVATIVE-CONSERVATIVE POSTS" TO HIS AIDES (SENIOR MEMBER).

AT THE SAME TIME, THE LDP ANALYZES THAT THE PARTY UNCLAS SECTION 06 OF 09 TOKYO 010862

USIA

FOR: USIA D/P, I/GEA, I/RF, I/RFW, EA, R/MR; 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; JUSTICE FOR STU CHEMTOB IN ANT-TRUST DIVISION; COMMERCE FOR JEAN GRIER IN GENERAL COUNCIL'S OFFICE, DAS; USCINCPAC/PA; CINCPAC FLT/PA; COMNAVFORJAPAN/PA.

E.O. 12958: N/A

SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS DECEMBER 19

PRESIDENTIAL ELECTION HAS DEEPENED FISSURE IN THE PARTY BEYOND REPAIR. SOME HAS PREDICTED THAT A BREAKUP WILL BEGIN EARLY, "THE LANDSLIDE WILL NOT STOP" (POLICY AFFAIRS RESEARCH COUNCIL CHAIRMAN TAKU YAMASAKI). THE LDP IS CONSIDERING MAKING CONTACT WITH THOSE WHO BACKED FORMER MANAGEMENT AND COORDINATION AGENCY DIRECTOR GENERAL MICHIIHIKO KANO IN AN EFFORT TO "WOO THEM AWAY" FROM THE SHINSHINTO.

FORMER PRIME MINISTERS HATA AND HOSOKAWA AGREE TO FORM NEW LOWER HOUSE GROUP (TOKYO SHIMBUN - PAGE 2)

FORMER PRIME MINISTER MORIHIRO HOSOKAWA AND TAIYO PARTY HEAD TSUTOMU HATA HELD A CONVERSATION YESTERDAY AFTERNOON IN TOKYO. THE TWO EXCHANGED VIEWS ON HOW TO PULL TOGETHER OPPOSITION FORCES NOW THAT ICHIRO OZAWA HAS WON RE-ELECTION AS SHINSHINTO (NEW FRONTIER PARTY) PRESIDENT.

IN THE MEETING, HOSOKAWA INSISTED ON PROMOTING THE FORMING OF A FEDERATION OF POLITICAL PARTIES, ENVISAGING A POSSIBILITY OF CREATING A NEW PARTY SOMETIME IN THE FUTURE. IN RESPONSE, HATA SAID, "I THINK IT A GOOD IDEA TO FORM A UNIFIED GROUP, FIRST OF ALL, TOGETHER WITH THOSE WHO WANT TO DO SO." THE TWO REACHED AN ACCORD ON A POLICY DIRECTION TO ORGANIZE A UNIFIED GROUP WITHIN THE YEAR, IN COOPERATION WITH THE TAIYO PARTY AND INDEPENDENT LEGISLATORS WHO DEFECTED FROM THE SHINSHINTO.

GOVERNMENT FEARS NAGO REFERENDUM ON HELIPORT MAY DERAIL FUTENMA REVERSION PROCESS (ASAHI - PAGE 7)

THE FUTURE COURSE OF THE PLANNED CONSTRUCTION OF A SEA-

BASED HELIPORT AS AN ALTERNATIVE FACILITY TO REPLACE THE U.S. FORCES' FUTENMA AIR STATION IN OKINAWA PREFECTURE WILL BE SUBSTANTIALLY AFFECTED BY NAGO CITY'S REFERENDUM OF ITS RESIDENTS SCHEDULED FOR THE 21ST. THE GOVERNMENT IS NOW ANALYZING THE SITUATION AND HOLDING CONSULTATIONS ABOUT HOW TO COPE WITH THE SITUATION AFTER THE CITIZENS' VOTING. EXPECTED DEVELOPMENTS ARE ...

CASE 1: MAJORITY AGAINST HELIPORT CONSTRUCTION

IN THE REFERENDUM, NAGO CITY'S RESIDENTS ARE TO PICK ONE FROM AMONG FOUR OPTIONAL OPINIONS: (1) "I AM FOR THE HELIPORT CONSTRUCTION PLAN"; (2) "I AM FOR THE HELIPORT CONSTRUCTION PLAN BECAUSE ENVIRONMENTAL MEASURES AND ECONOMIC EFFECTS CAN BE EXPECTED"; (3) "I AM AGAINST THE HELIPORT CONSTRUCTION PLAN"; AND (4) "I AM AGAINST THE HELIPORT CONSTRUCTION PLAN BECAUSE ENVIRONMENTAL MEASURES AND ECONOMIC EFFECTS CANNOT BE EXPECTED." THE CITY OF NAGO HAS AN ELIGIBLE VOTING POPULATION OF ABOUT 38,500. IN CASE THE TOTAL NUMBER OF ANTI-HELIPORT VOTES PICKING (3) AND (4) IS MARKEDLY LARGER THAN THAT OF PRO-HELIPORT VOTES CHOOSING (1) AND (2), IT WOULD BE DIFFICULT FOR NAGO CITY'S MAYOR TETSUYA HIGA TO MAKE UP HIS MIND TO ACCEPT THE HELIPORT PLAN. AS FOR WHAT WILL COME OUT IN THAT CASE, JAPAN DEFENSE AGENCY DIRECTOR GENERAL FUMIO KYUMA HAS REITERATED THAT "FUTENMA REVERSION WILL GET RIGHT BACK TO THE STARTING POINT." THE GOVERNMENT WILL THEN HAVE NO CHOICE BUT TO RETURN THE HELIPORT PLAN TO A CLEAN SLATE AND WORK IT OUT OVER AGAIN FROM THE START.

HOWEVER, THE OFFSHORE HELIPORT PLAN WAS THOUGHT OUT AS A MEANS OF LAST RESORT FROM THE START. THE IDEA OF CONSOLIDATING THE FUTENMA AIRFIELD'S FUNCTIONS INTO KADENA AIR BASE FACED THE LOCAL MUNICIPALITY'S STRONG OPPOSITION. THE GOVERNMENT LOOKED ALSO INTO THE POSSIBILITY OF RELOCATION TO IE-JIMA, AN ISLAND SITUATED WEST OF THE MAIN ISLAND OF OKINAWA, BUT THE U.S. MILITARY FROWNED ON THAT IDEA. WHILE MAKING IT A BASIC PRINCIPLE TO RELOCATE THE AIRFIELD'S FUNCTIONS TO SOMEWHERE IN OKINAWA PREFECTURE, THE GOVERNMENT IS EYEING BASE UNCLAS SECTION 07 OF 09 TOKYO 010862

USIA

FOR: USIA D/P, I/GEA, I/RF, I/RFW, EA, R/MR; 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; JUSTICE FOR STU CHEMTOB IN ANT-TRUST DIVISION; COMMERCE FOR JEAN GRIER IN GENERAL COUNCIL'S OFFICE, DAS; USCINCPAC/PA; CINCPAC FLT/PA; COMNAVFORJAPAN/PA.

E.O. 12958: N/A

SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS DECEMBER 19

REALIGNMENT AND REDUCTION. BUT ITS OKINAWA BASE POLICY WILL BE DEADLOCKED THEN.

EVEN THOUGH THE GOVERNMENT MAY CHOOSE TO GO AHEAD WITH RELOCATION TO SOMEWHERE OUTSIDE OKINAWA PREFECTURE, THE U.S. MILITARY DOES NOT WANT THE FUTENMA-BASED HELIBORNE AND GROUND TROOPERS TO BE SEPARATED OFF. WHEN PRECONDITIONED ON THIS PROPOSAL FROM THE U.S. SIDE, THE MARINES STATIONED THERE WILL HAVE TO BE MOVED ENTIRELY. A SENIOR JDA OFFICIAL FEARS: "WE'RE GOING TO BE BOGGED DOWN."

CASE 2: CLOSE CONTEST

EVEN IF ANTI-HELIPORT RESIDENTS HOLD A MAJORITY, THE GOVERNMENT IS EXPECTING MAYOR HIGA TO MAKE UP HIS MIND TO ACCEPT THE HELIPORT CONSTRUCTION PLAN IN CASE THE MARGIN IS NARROW. ONE IN THE GOVERNMENT SAYS, "IF THE MARGIN IS LESS THAN 1,000 VOTES, THERE WILL BE A POSSIBILITY OF THE HELIPORT PLAN BEING ACCEPTED." ANOTHER GOVERNMENT OFFICIAL ALSO SAYS, "EVEN IF THERE IS A MARGIN OF 2,000 VOTES, THAT'S STILL POSSIBLE."

SUCH VIEWS ARE BASED ON THEIR INTERPRETATION THAT CONDITIONAL ANTI-HELIPORT VOTES -- AS IN THE CASE OF (4) -- CAN BE TAKEN EVEN AS "I AM FOR THE HELIPORT CONSTRUCTION PLAN IF ECONOMIC EFFECTS CAN BE EXPECTED AND IF OTHER CONDITIONS ARE PREPARED." HOWEVER, THERE IS NO KNOWING IF MAYOR HIGA WILL MAKE IT OUT IN THAT WAY. EVEN IN THE CASE OF ACCEPTING THE HELIPORT PLAN, THE MAYOR WILL INEVITABLY HAVE TO GIVE AN EXPLANATION CONVINCING TO THE CITIZENS AND THE CITY'S MUNICIPAL ASSEMBLY.

CASE 3: MAJORITY FOR HELIPORT CONSTRUCTION

IN CASE THE TOTAL NUMBER OF VOTES FOR THE HELIPORT CONSTRUCTION PLAN AS IN (1) AND VOTES CONDITIONALLY FOR IT AS IN (2) IS MORE THAN HALF, EVEN SLIGHTLY, THAT MEANS A "GO SIGN" FOR THE PLANNED CONSTRUCTION OF AN OFFSHORE HELIPORT. IN THIS CASE, THE GOVERNMENT WILL SET ABOUT CREATING AN IMPLEMENTING PLAN AFTER MAYOR HIGA AND OTHER LOCAL GOVERNMENT AUTHORITIES ANNOUNCE THEIR ACCEPTANCE OF THE HELIPORT PLAN, AND THEN THE GOVERNMENT WILL START CONSTRUCTION WORK AT AN EARLY DATE.

EVEN SO, HOWEVER, THE LOCALS' ANTI-HELIPORT CAMPAIGN WILL NOT END. ONE IN THE DEFENSE FACILITIES ADMINISTRATION AGENCY, WHICH IS ACTUALLY IN CHARGE OF THE ISSUE, SAYS: "WE'RE STILL LIKELY TO BE TROUBLED FURTHER. IT MIGHT BE DIFFICULT TO IMPLEMENT THE JAPAN-U.S. INTERGOVERNMENTAL AGREEMENT ON FUTENMA REVERSION IN 5 TO 7 YEARS."

DEFENSE BUDGET REQUEST SETTLED AT MINUS 0.25 PERCENT, FIRST MINUS GROWTH SINCE 1955 (NIHON KEIZAI - PAGE 2)

AS A RESULT OF CABINET-LEVEL NEGOTIATIONS YESTERDAY BETWEEN FINANCE MINISTER HIROSHI MITSUZUKA AND DEFENSE AGENCY (JDA) DIRECTOR GENERAL FUMIO KYUMA, DEFENSE SPENDING FOR FISCAL 1998 WAS SET AT MINUS 0.25 PERCENT GROWTH COMPARED TO THE INITIAL BUDGET IN FISCAL 1997, OR

A DROP OF 12.4 BILLION YEN. THE TOTAL BUDGET WILL BE 4.9729 TRILLION YEN. PERSONNEL COSTS WILL BE CONSTRAINED BY LOWERING THE STAFF PAY INCREASE, WHICH HAD PREVIOUSLY BEEN CALCULATED AS 1 PERCENT, TO 0.5 PERCENT. THIS IS THE FIRST TIME FOR THE DEFENSE BUDGET TO EXPERIENCE NEGATIVE GROWTH, COMPARED TO THE PREVIOUS YEAR'S INITIAL BUDGET, SINCE FISCAL 1955.

IN THE CABINET NEGOTIATION, JDA DIRECTOR GENERAL KYUMA REQUESTED THAT THE BUDGET BE 4.9744 TRILLION YEN, OR THE SAME AMOUNT AS LAST FISCAL YEAR. MINISTER MITSUZUKA, CITING THAT THE PROMOTION OF FISCAL STRUCTURE REFORM WAS UNCLAS SECTION 08 OF 09 TOKYO 010862

USIA

FOR: USIA D/P, I/GEA, I/RF, I/RFW, EA, R/MR; 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; JUSTICE FOR STU CHEMTOB IN ANT-TRUST DIVISION; COMMERCE FOR JEAN GRIER IN GENERAL COUNCIL'S OFFICE, DAS; USCINCPAC/PA; CINCPAC FLT/PA; COMNAVFORJAPAN/PA.

E.O. 12958: N/A

SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS DECEMBER 19

THE URGENT TASK, PROPOSED THAT THERE BE A REDUCTION BY 0.25 PERCENT, BY REVISING THE METHOD OF CALCULATING THE PAY IMPROVEMENT OUTLAYS. KYUMA AGREED, ASSURED THAT THERE WOULD BE NO EFFECT ON GENERAL PURCHASING, SUCH AS FRONT-LINE EQUIPMENT. THE LIBERAL DEMOCRATIC PARTY, WHICH HAD REQUESTED THE SAME BUDGET AMOUNT AS THE PREVIOUS YEAR, CONCURRED WITH THE 0.25 PERCENT REDUCTION.

ON THE OTHER HAND, JDA WILL ASK THE FINANCE MINISTRY TO PLACE EXPENDITURES RELATED TO SACO OR THE JAPAN-U.S. SPECIAL ACTION COMMITTEE FOR OKINAWA, INVOLVING THE CONSOLIDATION, REALIGNMENT AND REDUCTION OF BASES ON OKINAWA, IN A SPECIAL BUDGETARY FRAMEWORK. THE REQUESTED AMOUNT IS APPROXIMATELY 20 BILLION YEN, INCLUDING PROPOSALS IN THE FISCAL 1997 SUPPLEMENTARY BUDGET AND THE FISCAL 1998 BUDGET. AT 13.3 BILLION YEN, THIS WOULD BE A MAJOR INCREASE OVER THE COMBINED AMOUNT IN THE FISCAL 1996 SUPPLEMENTARY BUDGET AND THE FISCAL 1997 INITIAL BUDGET.

GOVERNMENT AUTHORIZES DRAFTING OF ANOTHER 3-YEAR DEREGULATION PLAN, AS OLD ONE EXPIRES (YOMIURI - PAGE 2)

THE GOVERNMENT DECIDED YESTERDAY THAT IT WOULD COMPILE WITHIN THIS FISCAL YEAR A NEW DEREGULATION PROMOTION PLAN COVERING THREE YEARS STARTING IN FISCAL 1998 TO REPLACE THE EXISTING PLAN, WHICH EXPIRES AT THE END OF THIS FISCAL YEAR. THE PLAN SPECIFIES SECTOR-SPECIFIC DEREGULATORY ITEMS AND THEIR IMPLEMENTATION SCHEDULE. THE IDEA FOR THE NEW PLAN WILL BE SUBMITTED AT A CABINET

MEETING TODAY.

THE GOVERNMENT INTRODUCED THE PRESENT DEREGULATION PROMOTION PACKAGE IN MARCH 1995. THE PLAN WAS REVISED AT THE END OF EVERY FISCAL YEAR IN ACCORDANCE WITH THE STATE OF PROGRESS OF DEREGULATORY MEASURES. PRIME MINISTER HASHIMOTO HAS JUDGED IT NECESSARY TO CONTINUE DEREGULATORY STEPS BY PREPARING A NEW SYSTEM, IN AN EFFORT TO STREAMLINE ADMINISTRATIVE ORGANIZATIONS FURTHER THROUGH REORGANIZATION OF CENTRAL GOVERNMENT OFFICES.

THE ADMINISTRATIVE REFORM COUNCIL (CHAIRER BY YOTARO IIDA), WHICH MONITORED PROGRESS IN IMPLEMENTATION OF DEREGULATORY MEASURES, WAS DISBANDED ON THE 18TH. FOLLOWING THIS, THE GOVERNMENT INTENDS TO ESTABLISH A "DEREGULATION COMMITTEE" (TENTATIVE NAME), COMPOSED OF BUSINESSMEN AND EXPERTS, AS A TRANSITIONAL PANEL UNDER THE ADMINISTRATIVE REFORM PROMOTION HEADQUARTERS OF ALL CABINET MEMBERS IN JANUARY 1998. THIS COMMITTEE WOULD BE RESPONSIBLE FOR OFFERING ADVICE AND HAVING OVERSIGHT. THE GOVERNMENT AIMS TO SET UP THE NEW PANEL TO SUCCEED THE ACTIVITIES OF THE ADMINISTRATIVE REFORM COUNCIL IN EARLY 1998.

U.S. FLEXIBLE STANCE IN CIVIL AVIATION TALKS COULD PRODUCE AN AGREEMENT IN NEXT ROUND (MAINICHI - PAGE 9)

IN JAPAN-UNITED STATES VICE MINISTER-LEVEL OFFICIAL CIVIL AVIATION TALKS YESTERDAY (KASUMIGASEKI, TOKYO), BOTH SIDES DISCUSSED LIMITATION OF JOINT OPERATIONS AND OTHER ISSUES, BUT THEY FAILED TO REACH A CONSENSUS. THE NEXT ROUND OF TALKS WILL BE HELD IN WASHINGTON STARTING ON JANUARY 20. ALTHOUGH BOTH SIDES REMAIN FAR APART, THEY ARE EXPECTED TO REACH AN AGREEMENT IN OUTLINE IN THE NEXT SESSION AS THE U.S. HAS BEGUN TO TAKE A FLEXIBLE STANCE.

IN YESTERDAY'S SESSION, THE U.S. INDICATED A WILLING TO ACCEPT JAPAN'S PROPOSAL TO REQUIRE THE U.S. TO OBTAIN JAPAN'S AGREEMENT WHEN IT INITIATES JOINT OPERATIONS WITH THIRD COUNTRIES. ON JOINT OPERATIONS BY AMERICAN CARRIERS, HOWEVER, JAPAN EXPRESSED CONCERN ABOUT THE UNCLAS SECTION 09 OF 09 TOKYO 010862

USIA

FOR: USIA D/P, I/GEA, I/RF, I/RFW, EA, R/MR; 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; JUSTICE FOR STU CHEMTOB IN ANT-TRUST DIVISION; COMMERCE FOR JEAN GRIER IN GENERAL COUNCIL'S OFFICE, DAS; USCINCPAC/PA; CINCPAC FLT/PA; COMNAVFORJAPAN/PA.

E.O. 12958: N/A

SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS DECEMBER 19

POSSIBILITY OF SUCH OPERATIONS LEADING TO AN OLIGOPOLY.
THE U.S. PROPOSED LIBERALIZING ROUTES BETWEEN LOCAL
AIRPORTS OF THE TWO COUNTRIES AS A MEASURE TO PROVIDE
GREATER OPPORTUNITY FOR LATECOMER CARRIERS, ON WHICH
RESTRICTIONS HAVE BEEN PLACED REGARDING ROUTES AND THE
NUMBER OF FLIGHTS, BUT JAPAN ARGUED, "THAT MEANS THE
VIRTUAL ACCEPTANCE OF AN OPEN SKIES FORMULA," LEAVING A
GAP BETWEEN THEM.

IN THE PAST SESSIONS, THE TWO COUNTRIES GENERALLY AGREED
TO INCLUDE ALL NIPPON AIRWAYS (ANA) IN THE INCUMBENT
CARRIER GROUP, WHICH IS FREE FROM ANY RESTRICTIONS ON
OPERATION ROUTES AND THE NUMBER OF FLIGHTS, ALLOWING BOTH
SIDES TO HAVE TWO FAVORED AIRLINES EACH. CRANE

SECT: SECTION: 01 OF 09

<^SECT>SECTION: 02 OF 09
<^SECT>SECTION: 03 OF 09
<^SECT>SECTION: 04 OF 09
<^SECT>SECTION: 05 OF 09
<^SECT>SECTION: 06 OF 09
<^SECT>SECTION: 07 OF 09
<^SECT>SECTION: 08 OF 09
<^SECT>SECTION: 09 OF 09

SSN: 0862

<^SSN>0862
<^SSN>0862
<^SSN>0862
<^SSN>0862
<^SSN>0862
<^SSN>0862
<^SSN>0862
<^SSN>0862

TOR: 971218231635 M3077509

<^TOR>971218231721 M3077510
<^TOR>971218231807 M3077511
<^TOR>971218232010 M3077514
<^TOR>971218231923 M3077512
<^TOR>971218232009 M3077513
<^TOR>971218232026 M3077515
<^TOR>971218232116 M3077516
<^TOR>971218232131 M3077517

DIST:

SIT: NSC

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
002. cable	Re: Nago Referendum - Draft Press Guidance (3 pages)	12/19/1997	P1/b(1)

COLLECTION:

Clinton Presidential Records
NSC Cables
Jan 1997-Dec 1998 ([Futenma])
OA/Box Number: 520000

FOLDER TITLE:

[12/19/1997 - 12/23/1997]

2016-0420-F
sb1919

RESTRICTION CODES

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

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

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.

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]

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
003. cable	Re: Economics (2 pages)	12/19/1997	P1/b(1)

COLLECTION:

Clinton Presidential Records
NSC Cables
Jan 1997-Dec 1998 ([Futenma])
OA/Box Number: 520000

FOLDER TITLE:

[12/19/1997 - 12/23/1997]

2016-0420-F
sb1919

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]

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
004. cable	Re: Fiscal Outlays, Futenma (2 pages)	12/19/1997	P1/b(1)

COLLECTION:

Clinton Presidential Records
NSC Cables
Jan 1997-Dec 1998 ([Futenma])
OA/Box Number: 520000

FOLDER TITLE:

[12/19/1997 - 12/23/1997]

2016-0420-F
sb1919

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 RUEHCAA8049 3540358-UUUU--RHEHNSC.
LINE2: ZNR UUUUU ZZH
LINE3: O P 200353Z DEC 97
LINE4: FM SECSTATE WASHDC
OSRI: RUEHC
DTG: 200353Z DEC 97
ORIG: SECSTATE WASHDC
TO: ALL EAST ASIAN AND PACIFIC DIPLOMATIC POSTS IMMEDIATE
RUEHIA/USIA WASHDC PRIORITY 3949
RHEHNSC/NSC WASHDC PRIORITY 7437
RUCNDT/USMISSION USUN NEW YORK PRIORITY 0959
RUATNPP/AMCONSUL PUSAN IMMEDIATE 5642
RUEHKOF/AMCONSUL FUKUOKA IMMEDIATE 7768
RUEHKON/AMCONSUL NAGOYA IMMEDIATE 1241
RUEHOK/AMCONSUL OSAKA KOBE IMMEDIATE 4378
RUEHKOS/AMCONSUL SAPPORO IMMEDIATE 6703
RUHBBMA/AMCONSUL NAHA IMMEDIATE 1406
INFO: RUEHLO/AMEMBASSY LONDON PRIORITY 6935
RUEHFR/AMEMBASSY PARIS PRIORITY 6480
RUEHMO/AMEMBASSY MOSCOW PRIORITY 8173
RUEHVEN/USMISSION USVIENNA PRIORITY
RUEHOL/AMEMBASSY BONN PRIORITY 7771
RUEHGV/USMISSION GENEVA PRIORITY 3028
RUEHLE/AMEMBASSY LUXEMBOURG PRIORITY 1643
RUEHNE/AMEMBASSY NEW DELHI PRIORITY 0459
RUEKJCS/SECDEF WASHDC//USDP PRIORITY 9862
RHHMUNA/USCINCPAC HONOLULU HI PRIORITY
RUAGAMS/COMUSKOREA SEOUL KS//CC/BJ/GJ/EJ/PAJ/SJS// PRIORITY
RUAGAMS/CHJUSMAG SEOUL KS PRIORITY
RUAGAMS/SACINCUNC KS PRIORITY
RUAGAMS/USCINCUNC SEOUL KS PRIORITY
RHHMBRA/CINCPACELT HI PRIORITY
RUEKJCS/JOINT STAFF WASHDC PRIORITY 5674
SUBJ: DECEMBER 19, 1997 PRESS GUIDANCES FOR THE EAP
REGION

ALL POSTS -- ALSO FOR USIS
SEODEF -- ALSO FOR OASD/PA

TEXT:

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

UNCLAS SECTION 01 OF 05 STATE 238049

USIA FOR EA; TOKYO FOR YAMAUCHI; MOSCOW FOR ANDERTON

E.O. 12958: N/A

TAGS: OPRC, XE, US

SUBJECT: DECEMBER 19, 1997 PRESS GUIDANCES FOR THE EAP

REGION

ALL POSTS -- ALSO FOR USIS
SEODEF -- ALSO FOR OASD/PA
USCINOPAC FOR FPA TEARE
USVIENNA FOR UNVIE

1. INDEX

--SOUTH KOREA: ELECTION STATEMENT (PARAS 2 AND 3)
--JAPAN: OKINAWA REFERENDUM (PARAS 4 AND 5)
--VIETNAM: JACKSON-VANIK WAIVER (PARAS 7 AND 7-9)
--NORTH KOREA: FOOD SITUATION/AID (PARAS 8 AND 10)
--JAPAN-RUSSIA: NORTHERN TERRITORIES ISSUE (PARAS 8
AND 11)
--CAMBODIA: POSTPONEMENT OF ELECTION (PARAS 8 AND 12)
--UN: US ARREARS AND SCALE OF ASSESSMENTS (PARAS 8 AND 13)
--UN: 1998-99 REGULAR PROGRAM BUDGET (PARAS 8 AND 14)

2. THE FOLLOWING PRESS GUIDANCE WAS PREPARED ON 12/19/97
THE FIRST ANSWER WAS USED BY DEPUTY SPOKESMAN JAMES B.

FOLEY AT THE DAILY PRESS BRIEFING. POSTS MAY DRAW FROM THE
REMAINDER OF THE GUIDANCE ON AN IF ASKED BASIS.

3. SOUTH KOREA: ELECTION STATEMENT

CONTEXT: KIM DAE-JUNG HAS WON THE KOREAN PRESIDENTIAL ELECTION.
OTHER CANDIDATES HAVE ISSUED CONCESSION STATEMENTS. UNDER THE
KOREAN CONSTITUTION, THE NEW PRESIDENT WILL BE SWORN-IN ON
FEBRUARY 25.

Q: DO YOU HAVE ANY COMMENT ON THE ELECTION IN KOREA?

A: WE CONGRATULATE KIM DAE-JUNG ON HIS VICTORY IN
YESTERDAY'S ELECTION. MR. KIM IS WELL KNOWN AS A
SUPPORTER OF STRONG RELATIONS BETWEEN THE UNITED STATES AND
KOREA AND HE HAS MANY FRIENDS HERE. WE LOOK FORWARD TO
WORKING WITH HIM IN THE FUTURE.

WE ALSO CONGRATULATE THE PEOPLE OF KOREA, WHO ONCE
AGAIN HAVE DEMONSTRATED THEIR IMPRESSIVE COMMITMENT TO THE
DEMOCRATIC PROCESS. THIS IS THE THIRD FREE PRESIDENTIAL
ELECTION SINCE THE END OF MILITARY RULE AND THE FIRST TO
INVOLVE A TRANSFER OF POWER FROM ONE POLITICAL PARTY TO
ANOTHER.

Q: WHAT IMPACT WILL THE ELECTIONS HAVE ON KOREA'S
AGREEMENT WITH THE IMF?

A: MR. KIM PUBLICLY EXPRESSED HIS FULL SUPPORT FOR THE
AGREEMENT BEFORE THE ELECTION. HE REPEATED THIS COMMITMENT
AFTER THE ELECTION IN HIS PRESS CONFERENCE AND PRESS
STATEMENT. THE U.S. GOVERNMENT WELCOMES HIS PLEDGES OF
SUPPORT AND COMMENDS KOREA FOR HAVING ALREADY TAKEN
IMMEDIATE AND DIFFICULT STEPS TO IMPLEMENT THE PROGRAM.

THE U.S. HAS A MAJOR NATIONAL ECONOMIC AND SECURITY

INTEREST IN HELPING KOREA TO RESTORE MARKET STABILITY AS SOON AS POSSIBLE. THE BEST WAY TO ACHIEVE STABILITY IS TO DEMONSTRATE A CLEAR COMMITMENT TO IMPLEMENTING THE PROGRAM IN A TRANSPARENT AND DECISIVE MANNER.

WE STRONGLY SUPPORT THE EFFORTS OF KOREA AND THE IMF TO IMPLEMENT THE MEASURES AGREED TO IN THE IMF PROGRAM.
UNCLAS SECTION 02 OF 05 STATE 238049

USIA FOR EA; TOKYO FOR YAMAUCHI; MOSCOW FOR ANDERTON

E.O. 12958: N/A

TAGS: OPRC, XE, US

SUBJECT: DECEMBER 19, 1997 PRESS GUIDANCES FOR THE EAP REGION

4. THE FOLLOWING PRESS GUIDANCE WAS PREPARED ON 12/19/97 AND WAS USED BY DEPUTY SPOKESMAN JAMES B. FOLEY AT THE DAILY PRESS BRIEFING.

5. JAPAN: OKINAWA REFERENDUM

(BACKGROUND: IN NOVEMBER 1995 THE GOVERNMENTS OF THE UNITED STATES AND JAPAN ESTABLISHED THE SPECIAL ACTION COMMITTEE ON OKINAWA -- SACO -- TO ADDRESS LOCAL CONCERNS ASSOCIATED WITH THE U.S. MILITARY PRESENCE ON OKINAWA. ON DECEMBER 2, 1996, THE SACO FINAL REPORT RECOMMENDED WAYS TO REALIGN, CONSOLIDATE AND REDUCE U.S. FACILITIES AND AREAS, AND ADJUST OPERATIONAL PROCEDURES OF U.S. FORCES IN OKINAWA CONSISTENT WITH OUR RESPECTIVE OBLIGATIONS UNDER THE TREATY OF MUTUAL COOPERATION AND SECURITY AND RELATED AGREEMENTS. THE DECISION TO PURSUE A SEA-BASED FACILITY (SBF) WAS AN INTEGRAL PART OF THE SACO FINAL REPORT. SACO JUDGED THAT A SBF WAS THE BEST OPTION IN TERMS OF ENHANCED SAFETY AND QUALITY OF LIFE FOR THE OKINAWAN PEOPLE, WHILE MAINTAINING THE CRITICAL OPERATIONAL CAPABILITIES OF U.S. FORCES.)

Q: WHAT IS THE U.S. REACTION TO THE UPCOMING DECEMBER 21 NAGO REFERENDUM? DO YOU SUPPORT APPROVAL OF THE PROPOSED SEA-BASED FACILITY?

A: IN THE SPECIAL ACTION COMMITTEE ON OKINAWA (SACO) FINAL REPORT, THE GOVERNMENTS OF THE UNITED STATES AND JAPAN AGREED TO THE RETURN OF MARINE CORPS AIR STATION FUTENMA AFTER ADEQUATE REPLACEMENT FACILITIES WERE COMPLETED AND OPERATIONAL. WE REMAIN COMMITTED TO THE IMPLEMENTATION OF THE SACO FINAL REPORT.

THE SACO FINAL REPORT STATED THAT A REPLACEMENT FACILITY FOR FUTENMA AIR STATION MUST MAINTAIN THAT AIRFIELD'S CRITICAL OPERATIONAL FUNCTIONS AND CAPABILITIES. A SEA-BASED FACILITY COULD MEET THESE CRITERIA.

OF COURSE, WE WILL BE WATCHING THE OUTCOME OF THE VOTE, WHICH IS A DOMESTIC MATTER WITHIN JAPAN, WITH INTEREST.

6. THE FOLLOWING STATEMENT WAS RELEASED ON 12/18/97 BY THE WHITE HOUSE PRESS SECRETARY.

7. JACKSON-VANIK WAIVER FOR VIETNAM

THIS STATEMENT IS A RESPONSE TO QUESTIONS FROM THE PRESS REQUESTING A CLARIFICATION ON THE ADMINISTRATION'S INTENTION TO SEEK A JACKSON-VANIK WAIVER FOR VIETNAM.

AS ASSISTANT TO THE PRESIDENT SAMUEL BERGER STATED TODAY, THE ADMINISTRATION'S HIGHEST PRIORITY WITH VIETNAM REMAINS OBTAINING THE FULLEST POSSIBLE ACCOUNTING FOR OUR POW/MIA'S. AS WE HAVE STATED PREVIOUSLY, VIETNAMESE COOPERATION IN THIS ACCOUNTING EFFORT HAS BEEN EXCELLENT AND WE EXPECT THAT COOPERATION TO CONTINUE.

IN ADDITION, VIETNAM HAS ESTABLISHED A VERY SOLID RECORD ON IMPLEMENTATION OF EMIGRATION POLICIES, INCLUDING THE ORDERLY DEPARTURE PROGRAM. RECENTLY, VIETNAM ALSO SIGNED AN AGREEMENT TO FACILITATE THE IMPLEMENTATION OF THE RESETTLEMENT OPPORTUNITY FOR VIETNAMESE RETURNEES (ROVR) PROGRAM. VIETNAM HAS AGREED TO ELIMINATE THE REQUIREMENT THAT APPLICANTS FOR THE ROVR PROGRAM MUST HAVE AN EXIT VISA PRIOR TO BEING ALLOWED AN INTERVIEW WITH U.S. OFFICIALS OF THE IMMIGRATION AND NATURALIZATION SERVICE. THIS DECISION ALREADY HAS RESULTED IN SIGNIFICANT INCREASES IN THE NUMBER OF ROVR INTERVIEWS CONDUCTED BY INS. WE ANTICIPATE THAT AT UNCLAS SECTION 04 OF 05 STATE 238049

USIA FOR EA; TOKYO FOR YAMAUCHI; MOSCOW FOR ANDERTON

E.O. 12958: N/A

TAGS: OPRC, XE, US

SUBJECT: DECEMBER 19, 1997 PRESS GUIDANCES FOR THE EAP REGION

APPROXIMATELY \$52 MILLION IN HUMANITARIAN FOOD AID AND \$5 MILLION IN MEDICAL ASSISTANCE TO THE DPRK THROUGH INTERNATIONAL ORGANIZATIONS SUCH AS THE WORLD FOOD PROGRAM AND UNICEF.

WHILE WE REMAIN READY TO CONSIDER ADDITIONAL REQUESTS ON A HUMANITARIAN BASIS, THERE HAVE BEEN NO NEW APPEALS FROM THE WORLD FOOD PROGRAM AND OTHER RECOGNIZED INTERNATIONAL HUMANITARIAN ORGANIZATIONS AND NO DECISION TO PROVIDE ADDITIONAL ASSISTANCE AT THIS POINT. WE ARE PREPARED TO EVALUATE SERIOUSLY ANY SUCH REQUEST.

11. JAPAN-RUSSIA: NORTHERN TERRITORIES ISSUE

CONTEXT: JAPAN AND RUSSIA DISPUTE SOVEREIGNTY OF THE SOUTHERN KURIL ISLANDS/NORTHERN TERRITORIES, WHICH HAVE BEEN OCCUPIED BY SOVIET (NOW RUSSIAN) FORCES SINCE 1945. THE DISPUTE HAS BEEN AN OBSTACLE TO BETTER RELATIONS BETWEEN THE TWO COUNTRIES. ON NOVEMBER 1-2, JAPANESE PRIME MINISTER HASHIMOTO AND RUSSIAN PRESIDENT YELTSIN HELD AN INFORMAL SUMMIT IN THE SIBERIAN CITY OF KRASNOYARSK. THEY AGREED ON A SIX-POINT "HASHIMOTO-YELTSIN PLAN" TO IMPROVE BILATERAL ECONOMIC RELATIONS. UNEXPECTEDLY, THEY ALSO PUBLICLY ANNOUNCED AGREEMENT TO EXERT "BEST EFFORTS" TO CONCLUDE A

JAPAN-RUSSIA PEACE TREATY BY THE YEAR 2000 BASED ON THE TOKYO DECLARATION OF 1993. TO FOLLOW UP ON THE KRASNOYARSK SUMMIT, JAPAN AND RUSSIA WILL HOLD VICE-MINISTERIAL LEVEL TALKS IN JANUARY ON ECONOMIC COOPERATION. WE UNDERSTAND THAT THEY WILL FOCUS TO A MUCH LESSER DEGREE ON THE DIFFICULT PEACE TREATY AND NORTHERN TERRITORIES ISSUES SO AS NOT TO AROUSE STRONG NATIONALISTIC REACTIONS WHICH COULD DERAIL THE ECONOMIC PROGRESS MADE TO DATE. THE U.S. BACKS THE JAPANESE POSITION ON THE NORTHERN TERRITORIES, BUT AT THIS POINT PREFERS TO SEE JAPAN AND RUSSIA RESOLVE THE ISSUE BILATERALLY.

Q: (IF ASKED) WHAT IS THE U.S. POSITION ON THE "NORTHERN TERRITORIES" DISPUTE?

A: WE HAVE SEEN PRESS REPORTS THAT JAPAN AND RUSSIA WILL HOLD TALKS IN JANUARY TO FOLLOW-UP ON THE SUCCESSFUL MEETING LAST NOVEMBER BETWEEN PRIME MINISTER HASHIMOTO AND PRESIDENT YELTSIN. WE UNDERSTAND THAT THOSE TALKS WILL FOCUS ON ECONOMIC COOPERATION AND INCLUDE DISCUSSIONS ABOUT A PEACE TREATY AND THE NORTHERN TERRITORIES DISPUTE.

THE UNITED STATES IS NOT NEUTRAL ON THIS QUESTION. WE HAVE CONSISTENTLY SUPPORTED JAPAN ON IT. WE RECOGNIZE JAPANESE SOVEREIGNTY OVER THE ISLANDS. WE WELCOME JAPANESE AND RUSSIAN EFFORTS TO EXPAND AND STRENGTHEN THEIR BILATERAL RELATIONS AND ENCOURAGE THEIR LATEST EFFORTS TO PEACEFULLY RESOLVE THEIR DIFFERENCES.

12. CAMBODIA: POSTPONEMENT OF ELECTION

CONTEXT: REUTERS REPORTS THAT THE CAMBODIAN PARLIAMENT HAS VOTED TO DELAY THE ELECTION THAT HAD BEEN SCHEDULED FOR MAY 23 UNTIL JULY 26. EARLIER THIS WEEK, UN SYG KOFI ANNAN SUGGESTED THAT THE VOTE BE DELAYED IF PREPARATIONS FOR A FREE AND FAIR ELECTION COULD NOT BE COMPLETED IN TIME. WE ARE MORE CONCERNED ABOUT THE PROPER CONDITIONS BEING CREATED THAN THE DATE FOR A VOTE, BUT WE BELIEVE THAT THERE MUST BE AN ELECTION NEXT YEAR.

Q: WHAT IS YOUR REACTION TO THE REPORTED VOTE BY CAMBODIA'S PARLIAMENT TO DELAY THE ELECTION SCHEDULED FOR MAY 23, 1998 UNTIL JULY 26, 1998?

UNCLAS SECTION 05 OF 05 STATE 238049

USIA FOR EA; TOKYO FOR YAMAUCHI; MOSCOW FOR ANDERTON

E.O. 12958: N/A

TAGS: OPRC, XE, US

SUBJECT: DECEMBER 19, 1997 PRESS GUIDANCES FOR THE EAP REGION

A: THE U.S. BELIEVES IT IS ESSENTIAL THAT FREE AND FAIR ELECTIONS TAKE PLACE IN CAMBODIA IN 1998. WE AGREE THAT MUCH REMAINS TO BE DONE BEFORE A VOTE CAN BE HELD AND BELIEVE THAT THE ADDITIONAL TIME CAN BE WELL UTILIZED TO ENSURE THAT THE ELECTIONS ARE INDEED FREE AND FAIR. WE

HOPE THE CAMBODIAN GOVERNMENT WILL TAKE ALL NECESSARY STEPS TO ASSURE A SUITABLE PROCEDURAL FRAMEWORK IS LAID DOWN QUICKLY AMID A POLITICAL CLIMATE FREE OF INTIMIDATION CONDUCTIVE TO GENUINELY FREE AND FAIR ELECTIONS.

13. UN: US ARREARS AND SCALE OF ASSESSMENTS

CONTEXT: THE UNITED NATIONS GENERAL ASSEMBLY WILL ADOPT, THIS WEEK, A NEW SCALE OF ASSESSMENTS FOR THE YEARS 1998-1999 AND 2000. OUR AIM WAS TO SEE THE ASSESSMENT RATE CEILING REDUCED FROM 25 TO, 22 PERCENT EFFECTIVE JANUARY 1, 1998, AND TO 20 PERCENT EFFECTIVE IN THE YEAR 2000. THE DELAY IN ENACTMENT OF A U.S. ARREARS PLAN HAS MADE IT IMPOSSIBLE FOR US TO BUILD SUPPORT FOR OUR POSITION AMONG UN MEMBER STATES. WE HAVE ACQUIESCED IN CONTINUING THE U.S. ASSESSMENT AT 25 PERCENT FOR 1998 BUT WE ARE ADVOCATING THAT NEGOTIATIONS BE REOPENED NEXT YEAR TO DECIDE ON THE REMAINING TWO YEARS OF THE THREE-YEAR SCALE PERIOD.

Q: WHAT IS THE CURRENT STATE OF PLAY CONCERNING U.S. EFFORTS TO REDUCE THE SCALES OF ASSESSMENTS?

A: THE UN GENERAL ASSEMBLY DECIDES ON THE UN SCALE THIS WEEK WHICH, UNDER CUSTOMARY UN PRACTICE, WOULD ESTABLISH NEW ASSESSMENT RATES FOR THE THREE-YEAR PERIOD, 1998-2000.

THE U.S. CONGRESS HAS SIGNALLED THAT U.S. ARREARS PAYMENTS MUST BE CONNECTED TO A REDUCTION IN THE UN SCALES OF ASSESSMENT. IF

A THREE-YEAR SCALE IS ADOPTED WITH NO PROVISION FOR REOPENING IN 1998, CONGRESS MIGHT NOT CONSIDER RELEASING ANY ARREARS MONEY UNTIL THE SCALES ISSUE IS REVISITED IN THE YEAR 2000.

BECAUSE OF THE DELAY IN OUR LEGISLATION, WE ARE NOT ABLE TO PRESS FOR A REDUCTION IN THE U.S. ASSESSMENT RATE BEGINNING IN 1998 WITH A LIKELIHOOD OF SUCCESS.

WE ARE ASKING, HOWEVER, THAT ANY SCALE ADOPTED INCLUDE A PROVISION THAT ALLOWS THE NEGOTIATION TO BE REOPENED WHEN THE LARGEST DONOR PROVIDES A NEW PROPOSAL OR SPECIFIC COMMITMENT ON PAYMENT OF ITS ARREARS

14. UN: 1998-99 REGULAR PROGRAM BUDGET

CONTEXT: THE UN GENERAL ASSEMBLY ALSO WILL TAKE A DECISION THIS WEEK ON THE 1998-99 UN REGULAR PROGRAM BUDGET. THE U.S. POSITION IS THAT THE BUDGET SHOULD BE NO MORE THAN \$2.533 BILLION FOR THE BIENNIUM, A LEVEL PROPOSED BY THE UN SECRETARY GENERAL LAST MAY. U.S. APPROPRIATIONS LEGISLATION REQUIRES THE U.S. TO WITHHOLD \$100 MILLION IF THE UN BUDGET EXCEEDS THIS LEVEL.

Q: IF THE UN BUDGET EXCEEDS \$2.533 BILLION FOR THE 1998-99 BIENNIUM, WHAT WILL THAT MEAN FOR UNITED STATES PAYMENTS TO THE UNITED NATIONS?

THE UNITED STATES POSITION IS THAT THE 1998-99 UN REGULAR PROGRAM BUDGET SHOULD NOT EXCEED \$2.533 BILLION.

OWING TO U.S. LEGISLATIVE REQUIREMENTS, WE WOULD BE FORCED TO
WITHHOLD PAYMENT OF \$100 MILLION IF THE 1998-99 UN BUDGET
EXCEEDS THIS LEVEL.

NEGOTIATIONS ARE ONGOING IN NEW YORK WITH THE GENERAL
ASSEMBLY EXPECTED TO TAKE A DECISION ON THE BUDGET THIS WEEKEND.
ALBRIGHT

SECT: SECTION: 01 OF 05
<^SECT>SECTION: 02 OF 05
<^SECT>SECTION: 04 OF 05
<^SECT>SECTION: 05 OF 05

SSN: 8049
<^SSN>8049
<^SSN>8049
<^SSN>8049

TOR: 971219230024 M3079750
<^TOR>971219230110 M3079751
<^TOR>971219230256 M3079752
<^TOR>971219230312 M3079753

DIST:
SIT: NSC

Cable

PREC: IMMEDIATE
CLASS: UNCLASSIFIED
LINE1: OAAUZYUW RUEHKOA0910 3560328-UUUU--RHEHAAA.
LINE2: ZNR UUUUU ZZH
LINE3: O 220328Z DEC 97
LINE4: FM AMEMBASSY TOKYO
OSRI: RUEHKO
DTG: 220328Z DEC 97
ORIG: AMEMBASSY TOKYO
TO: RUEHIA/USIA WASHDC IMMEDIATE 8170
RUEHC/SECSTATE WASHDC IMMEDIATE 4545
INFO: RUEKJCS/SECDEF WASHDC
RUEKJCS/JOINT STAFF WASHDC//J5//
RHHMUNA/USCINCPAC HONOLULU HI//USIA//
RHHMHAH/CINCPACFLT PEARL HARBOR HI//N5//
RUALSFJ/COMUSJAPAN YOKOTA AB JA//J5/JO21//
RUYNJDK/COMNAVFORJAPAN YOKOSUKA JA
RUEAWJA/USDOJ WASHDC
RUEBBEA/USDOT WASHDC
RUCPDOG/USDOC WASHDC
RUEAIIA/CIA WASHDC
RHEHAAA/WHITE HOUSE WASHDC
SUBJ: JAPANESE MORNING PRESS HIGHLIGHTS DECEMBER 22

TOP HEADLINES:

TEXT:

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

UNCLAS SECTION 01 OF 07 TOKYO 010910

USIA

FOR: USIA D/P, I/GEA, I/RF, I/RFW, EA, R/MR; 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; JUSTICE FOR STU
CHEMTOB IN ANT-TRUST DIVISION; COMMERCE FOR JEAN GRIER
IN GENERAL COUNCIL'S OFFICE, DAS; USCINCPAC/PA; CINCPAC
FLT/PA; COMNAVFORJAPAN/PA.

E.O. 12958: N/A

SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS DECEMBER 22

TOP HEADLINES:

ASAHI: REFERENDUM IN NAGO CITY: 53 PERCENT VOTE "NO" ON
OFFSHORE HELIPORT PLAN; OPPONENTS ACCOUNT FOR 44 PERCENT
OF ELIGIBLE VOTERS, WITH MARGIN OF 2,372 VOTES; VOTER

TURNOUT EXCEEDS 82 PERCENT; FOCUS NOW ON GOVERNOR'S DECISION (TRANSLATION BELOW)

MAINICHI: NAGO CITY REFERENDUM ON CONSTRUCTION OF OFFSHORE HELIPORT TO REPLACE FUTENMA AIR STATION; WITH 82.45 PERCENT OF VOTER TURNOUT; 52.86 PERCENT AGAINST PLAN; DEALS BLOW TO GOVERNMENT; PLACING EXPECTATIONS ON MAYOR'S DECISION

YOMIURI: TOKYO DISTRICT PUBLIC PROSECUTORS OFFICE BEGINS INVESTIGATIONS INTO NIKKO SECURITIES FOR ALLEGED INVOLVEMENT IN 400 MILLION YEN PAYOFF IN ENTRUSTED TRANSACTIONS TO DIETMEMBER (SHOKEI) ARAI, ON SUSPICION OF VIOLATION OF SECURITIES AND EXCHANGE LAW (ARTICLE IN ENGLISH ED.)

NIHON KEIZAI: GOLDMAN TO PURCHASE BAD LOANS WORTH 500 BILLION YEN HELD BY JAPANESE BANKS NEXT YEAR; AMERICAN SECURITIES CO., ESTIMATES LAND PRICES AT LOWEST LEVEL

SANKEI: REFERENDUM IN NAGO CITY: 54 PERCENT AGAINST AND 46 PERCENT FOR THE PLAN; CONSTRUCTION OF OFFSHORE HELIPORT NOW UNCERTAIN; RETURN OF FUTENMA FACILITIES LARGELY HINGES ON MAYOR'S DECISION

TOKYO SHIMBUN: NAGO PLEBISCITE ON OFFSHORE HELIPORT CONSTRUCTION; 53 PERCENT RESIDENTS VOTE DOWN ON PLAN; OKINAWA POLICY LIKELY TO PUT STRAINS ON HASHIMOTO ADMINISTRATION

53 PERCENT OF NAGO CITY RESIDENTS VOTE NO TO HELIPORT IN THEIR WATERS (ASAHI - TOP PLAY)

A REFERENDUM ON THE SEA-BASED HELIPORT CONSTRUCTION PLAN TO REPLACE THE ONE AT THE U.S. MARINES FUTENMA AIR STATION, WAS HELD YESTERDAY AT NAGO CITY, OKINAWA PREFECTURE. VOTES WERE OPENED AND COUNTED YESTERDAY. AS A RESULT, VOTES AGAINST HELIPORT CONSTRUCTION OUTNUMBERED APPROVAL, WITH 52.9 PERCENT. THE RESULTS CLEARLY SHOWED NAGO CITY'S WILL TO REJECT HELIPORT CONSTRUCTION OFFERED ON THE CONDITION OF A LOCAL ECONOMIC STIMULUS PACKAGE. SHOULD THE HELIPORT PLAN BE CALLED OFF, IT WOULD UNDOUBTEDLY HAVE A SERIOUS IMPACT ON JAPAN-U.S. RELATIONS AS WELL AS ON THE HASHIMOTO ADMINISTRATION. NEVERTHELESS, WITH THE DISAPPROVAL RATE FAILING TO REACH 50 PERCENT, RECORDING 43.6 PERCENT OF ALL ELIGIBLE VOTES, THE FATE OF THE HELIPORT CONSTRUCTION PROJECT IS LIKELY TO BE LEFT TO MAYOR TETSUYA HIGA'S POLITICAL DECISION. THE MAYOR HAS REMARKED, "I WOULD LIKE TO TAKE THE WEIGHT OF BOTH APPROVAL AND DISAPPROVAL SERIOUSLY." THE MAYOR PLANS TO SEEK OKINAWA PREFECTURE'S JUDGMENT. GOVERNOR MASAHIDE OTA IS EXPECTED TO BE PRESSED FOR MAKING A DIFFICULT DECISION. THE PROBLEM OF THE PLANNED REVERSION OF THE FUTENMA AIR STATION, WHICH HAS BEEN AT A STANDSTILL OVER AN ALTERNATIVE SITE, MIGHT BE PROLONGED EVEN MORE.

BILL FOR TRIVIALIZING OKINAWA'S BASE BURDEN NOW UP FOR

PAYMENT (ASAHI - PAGE 1)

(COMMENTARY)

IN THE NAGO CITY REFERENDUM ON THE HELIPORT CONSTRUCTION PROJECT, VOTES OPPOSING THE PROJECT OUTNUMBERED APPROVAL. IN OTHER WORDS, THIS IS THE PRICE THE JAPANESE GOVERNMENT HAS TO PAY FOR THE UNPAID BILLS INCURRED FOR OKINAWA'S HEAVY BURDEN FOR THE U.S. BASES THERE. SHOULD THE FUTENMA RELOCATION PLAN BE CALLED OFF DUE TO RESULTS OF UNCLAS SECTION 02 OF 07 TOKYO 010910

USIA

FOR: USIA D/P, I/GEA, I/RF, I/RFW, EA, R/MR; 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; JUSTICE FOR STU CHEMTOB IN ANT-TRUST DIVISION; COMMERCE FOR JEAN GRIER IN GENERAL COUNCIL'S OFFICE, DAS; USCINCPAC/PA; CINCPAC FLT/PA; COMNAVFORJAPAN/PA.

E.O. 12958: N/A

SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS DECEMBER 22

THE REFERENDUM, THE TREND OF REALIGNING AND REDUCING U.S. BASES ON OKINAWA FOR RECONSTRUCTING THE JAPAN-U.S. SECURITY ARRANGEMENT MIGHT LOSE MOMENTUM.

THE PLANNED REALIGNMENT AND REDUCTION OF U.S. BASES ON OKINAWA BY THE GOVERNMENTS OF JAPAN AND THE U.S. WAS BASED ON PURSUING THE OBJECTIVES AND HARMONY OF THE BILATERAL SECURITY TREATY. FINDING AN ALTERNATIVE SITE WITHIN OKINAWA FOR RELOCATING THE FUTENMA AIR STATION WAS THE JAPANESE GOVERNMENT'S ULTIMATE DECISION IN DELIVERING ON TWO CONTRADICTORY GOALS -- TO FULFILL JAPAN'S OBLIGATION TO SUPPLY BASE SITES AND TO REDUCE OKINAWA'S BURDEN.

BUT IN THE EYES OF THE PEOPLE OF OKINAWA, "RELOCATION" WAS REGARDED AS A FACTOR FACILITATING THE PERMANENT SETTLEMENT OF U.S. BASES THERE, NOT AS A STEP TO REDUCE BASE FACILITIES. SUCH WAS MAINLY BECAUSE THERE WAS NO CLEAR PROSPECTS FOR REDUCING THE BASES. IN THAT REGARD, THE GOVERNMENT'S EFFORTS, NOT TO MENTION THOSE OF THE PRIME MINISTER, WERE NOT ENOUGH.

AS THE REFERENDUM APPROACHED, THE GOVERNMENT CAME UP WITH THE TRADITIONAL METHOD OF REWARDING OKINAWA A LOCAL REVITALIZATION PACKAGE. COMING THIS FAR, AN OPINION IS BEING HEARD FROM SOME GOVERNMENT OFFICIALS: "WHY COULDN'T THE GOVERNMENT CARRY OUT TALKS WITH THE U.S. WHILE MAKING EFFORT TO OBTAIN LOCAL UNDERSTANDING, WHICH WAS CERTAINLY NOT A DIFFICULT STEP?"

WHAT WORRY MEMBERS RELATED TO JAPAN-U.S. RELATIONS THE MOST IS THAT IF YET ANOTHER MAJOR ACCIDENT OCCURS IN

OKINAWA BEFORE THE BASE REALIGNMENT/REDUCTION PLAN IS PUT ON THE RIGHT TRACK, STRONG CRITICISM WOULD ARISE NOT ONLY AGAINST THE U.S. FORCES IN JAPAN BUT ALSO AGAINST THE BILATERAL SECURITY ARRANGEMENT AS A WHOLE. THE PLANNED REVERSION OF THE FUTENMA AIR STATION, AGREED UPON BETWEEN JAPAN AND THE U.S., IS TO BE COMPLETED IN FIVE TO SEVEN YEARS. MAKING THE PROJECT'S GOOD PROSPECTS REMOTE BY BLAMING ROCKY COORDINATION OF VIEWS WITH OKINAWA, AS IT DID IN THE PAST, POSES A HIGH RISK FOR THE GOVERNMENT. (YUJI KANEMOTO, POLITICAL DEPARTMENT)

PRIME MINISTER RUNNING OUT OF MEANS ON SECURITY ARRANGEMENTS AS WELL (ASAHI - PAGE 2)

IN YESTERDAY'S REFERENDUM ON THE SEA-BASED HELIPORT CONSTRUCTION PROJECT IN NAGO CITY, OKINAWA, DISAPPROVAL OUTNUMBERED APPROVAL, ALTHOUGH WITH A SLIM MARGIN. THIS MIGHT MAKE THE PLANNED FUTENMA AIR STATION RELOCATION PLAN EVEN MORE DIFFICULT AS WELL AS TO DRIVE PRIME MINISTER RYUTARO HASHIMOTO, WHO IS ALREADY IN A DIFFICULT SPOT OVER ECONOMIC POLICY, INTO A TIGHTER CORNER IN RUNNING HIS ADMINISTRATION. IF THE RELOCATION PLAN IS CANCELED, THE PRIME MINISTER MIGHT LOSE HIS CREDIBILITY SINCE THE PROJECT HAS BEEN INITIATED AND PUT IN THE WORKS UNDER HIS INITIATIVE. THE HASHIMOTO ADMINISTRATION, WHICH HAS BEEN FORCED TO TABLE ITS FISCAL RECONSTRUCTION POLICY LINE DUE THE NEED TO TAKE ECONOMIC AND FINANCIAL STABILIZATION MEASURES, IS LIKELY TO FACE A DILEMMA IN DIPLOMACY AS WELL.

DEFENSE AGENCY KYUMA RULES OUT AN OTHER OPTION BUT CAMP SCHWAB FOR HELIPORT PROJECT (SANKAI - PAGE 3)

HOKKAIDO AND OKINAWA DEVELOPMENT AGENCIES DIRECTOR GENERAL MUNEO SUZUKI LATE LAST NIGHT HELD A PRESS CONFERENCE. IN IT, REGARDING THE OUTCOME OF THE NAGO CITY REFERENDUM, THE DIRECTOR GENERAL REMARKED: "THE RESULTS ARE NAGO CITY'S DECISION. THE GOVERNMENT WILL NOT TAKE (THE OUTCOME) AS THE FINAL DECISION." HE THUS SUGGESTED THAT THERE IS ROOM FOR NAGO MAYOR TETSUYA HIGA TO MAKE A FINAL DECISION ON THE OFFSHORE HELIPORT
UNCLAS SECTION 03 OF 07 TOKYO 010910

USIA

FOR: USIA D/P, I/GEA, I/RF, I/RFW, EA, R/MR; 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; JUSTICE FOR STU CHEMTOB IN ANT-TRUST DIVISION; COMMERCE FOR JEAN GRIER IN GENERAL COUNCIL'S OFFICE, DAS; USCINCPAC/PA; CINCPAC FLT/PA; COMNAVFORJAPAN/PA.

E.O. 12958: N/A

SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS DECEMBER 22
CONSTRUCTION PROJECT.

DIRECTOR GENERAL SUZUKI ALSO IMPLIED SOME ROOM FOR LOOKING INTO ADDITIONAL MEASURES FOR REVITALIZING THE NORTHERN AREA, NOTING, "WE ARE HAPPY TO COOPERATE IF THERE IS ANYTHING WE CAN DO."

IN ADDITION, JAPAN DEFENSE AGENCY (JDA) DIRECTOR GENERAL FUMIO KYUMA HELD A PRESS CONFERENCE. IN IT, HE MADE IT CLEAR THAT THAT THE GOVERNMENT WILL NOT LOOK FOR OTHER ALTERNATIVE SITE IF NAGO CITY DECIDES NOT TO APPROVE THE PLAN, REMARKING, "THE SITE OFF CAMP SCHWAB IS OUR ULTIMATE OPTION (FOR CONSTRUCTING A HELIPORT). WE CANNOT THINK OF ANY OTHER PLACE."

MEANWHILE, CHIEF CABINET SECRETARY KANEZO MURAOKA RELEASED A STATEMENT: "WE WOULD LIKE TO WATCH CLOSELY FUTURE LOCAL DEVELOPMENTS REGARDING THE CONSTRUCTION PLAN."

SDP WANTS HELIPORT PROJECT RETURNED TO A BLANK SLATE
(MAINICHI - PAGE 2)

THE SOCIAL DEMOCRATIC PARTY (SDP) YESTERDAY RELEASED A STATEMENT BY SECRETARY GENERAL SHIGERU ITO REGARDING THE RESULTS OF THE REFERENDUM IN NAGO CITY. HE CALLED FOR THE "WITHDRAWAL" (LITERALLY, "RETURNING TO A BLANK SLATE") AND RECONSIDERING OF THE PLAN ON CONSTRUCTION OF AN OFFSHORE HELIPORT, AS WELL AS CRITICIZING THE GOVERNMENT'S MOVEMENTS TAKEN PRIOR TO THE REFERENDUM. THE STATEMENT NOTED, "WE PAY REGARD TO THE WILL OF NAGO CITIZENS," AND INDICATED, "SHOULD (THE JAPANESE GOVERNMENT) FAIL TO OBTAIN UNDERSTANDING AND COOPERATION FROM THE LOCAL RESIDENTS, IT WILL BE UNABLE TO IMPLEMENT THE JAPAN-UNITED STATES SECURITY TREATY SMOOTHLY AND TO MAINTAIN GOOD RELATIONS WITH THE U.S." IT CALLED ON THE GOVERNMENT TO DROP THE PRESENT PLAN AND TO START OVER FROM SCRATCH, NOTING: "IT IS NOW NECESSARY TO CANCEL THE OFFSHORE HELIPORT CONSTRUCTION PLAN AND TO CONSIDER ANOTHER MEANS TO TAKE AWAY FACILITIES AT FUTENMA AIR STATION."

STATEMENT BY SEVERAL POLITICAL PARTIES ON THE NAGO CITY REFERENDUM (SANKEI - PAGE 2)

(THE LIBERAL DEMOCRATIC PARTY (LDP) (SECRETARY GENERAL KOICHI KATO): BEARING THE RESULTS (OF THE REFERENDUM) IN MIND, NAGO CITY AND OKINAWA PREFECTURE GOVERNMENTS WILL HAND DOWN JUDGMENTS ON WHETHER TO ACCEPT THE OFFSHORE HELIPORT CONSTRUCTION PLAN. OUR PARTY WOULD LIKE TO WAIT AND SEE WHAT DECISION THEY WILL PRODUCE.

(THE SHINSHINTO (SECRETARY GENERAL TAKEO NISHIOKA): THIS OUTCOME IS A RESULT OF (THE GOVERNMENT'S) HAVING PROMOTED CONSULTATIONS ON THE SPECIAL ACTION COMMITTEE ON OKINAWA (SACO), IGNORING LOCAL RESIDENTS' INTENTIONS, AND HAVING PRESSED OKINAWAN PEOPLE TO ACCEPT IMMEDIATE BASE-RELOCATION DASURES. THE HASHIMOTO CABINET BEARS A HEAVY RESPONSIBILITY.

-- THE JAPAN COMMUNIST PARTY (SECRETARY GENERAL KAZUO SHII): TAKING THE REFERENDUM'S OUTCOME AS THE WILL OF NAGO CITIZENS, THE GOVERNMENT AND LDP SHOULD CANCEL THE PLANNED CONSTRUCTION OF AN OFFSHORE HELIPORT.

-- SOCIAL DEMOCRATIC PARTY (SECRETARY GENERAL SHIGERU ITO): IT IS IMPOSSIBLE TO IMPLEMENT THE JAPAN-U.S. SECURITY TREATY WITHOUT THE RESIDENTS' UNDERSTANDING AND COOPERATION. THE GOVERNMENT MUST TAKE THE OUTCOME OF THE REFERENDUM GRAVELY. IT SHOULD RETURN THE OFFSHORE HELIPORT CONSTRUCTION PLAN TO A CLEAN SLATE AND START CONSIDERING FROM SCRATCH ANOTHER WAY TO REMOVE FACILITIES AT FUTENMA AIR STATION.

UNCLAS SECTION 04 OF 07 TOKYO 010910

USIA

FOR: USIA D/P, I/GEA, I/RF, I/RFW, EA, R/MR; STAE 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; JUSTICE FOR STU CHEMTOB IN ANT-TRUST DIVISION; COMMERCE FOR JEAN GRIER IN GENERAL COUNCIL'S OFFICE, DAS; USCINCPAC/PA; CINCPAC FLT/PA; COMNAVFORJAPAN/PA.

E.O. 12958: N/A

SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS DECEMBER 22

-- THE SAKIGAKE PARTY (SECRETARY GENERAL HIROYUKI SONODA): WE PERCEIVE THAT THE CONDITIONS FOR THE PLANNED CONSTRUCTION OF AN OFFSHORE HELIPORT HAVE BECOME HARSH. THE RETURN OF FUTENMA AIR STATION ITSELF IS NOW SEEN AS DIFFICULT.

U.S. GOVERNMENT EXPERIENCING OKINAWA FATIGUEQ
(ASAHI - PAGE 2)

(WASHINGTON, DECEMBER 21, HIROSHI HOSHI) THE UNITED STATES GOVERNMENT IS PERPLEXED THAT THE NUMBER OF DISAPPROVAL VOTES OUTNUMBERED APPROVALS IN NAGO CITY'S REFERENDUM ON THE SEA-BASED HELIPORT CONSTRUCTION TO REPLACE THE ONE AT THE FUTENMA AIR STATION. IT IS WORRIED NOW THAT THE ENVIRONMENT SURROUNDING THE BASE PROBLEM IN OKINAWA MIGHT BECOME EVEN MORE DIFFICULT. THE FUTENMA REVERSION PLAN WAS INITIATED BY PRIME MINISTER RYUTARO HASHIMOTO BUT THE U.S. GOVERNMENT HAS BEGUN TO HARBOR DISTRUST (TOWARD HIM).

ON THE SURFACE, THE U.S. GOVERNMENT IS CALM, THINKING, "IT IS JAPAN'S DOMESTIC PROBLEM" (U.S. STATE DEPARTMENT DEPUTY SPOKESMAN FOLEY (TN: PHONETIC)). BUT ANOTHER HIGH-RANKING U.S. OFFICIAL REMARKED: "IT IS HARD TO SAY, BUT THERE IS A SENSE OF HELPLESSNESS, WHICH CAN BE CALLED OKINAWA FATIGUE, IN THE U.S. GOVERNMENT."

WITNESSING THE DRAMATIC AGREEMENT REACHED BETWEEN THE TWO COUNTRIES ON REVERSION OF THE FUTENMA AIR STATION, THE U.S. GOVERNMENT HAS HARBORED STRONG EXPECTATIONS FOR SETTLING THE OKINAWA PROBLEM ONCE AND FOR ALL SWIFTLY. THE GAP BETWEEN THE PROJECTION AND THE REALITY OF THE PROJECT WHICH HAS BEEN PROCEEDING AT SNAIL'S PACE HAS NOW TURNED INTO A SENSE OF HELPLESSNESS IN THE U.S. GOVERNMENT.

GOVERNMENT PLANS ADDITIONAL EFFORTS TO PERSUADE NAGO MAYOR TO OK HELIPORT (NIHON KEIZAI - PAGE 1)

THE GOVERNMENT CANNOT HIDE ITS SENSE OF DISAPPOINTMENT OVER THE RESULTS YESTERDAY OF THE NAGO CITY REFERENDUM IN WHICH THOSE OPPOSED (TO THE SEA-BASED HELIPORT CONSTRUCTION) FAR OUTNUMBERED THOSE WHO FAVORED IT. AS A RESULT, IT NOW INTENDS TO CONTINUE TO EXERT EVERY EFFORT TO PERSUADE RELEVANT OFFICIALS, JUDGING THAT THIS COULD LEAD TO MAYOR TETSUYA'S MAKING A POLITICAL DECISION. THE MAYOR IN A PRESS CONFERENCE LAST NIGHT TOOK A RESERVED ATTITUDE, SAYING THAT HE TOOK IT THAT "MY IMPRESSION IS THAT I CANNOT UNILATERALLY DECIDE THAT THE VOTING RESULTS WERE A REJECTION OF CONSTRUCTION." THERE IS A GROWING SENSE OF EXPECTATION IN THE GOVERNMENT THAT THE MAYOR MIGHT MAKE A POLITICAL DECISION.

JAPAN'S SHARE OF LIGHT WATER REACTOR IN KEDO PROJECT LEFT OUT OF BUDGET REQUEST (NIHON KEIZAI - PAGE 3)

THE GOVERNMENT HAS DECIDED NOT TO EARMARK IN THE FY1998 DRAFT BUDGET JAPAN'S SHARE FOR THE EXPENSES OF LIGHT-WATER NUCLEAR REACTORS, WHICH THE KOREAN ENERGY DEVELOPMENT ORGANIZATION (KEDO) IS GOING TO CONSTRUCT IN THE DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA. AN ESTIMATE FOR THE CONSTRUCTION EXPENSES HAS BEEN DRAFTED THROUGH NEGOTIATIONS BY COUNTRIES CONCERNED, BUT "THE RATIOS OF SHARES TO BE SHOULDERED BY EACH CONCERNED COUNTRY WILL NOT BE ABLE TO BE FIXED IN TIME FOR THE INCLUSION OF SUCH IN THE BUDGET" (SENIOR OFFICIAL OF THE MINISTRY OF FOREIGN AFFAIRS (MOFA)).

KEDO IS AN INTERNATIONAL ORGAN CONSISTING OF THE UNITED STATES, THE ROK, JAPAN AND THE EUROPEAN UNION (EU). IT PLANS TO CONSTRUCT LIGHT-WATER NUCLEAR REACTORS IN NORTH KOREA IN ORDER TO PUT ON HOLD ON NUCLEAR DEVELOPMENT IN UNCLAS SECTION 05 OF 07 TOKYO 010910

USIA

FOR: USIA D/P, I/GEA, I/RF, I/RFW, EA, R/MR; 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; JUSTICE FOR STU CHEMTOB IN ANT-TRUST DIVISION; COMMERCE FOR JEAN GRIER IN GENERAL COUNCIL'S OFFICE, DAS; USCINCPAC/PA; CINCPAC FLT/PA; COMNAVFORJAPAN/PA.

E.O. 12958: N/A

SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS DECEMBER 22

THAT COUNTRY, BASED ON THE U.S.-NORTH KOREA AGREEMENT. THE PROJECT WOULD COST A LITTLE LESS THAN 5.2 BILLION DOLLARS. NEGOTIATIONS ARE GOING ON WITH THE POSSIBILITY OF THE ROK SHOULDERING MORE THAN 70 PERCENT OF THE COSTS AND JAPAN RENDERING FUNDS COOPERATION OF WITHIN 20 PERCENT, BUT AN AGREEMENT HAS YET TO BE REACHED.

STUDIES HAVE BEEN CONDUCTED WITH A MECHANISM IN MIND UNDER WHICH FUNDS COOPERATION BY JAPAN WILL BE MADE LOANS EXTENDED BY THE EXIM BANK OF JAPAN, WHILE TAKING INTO CONSIDERATION EXPORTS OF MATERIALS BY JAPAN, AND THE PORTION OF INTEREST WILL BE COVERED WITH FUNDS COMING FROM THE GENERAL ACCOUNT. HOWEVER, A CONCLUSION ON THE RATIOS OF SHARES OF FUNDS COOPERATION AND A METHOD OF COLLECTING THE CAPITAL FROM NORTH KOREA WITHOUT FAIL HAS YET TO BE REACHED, AND SO, IT IS SAID THAT "UNDER THE PRESENT CIRCUMSTANCES, IT IS IMPOSSIBLE TO TAKE A BUDGETARY MEASURE" (SENIOR MOFA OFFICIAL).

KEDO HAS ALREADY STARTED THE BASIC WORK OF CONSTRUCTING LIGHT-WATER NUCLEAR REACTORS IN NORTH KOREA. THE WORK CAN BE CONTINUED WITH THE FUNDS DISBURSED BY THE ROK UP UNTIL NEXT AUGUST, BUT THERE IS CONCERN THAT UNLESS THE FUNDS PROBLEM IS SETTLED BY THE COUNTRIES CONCERNED, IT MAY AFFECT THE PROGRESS OF THE PROJECT.

KIM DAE JUNG REPORTEDLY PLANNING EARLY JANUARY VISIT TO JAPAN (ASAHI - PAGE 2)

(SEOUL, DECEMBER 21, REPORTER KIYOSHI HASABA) PRESIDENT-ELECT KIM DAE JUNG WILL VISIT THE UNITED STATES AND JAPAN JUST AFTER NEW YEAR'S OR LATER. THIS WAS REVEALED ON THE 21ST BY A SOURCE CLOSELY RELATED TO HIM.

KIM DAE JUNG, IMMEDIATELY AFTER BEING ELECTED TELEPHONED BY U.S. PRESIDENT CLINTON AND THEN BY PRIME MINISTER RYUTARO HASHIMOTO ON THE 19TH, CONVEYED TO THEM, "I HOPE I CAN VISIT YOU BEFORE LONG," GENERATING THE OBSERVATION THAT HIS VISIT TO THE TWO COUNTRIES MIGHT TAKE PLACE POSSIBLY WITHIN THE YEAR. HOWEVER, HE HAS DECIDED TO POSTPONE VISITS TO ANY FOREIGN COUNTRIES BEFORE THE END OF THE YEAR, GIVING FIRST CONSIDERATION TO PREPARATIONS FOR TAKING OVER FROM PRESIDENT KIM YOUNG SAM.

IN THIS CONNECTION, YONHAP SOURCED A PERSON CLOSE TO KIM DAE JUNG TO REPORT THAT HIS VISIT TO THE U.S. WOULD PROBABLY NOT TAKE PLACE UNTIL AROUND HIS ASSUMPTION OF OFFICE AS PRESIDENT IN LATE FEBRUARY.

NEGOTIATIONS ON NEW FISHERIES PACT REMAIN DEADLOCKED (NIHON KEIZAI - PAGE 2)

DOMESTIC COORDINATION HAS BEEN DEADLOCKED IN JAPAN ON THE QUESTION OF NEGOTIATIONS WITH THE REPUBLIC OF KOREA (ROK) TO SEAL A NEW FISHERIES PACT. THE ROK ON THE 5TH

PROPOSED A COMPROMISE PLAN TO JAPAN THAT BUDGED SLIGHTLY ON THE ISSUE OF SETTING OF A NEW TERRITORIAL BOUNDARY LINE. THE GOVERNMENT THEN STARTED INTERNAL COORDINATION ON IT, AT THE INITIATIVE OF THE MINISTRY OF FOREIGN AFFAIRS (MOFA). HOWEVER, IT HAS BEEN UNABLE TO GAIN THE APPROVAL OF THE FISHERIES INDUSTRY, FISHERIES INTEREST CONNECTED LIBERAL DEMOCRATIC PARTY (LDP) DIETMEMBERS, AND THE MINISTRY OF AGRICULTURE, FORESTRY AND FISHERIES (MAFF). THESE PARTIES HAVE BEEN CALLING FOR THE GOVERNMENT TO NOTIFY THE ROK OF JAPAN'S INTENTION TO SCRAP THE PRESENT PACT. WITH THE GAP AS WIDE AS EVER, A PESSIMISTIC MOOD THAT "A NOTIFICATION OF ABROGATION OF THE PACT IS LIKELY" IS PERMEATING MOFA, WHICH CONTINUES TO SEEK CONTINUED NEGOTIATIONS.

AS A RESULT OF TEN ROUNDS OF WORKING-LEVEL NEGOTIATIONS, JAPAN AND THE ROK HAVE REACHED AGREEMENT THAT THE SETTING OF AN EXCLUSIONARY ECONOMIC BOUNDARY LINE, WHICH IS UNCLAS SECTION 06 OF 07 TOKYO 010910

USIA

FOR: USIA D/P, I/GEA, I/RF, I/REW, EA, R/MR; 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; JUSTICE FOR STU CHEMTOB IN ANT-TRUST DIVISION; COMMERCE FOR JEAN GRIER IN GENERAL COUNCIL'S OFFICE, DAS; USCINCPAC/PA; CINCPAC FLT/PA; COMNAVFORJAPAN/PA.

E.O. 12958: N/A

SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS DECEMBER 22

INTERTWINED WITH THE ISSUE OF THE (CONFLICTING) CLAIMS TO THE TAKESHIMA ISLETS, SHOULD BE POSTPONED AND THAT A PROVISIONAL BOUNDARY LINE SHOULD BE SET AROUND THOSE ISLES. NEITHER OF THE TWO COUNTRIES CAN KEEP CONTROL OVER ILLEGAL FISHING BY THE OTHER COUNTRY WITHIN A PROVISIONAL BOUNDARY LINE. FOR THIS REASON, THE ROK, WHOSE ILLEGAL FISHING CASES NUMBER MORE THAN THOSE OF JAPAN, IS INSISTING THAT A PROVISIONAL BOUNDARY LINE SHOULD BE SET AT THE WIDEST POSSIBLE AREA. THE NEGOTIATIONS WITH JAPAN, WHICH WANTS TO SEE THE SMALLEST POSSIBLE BOUNDARY LINE, HAVE RUN INTO A ROAD BLOCK.

PROPOSED NEW LARGE STORE LAW TO SHIFT STORE OPENING SCREENING TO PREFECTURAL, NOT LOCAL, LEVEL
(YOMIURI - PAGE 9)

A JOINT CONFERENCE OF THE SMALL AND MEDIUM-SIZED BUSINESS POLICY COUNCIL (ADVISORY PANEL TO THE PRIME MINISTER) AND THE INDUSTRIAL STRUCTURE COUNCIL (ADVISORY PANEL TO THE MINISTER OF INTERNATIONAL TRADE AND INDUSTRY), WHICH IS LOOKING INTO A REVISION OF THE LARGE-SCALE RETAIL STORE LAW, REACHED GENERAL AGREEMENT ON THE 19TH TO REPLACE THE LAW, WHICH HAS AS ITS PURPOSE THE PROTECTION OF SMALL TO MEDIUM-SIZED RETAILERS, WITH A NEW LAW THAT WILL BE

APPLIED BY THE PREFECTURES AND MUNICIPALITIES AND CITIES DESIGNATED BY GOVERNMENT ORDINANCE.

UNTIL NOW, THE JOINT CONFERENCE CONTINUED ITS DISCUSSIONS UNDER THE PREMISE THAT THE BODIES THAT WOULD APPLY THE NEW LAW -- SCREENING THE OPENINGS OF NEW LARGE STORES FROM THE VIEWPOINT OF THE ENVIRONMENT, INCLUDING TRAFFIC JAMS AND GARBAGE -- WOULD BE CITIES, TOWNS, AND VILLAGES. HOWEVER, THERE HAVE BEEN A GROWING NUMBER OF CASES OF STORE OPENINGS EXTENDING THEIR IMPACT OVER SEVERAL NUMBER OF TOWNS AND VILLAGES, AND SO THE DOMINANT VIEW WAS THAT "IT WOULD BE DIFFICULT FOR ADJUSTMENTS COVERING A BROAD AREA TO BE DONE AT THE CITY, TOWN, OR VILLAGE LEVEL," AND THAT "THIS WOULD BE A HEAVY BURDEN FOR CITIES, TOWNS, AND VILLAGES WHICH HAVE NO EXPERIENCE IN STORE OPENING ADJUSTMENT."

THE DRAFTING COMMITTEE, WHICH IS COMPOSED OF A NEUTRAL MEMBERS FROM A PORTION OF THE JOINT CONFERENCE, WILL DRAFT ITS FINAL REPORT BY THE 24TH AND IT WILL BE FINALIZED THE SAME DAY BY THE JOINT CONFERENCE.

HOWEVER, EIGHT SMALL AND MEDIUM-SIZED BUSINESS ASSOCIATIONS, INCLUDING THE JAPAN CHAMBER OF COMMERCE AND INDUSTRY, HAVE PRESENTED OPINION PAPERS STATING THAT AT THE TIME OF THE SCREENING OF STORE OPENINGS, THE CHAMBERS OF COMMERCE, TOO, SHOULD HAVE A ROLE TO PLAY, AND THEY ARE SEEKING A BROAD REVISION OF THE DRAFT PROPOSAL. THERE ARE SOME MEMBERS OF THE SMALL AND MEDIUM-SIZED BUSINESS ASSOCIATIONS WHO HAVE REACTED NEGATIVELY, SAYING THAT "IT IS IMPOSSIBLE TO FINISH WITHIN THE YEAR." SO THE POSSIBILITY HAS EMERGED THAT THIS VIEW WILL BE BROUGHT INTO THE FINAL DECISION BY THE MEMBERS IN WRAPPING UP THE REPORT BY THE END OF THE YEAR.

U.S. REPEATEDLY ASKED JAPAN FOR SPECIAL TAX CUT: INTERNAL GOVERNMENT DOCUMENT (YOMIURI - PAGE 2)

ACCORDING TO AN INTERNAL GOVERNMENT DOCUMENT WHICH THE YOMIURI SHIMBUN OBTAINED ON THE 19TH, WHAT THE U.S. GOVERNMENT HAD SOUGHT OF JAPAN IN ORDER TO COPE WITH THE ASIAN CURRENCY CRISIS AND FINANCIAL SYSTEM INSTABILITY INCLUDED A TAX CUT BASED ON TEMPORARILY PUTTING OFF THE TARGET OF FISCAL REFORM TARGET. APPARENTLY, SUCH A REQUEST BY THE U.S. WAS A MAJOR REASON FOR PRIME MINISTER HASHIMOTO'S DECISION FOR SPECIAL TAX REBATES THAT INCLUDED A 2 TRILLION YEN INCOME TAX CUT.

A SOURCE IN THE LIBERAL DEMOCRATIC PARTY REVEALED THAT

SECT: SECTION: 01 OF 07
<^SECT>SECTION: 02 OF 07
<^SECT>SECTION: 03 OF 07
<^SECT>SECTION: 04 OF 07
<^SECT>SECTION: 05 OF 07
<^SECT>SECTION: 06 OF 07

SSN: 0910
<^SSN>0910
<^SSN>0910

<^SSN>0910

<^SSN>0910

<^SSN>0910

TOR: 971221225329 M3080494

<^TOR>971221225415 M3080495

<^TOR>971221225431 M3080496

<^TOR>971221230028 M3080501

<^TOR>971221225622 M3080497

<^TOR>971221225638 M3080498

DIST:

SIT: NSC

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
005. cable	Re: Support Cable for East Asia Brief 97/296 (6 pages)	12/22/1997	P1/b(1)

COLLECTION:

Clinton Presidential Records
NSC Cables
Jan 1997-Dec 1998 ([Futenma])
OA/Box Number: 520000

FOLDER TITLE:

[12/19/1997 - 12/23/1997]

2016-0420-F
sb1919

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 RUEHKOAO916 3560734-UUUU--RHEHAAA.

LINE2: ZNR UUUUU ZZH

LINE3: O 220734Z DEC 97

LINE4: FM AMEMBASSY TOKYO

OSRI: RUEHKO

DTG: 220734Z DEC 97

ORIG: AMEMBASSY TOKYO

TO: RUEHC/SECSTATE WASHDC IMMEDIATE 4556

INFO: RUEKDIA/DIA WASHDC IMMEDIATE
RUEAIIA/CIA WASHDC IMMEDIATE
RUEHIA/USIA WASHDC IMMEDIATE 8177
RUEAWJA/DEPT OF JUSTICE WASHDC IMMEDIATE
RUEATRS/TREASURY DEPT WASHDC IMMEDIATE
RUCPDOG/USDOC WASHDC IMMEDIATE
RUEKJCS/SECDEF WASHDC IMMEDIATE
RHEHAAA/WHITEHOUSE WASHDC IMMEDIATE
RUYNJDK/COMNAVFORJAPAN YOKOSUKA JA
RUATJHU/CGUSARJ CAMP ZAMA JA//IX CORPS G5//
RUAYJAA/COMPATWING ONE KAMI SEYA JA
RUCWAAB/FBIS RESTON VA
RUESDJ/FBIS OKINAWA JA
RUEHKOS/AMCONSUL SAPPORO 4186
RUEHKOF/AMCONSUL FUKUOKA 8015
RUEHKON/AMCONSUL NAGOYA 3758
RUHBBMA/AMCONSUL NAHA 0981
RUEHOK/AMCONSUL OSAKA KOBE 4986
RUALSFJ/COMUSJAPAN YOKOTA AB JA//J5/JO21//
RHHMUNA/USCINCPAC HONOLULU HI
RHHMHAH/CINCPACFLT PEARL HARBOR HI//N5//

SUBJ: JAPANESE DAILY PRESS SUMMARY 12/22/97

TEXT:

UNCLAS SECTION 01 OF 09 TOKYO 010916

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

USIA FOR MR AND REA

WHITE HOUSE FOR NSC, NEC

JUSTICE FOR DAVID BOLING IN ANTI-TRUST DIVISION

COMMERCE FOR JEAN GRIER IN GENERAL COUNCILQS OFFICE, DAS

TREASURY FOR OASIA/IMI/JAPAN

DEPT PASS USTR FOR PUBLIC AFFAIRS OFFICE

DEPT PASS ELECTRONICALLY TO USDA FAS/ITP FOR SCHROETER

E.O. 12958: N/A

TAGS: PGOV, PINR, JA

SUBJECT: JAPANESE DAILY PRESS SUMMARY 12/22/97

INDEX:

- (1) Editorial: Prime Minister Hashimoto's Policy Decision Deserves Applause
- (2) Government, Prefecture Urged to Make Efforts to Break Deadlock, Taking into Account Results of Balloting in Nago
- (3) Point of View (on the Results of the Nago City Referendum on Heliport Construction): Severe Impact on Japan-U.S. Relations
- (4) Doi Is Still Regarded as Lifesaver for SDP, Whose Days Are Over; Secretary General and Other Executives Optimistic About Party Head Election
- (5) Probing the Age of Kim Dae Jung in the ROK: Thin Personal Ties with Japanese Political Circles

ARTICLES:

- (1) Editorial: Prime Minister Hashimoto's Policy Decision Deserves Applause

NIHON KEIZAI (Page 2) (Full)
December 18, 1997

Prime Minister Ryutaro Hashimoto has announced that he would implement income and resident tax cuts totaling 2 trillion yen in the FY1997 supplementary budget. Deficit-covering bonds will be used as the fiscal resource. We would like to applaud the Prime Minister's policy decision that was made in order to break the impasse in the Japanese economy.

The Japanese economy is in a critical condition due to the ongoing financial deflation coupled with the fiscal deflation. The financial crisis sparked by scores of failures of leading financial institutions has resulted in a credit crunch which is now substantially affecting the nation's economy. The consumption tax hike and suspended special tax breaks combined for a total of 9 trillion yen has caused a slump in consumption.

In addition, a currency and banking crisis has been spreading across Asia. Unless the Japanese economy were removed from this serious state, Japan might trigger a financial panic that would have jolted the global economy.

Under such circumstances, the Liberal Democratic Party (LDP) has produced a financial system stabilization package featuring the injection of 10 trillion yen in fiscal funds. But the tax reform scheme, the integral part for spurring the economy, was limited to lowering corporate tax rates and naturally lacked dynamics to stimulate the economy.

It can be said that the Prime Minister's decision was the ultimate step to save the Japanese economy from collapsing. Political leadership displayed by the Prime Minister was significant not only for the UNCLAS SECTION 02 OF 09 TOKYO 010916

DEPT FOR E, P, PM, EB, EAP/J AND S/AL
USIA FOR MR AND REA
WHITE HOUSE FOR NSC, NEC
JUSTICE FOR DAVID BOLING IN ANTI-TRUST DIVISION
COMMERCE FOR JEAN GRIER IN GENERAL COUNCILQS OFFICE, DAS
TREASURY FOR OASIA/IMI/JAPAN
DEPT PASS USTR FOR PUBLIC AFFAIRS OFFICE
DEPT PASS ELECTRONICALLY TO USDA FAS/ITP FOR SCHROETER

E.O. 12958: N/A
TAGS: PGOV, PINR, JA
SUBJECT: JAPANESE DAILY PRESS SUMMARY 12/22/97

Japanese economy but also for the global economy. All the more because the Prime Minister had been cautious about implementing income tax cuts, his abrupt decision has had a "surprise" impact on the stock and foreign exchange markets. Thanks to his courageous decision, the stock market and the yen's value have surged, which had been dull even after a financial system stabilization package and a tax reform plan were revealed.

Income tax cuts are expected to bolster extremely sluggish private consumption. Chances are also high to jump-start corporate investment. In addition, the program might bring stabilization to the financial system through a revitalized stock market.

The Prime Minister remained cautious about carrying out income tax cuts in view of consistency with his fiscal reform program. The goal of "zero" issuance of deficit-covering bonds, stipulated in the Fiscal Structural Reform Law, has served as a shackle. Tax revenues would decline if the economy fails to regain health and that would make fiscal reform even more difficult. If the Government can boost the economy by even issuing deficit-covering bonds, tax revenues are certain to grow.

We would like to take the Prime Minister's decision as an event indicating Hashimoto Administration's policy switch to giving importance to economic dynamism over short-term fiscal revenue and expenditure.

Tax cuts should be continued this fiscal year and beyond. The program should be shifted to institutionalized tax cuts from next year, although the size of the program should be adjusted depending on the condition of each year. That is

the path for the Japanese economy to regain vitality.

(2) Government, Prefecture Urged to Make Efforts to Break Deadlock, Taking into Account Results of Balloting in Nago

NIHON KEIZAI (Page 2) (Full) December 22, 1997

Residents of Nago City, Okinawa Prefecture voted against the construction of an offshore heliport for United States forces with opponents to the plan gaining a majority, topping the number of votes in favor of it, including those who conditionally supported the plan. Although it is necessary to take seriously the opponents' voice reflected in the balloting, the central government is obligated to offer base sites in accordance with the Japan-U.S. Security Treaty. The Government and Okinawa Prefecture should make further efforts to find a breakthrough for settling the problem of constructing a heliport to replace (the one at Futenma Air Station).

Referenda, which are independently held by local UNCLAS SECTION 03 OF 09 TOKYO 010916

DEPT FOR E, P, PM, EB, EAP/J AND S/AL
USIA FOR MR AND REA
WHITE HOUSE FOR NSC, NEC
JUSTICE FOR DAVID BOLING IN ANTI-TRUST DIVISION
COMMERCE FOR JEAN GRIER IN GENERAL COUNCILQS OFFICE, DAS
TREASURY FOR OASIA/IMI/JAPAN
DEPT PASS USTR FOR PUBLIC AFFAIRS OFFICE
DEPT PASS ELECTRONICALLY TO USDA FAS/ITP FOR SCHROETER

E.O. 12958: N/A
TAGS: PGOV, PINR, JA
SUBJECT: JAPANESE DAILY PRESS SUMMARY 12/22/97

governments under the Local Self-Autonomy Law, have no legal binding power. However, its political significance as a means to supplement the representative system is extremely great. In referenda held in Maki Town, Niigata Prefecture over an atomic power plant and in Mitake Town, Gifu Prefecture over industrial waste disposal facilities, opponents gained a majority, halting the construction of those facilities there.

The balloting in Nago City is different from the cases of Maki Town and Mitake Town on two points. One is that whereas in the case of those two towns, the mayors had clearly expressed their objection to the plans, and the referenda ratified the wishes of the mayors, the Mayor of Nago City did not indicate his clear wish. The other is that the construction of an offshore heliport has been proposed to take

over the functions of Futenma Air Station. Since the issue is connected with the nation's security policy, the problem is far more complicated and difficult.

Prime Minister Ryutaro Hashimoto has said, "For facilities to replace Futenma Air Station, there is no other option than a sea-based heliport in the offing of Camp Schwab." If the construction of an offshore heliport has to be given up, the return of Futenma Air Station may be backpedaled. If that happens, it may hinder promotion of the economy of Okinawa Prefecture itself.

Considering such circumstances, the referendum this time around provided four options -- "support it," "support it, because environmental measures and cash windfall can be expected," "oppose it, because environmental measures and cash windfall cannot be expected" and "oppose it," instead of choosing between the two -- "yes" or "no." However, the result was votes "against the plan" exceeded those "support it" and those "conditionally support it." It can be said that despite government efforts to induce interests in a manner where it was lost its regard for appearance for the sake of bulldozing its way, the balloting reflected the tough sentiments of residents, who are against shifting U.S. military facilities within the prefecture.

The problem is that that will not do. Should the planned return of Futenma Air Station be called off, it will deal a blow to the Hashimoto Administration. It will also hinder promotion of the economy in Okinawa, putting Governor Masahide Ota into a tight spot. The government and Okinawa Prefecture are urged to come up with more substantive measures in order to find a breakthrough for the base problem, which is reaching a dead end.

(3) Point of View (on the Results of the Nago City Referendum on Heliport Construction): Severe Impact on Japan-U.S. Relations

SANKEI (Page 1) (Full) December 22, 1997
UNCLAS SECTION 04 OF 09 TOKYO 010916

DEPT FOR E, P, PM, EB, EAP/J AND S/AL
USIA FOR MR AND REA
WHITE HOUSE FOR NSC, NEC
JUSTICE FOR DAVID BOLING IN ANTI-TRUST DIVISION
COMMERCE FOR JEAN GRIER IN GENERAL COUNCILQS OFFICE, DAS
TREASURY FOR OASIA/IMI/JAPAN
DEPT PASS USTR FOR PUBLIC AFFAIRS OFFICE
DEPT PASS ELECTRONICALLY TO USDA FAS/ITP FOR SCHROETER

E.O. 12958: N/A

TAGS: PGOV, PINR, JA

SUBJECT: JAPANESE DAILY PRESS SUMMARY 12/22/97

The citizens' referendum carried out in Nago City in Okinawa on heliport construction resulted in the group opposed winning a majority.

However, there were only a little more than 2,000 votes separating the approvals and the disapprovals, and one can say that the future settlement of this issue has been carried over to Nago City Mayor Tetsuya Higa and Governor Masahide Ota for the final judgment.

The Okinawa prefectural referendum that was carried out in September last year was to express the will of the prefectural residents toward reduction of bases, while the one this time questioned a concrete example of that in the form of the reversion of Futenma Air Station and the construction of a sea-based heliport. It was an unusual vote in that less than 40,000 residents would judge the actual results of an agreement reached between Japan and the United States that was included in the final report of the Special Action Committee on Okinawa (SACO).

From the details of an ordinance passed and other factors, the message being transmitted was that the "opposition group is leading," and so the Government dispatched Chief Cabinet Secretary Kanezo Muraoka, Hokkaido, Defense Agency Director General Fumio Kyuma, and Okinawa Development Agency Director General Muneo Suzuki to the local site in Okinawa, and it also had over 200 from the Defense Facilities Administrative Agency knock on every household door in Nago City to seek understanding toward the basic proposal for the sea-based heliport construction and the promotional package for the northern part of the island.

This was because there was fear that Prime Minister Ryutaro Hashimoto's leadership would weaken if SACO's "showcase," the return of Futenma Air Station, was withdrawn over the setback for the plan for a sea-based heliport. There was also concern that this could lead to a worsening of relations with the United States. Although Defense Agency Director General Kyuma said, "this is not an election campaign; we are presented material for making a judgment," the Government's activity (in Nago City) was associated with the group there favoring (the heliport), and there was a fierceness that developed in the campaign unseen in any previous referendum.

Although the opposition votes outnumbered the

approval votes, the Government from before has been saying, "the central government's policy approach will be decided by whatever judgment comes out of the city of Nago and Okinawa Prefecture" (Director General Kyuma). The view suggested was that the results of the referendum had no relevance, and that the judgment reached by the Mayor Higa of Nago and others would have priority. The mayor said, "I will take seriously the results of the referendum."
UNCLAS SECTION 05 OF 09 TOKYO 010916

DEPT FOR E, P, PM, EB, EAP/J AND S/AL
USIA FOR MR AND REA
WHITE HOUSE FOR NSC, NEC
JUSTICE FOR DAVID BOLING IN ANTI-TRUST DIVISION
COMMERCE FOR JEAN GRIER IN GENERAL COUNCILQS OFFICE, DAS
TREASURY FOR OASIA/IMI/JAPAN
DEPT PASS USTR FOR PUBLIC AFFAIRS OFFICE
DEPT PASS ELECTRONICALLY TO USDA FAS/ITP FOR SCHROETER

E.O. 12958: N/A
TAGS: PGOV, PINR, JA
SUBJECT: JAPANESE DAILY PRESS SUMMARY 12/22/97

In addition, Governor Ota, while strongly requesting the return of Futenma Air Station, has avoided any clear mention of the sea-based facility. To receive his judgment, effort are being urged to present additional promotional measures.

However, even if the acquiescence of Mayor Higa and others is obtained, there is no way to avoid the problem from dragging out over a long time, and it will be difficult to bring about the actual reversion of Futenma Air Station within the time limit of five to seven years, as called for in SACO's final report.

Although there will be no direct effect of all this on the U.S. Marines, it is likely to have a severe impact on the U.S.' view of the Japanese Government for not being able to implement a diplomatic commitment.

(4) Doi Is Still Regarded as Lifesaver for SDP, Whose Days Are Over; Secretary General and Other Executives Optimistic About Party Head Election

ASAHI (Page 7) (Full) December 20, 1997

The term of office of Takako Doi as the head of the Social Democratic Party (SDP) will expire at the end of January next year. Doi has turned down executives' urge to run in the race. Under such circumstances, SDP executives, Secretary General Shigeru Ito included, have now begun to look into party reform, a scene reminiscent of the Japanese

myth connected with the Sun Goddess hiding behind Gate of the Celestial Rock Cave. The absence of candidates for the party chairmanship, the "face" of the party, might spark a conjecture that the SDP's days are now over. How is the SDP going to generate its own overtones while sustain policy cooperation with the Liberal Democratic Party (LDP) as next year's Upper House election approaches? Even if Doi remains in office, the SDP's future still looks gloomy.

n Visits to Doi

"Even if you ask me to run in the race, I have no intention of doing so." At a meeting of female lawmakers on the 13th, Doi revealed her intention not to seek another term. Some members broke into tears. The meeting later adopted a decision urging Doi's candidacy. But Doi was adamant, repeating, "You already know my decision. I have nothing more to say."

True to her words, Doi did not file her candidacy on the 16th, the deadline for the race. Day after day, former chairman Tomiichi Murayama and other executives called on Doi in an effort to change her mind. Every time, Doi crisply replied: "My mind will not change." Yet Secretary General Ito is still optimistic, figuring, "What would happen to the SDP if Ms. Doi quits now? I think Ms. Doi

UNCLAS SECTION 06 OF 09 TOKYO 010916

DEPT FOR E, P, PM, EB, EAP/J AND S/AL
USIA FOR MR AND REA
WHITE HOUSE FOR NSC, NEC
JUSTICE FOR DAVID BOLING IN ANTI-TRUST DIVISION
COMMERCE FOR JEAN GRIER IN GENERAL COUNCILQS OFFICE, DAS
TREASURY FOR OASIA/IMI/JAPAN
DEPT PASS USTR FOR PUBLIC AFFAIRS OFFICE
DEPT PASS ELECTRONICALLY TO USDA FAS/ITP FOR SCHROETER

E.O. 12958: N/A
TAGS: PGOV, PINR, JA
SUBJECT: JAPANESE DAILY PRESS SUMMARY 12/22/97

knows that the best." Ito thinks if the party pushes ahead with party reform, Doi will opt for another term.

n Lifesaver

At every critical turn, the SDP has always turned to Doi to weather its difficulties. Leaning on Doi when the party is in trouble is now "tradition," so to speak. Doi, who has strong ties with civic groups, has never let the party down.

Doi assumed the present post in the fall of last

year when the party was on the verge of collapse. The party, which had made a policy switch and lost its unique imprint during the Murayama Administration, had to rely on Doi, an iron-willed politician and peace-advocate, who called for withdrawal of the consumption tax, protection of the Constitution, protection of the socially weak, and ridding Japan of political corruption.

n Difficulties

Ito and other executives are optimistic, figuring that Doi will comply with their request if a certain condition is met, as in the past. This time, that condition is to build a system that will revolve around the party head. Along this line, executives have been busy hammering out specific steps.

Nevertheless, being a member of the ruling camp, Doi's call for reducing the consumption tax on food and banning political donations from various businesses and organization before schedule have all been blocked by the LDP. Doi herself has emphasized the importance of policy decision-making, suggesting, "We opted to join the ruling camp in order to turn ourselves into a political party that can make changes in the reality." Nevertheless, a twist between Doi's determined stance and the party's frail poise has been becoming even more visible.

Next year, the SDP has to settle long-standing issues with the LDP, such as legal adjustment for the Japan-U.S. defense cooperation guidelines. In addition, an uphill battle is expected in next year's Upper House election, one predicting, "It will be satisfactory if we can win 50 percent of the 12 seats that we will put up for election" (executive member). Putting everything on Doi's shoulders does not seem the best option. How are the party members going to assist Doi? A debate in the party has just begun.

(5) Probing the Age of Kim Dae Jung in the ROK:
Thin Personal Ties with Japanese Political Circles

ASAHI (Page 2) (Full) December 22, 1997

At 7:00 o'clock on the morning of the 19th, when ballot counting in the Republic of Korea (ROK)
UNCLAS SECTION 07 OF 09 TOKYO 010916

DEPT FOR E, P, PM, EB, EAP/J AND S/AL
USIA FOR MR AND REA
WHITE HOUSE FOR NSC, NEC
JUSTICE FOR DAVID BOLING IN ANTI-TRUST DIVISION
COMMERCE FOR JEAN GRIER IN GENERAL COUNCILQS OFFICE, DAS

TREASURY FOR OASIA/IMI/JAPAN
DEPT PASS USTR FOR PUBLIC AFFAIRS OFFICE
DEPT PASS ELECTRONICALLY TO USDA FAS/ITP FOR SCHROETER

E.O. 12958: N/A
TAGS: PGOV, PINR, JA
SUBJECT: JAPANESE DAILY PRESS SUMMARY 12/22/97

presidential election was about to end, the telephone rang at former prime minister Yasuhiro Nakasone's residence in Tokyo. It was a call from Seoul.

Impression of Anti-Government Lessens

Over the phone, Liberal Democratic Federation President Pak Chinchun, who supported Kim Dae Jung in the presidential election, informed Nakasone, in halting Japanese, of Kim's victory. Then, in place of Pak, Kim Dae Jung himself was on the line.

Kim: I managed to win the election. At this juncture, I am counting on your cooperation.

Nakasone: I admire you because you persisted with your principles and long-cherished ideals with indomitable resolve. Japan and ROK share a common fate, including bilateral economic relations. I will also do my best with sincerity, in order to usher the bilateral relationship into a new stage.

Kim: I would like to visit Japan at an early date.

Pak, who served as chairman of the ROK-Japan Parliamentarians' League, made a call also to former prime minister Noboru Takeshita, who chairs the Japan-ROK Parliamentarians' League. This occurred about five hours before a teleconference was held between Prime Minister Ryutaro Hashimoto and Kim Dae Jung.

Kim Dae Jung, who has a strong image of being an "anti-government politician," has not kept close ties with any Japanese lawmaker, not to mention Nakasone and Takeshita. Pak is gearing up to improve that situation.

On December 1 and 2, when the presidential campaign was heating up, Pak flew to Tokyo to meet with Finance Minister Hiroshi Mitsuzuka, Foreign Minister Keizo Obuchi and Liberal Democratic Party (LDP) Secretary General Koichi Kato. He also then met Nakasone and Takeshita.

Kim Dae Jung joined hands with Pak and Kim Jong Pil in the election. Both had been his long-time political enemies, and Kim Jong Pil was prime minister when the "Kim Dae Jung abduction case"

took place in 1973. The Japanese Government and the LDP, keeping the presence of these two in mind, predict that "Japan-ROK relations will not significantly change. The abduction case will not be rehashed, either." Nakasone anticipates that "Kim Dae Jung will take charge of mapping out Japan policy, while Kim Jong Pil and Pak will take responsibility for U.S. policy."

Common Slogan of Anti-Communism Disappears

In old days, pro-ROK Japanese Dietmembers had deep ties with the ROK government. Such ties were often criticized as "overly cozy relations." Behind such UNCLAS SECTION 08 OF 09 TOKYO 010916

DEPT FOR E, P, PM, EB, EAP/J AND S/AL
USIA FOR MR AND REA
WHITE HOUSE FOR NSC, NEC
JUSTICE FOR DAVID BOLING IN ANTI-TRUST DIVISION
COMMERCE FOR JEAN GRIER IN GENERAL COUNCILQS OFFICE, DAS
TREASURY FOR OASIA/IMI/JAPAN
DEPT PASS USTR FOR PUBLIC AFFAIRS OFFICE
DEPT PASS ELECTRONICALLY TO USDA FAS/ITP FOR SCHROETER

E.O. 12958: N/A
TAGS: PGOV, PINR, JA
SUBJECT: JAPANESE DAILY PRESS SUMMARY 12/22/97

a state certainly lay a desire to pursue interests regarding the rapidly developing ROK economy at that time. Such close ties also took on the aspect of forming an "anti-communist" front, against the backdrop of the ROK antagonism toward the Democratic People's Republic of Korea (North Korea), China, and the then Soviet Union. Kim Jong Pil and Pak were among those in the anti-communist group.

Now that the cold-war structure has collapsed, the common slogan of "anti-Communism" has disappeared. Contradictions were exposed in adopting the Diet resolution issued on the commemoration of the 50th anniversary of the end of World War II in the days of the Tomiichi Murayama Cabinet. A number of politicians widely-believed to be "pro-ROK" objected to the resolution, refusing to acknowledge Japan's past aggressions during its colonial rule. Such a stance resulted in the ROK harboring a sense of distrust toward Japan.

The Japan-ROK Parliamentarians' League includes 436 members from political parties excluding the Japan Communist Party. But it now has few opportunities to display its political clout. On the other hand, an increasing number of new legislators in the ROK political world studied in America, and those who can speak Japanese are decreasing in number.

Upper House member Hideo Den, a Social Democratic Party (SDP), was overheard saying that he was surprised to see Takeshita handing his calling card to Kim Young Sam when he visited Japan five years ago just after being elected as president and held a meeting with executive members of the Japan-ROK Parliamentarians' League.

Ties between Japanese conservative politicians and the ROK political world after the shift to a civilian government have been limited.

Attempt to Bridge Gap between Different Generations

Four members of the 21st Century Committee" composed of junior members of the Japan-ROK Parliamentarians' League, including Chairman Takeo Kawamura (LDP), visited the ROK from the 17th through the 19th, with the presidential election between them, and exchanged views with ROK-Japan Parliamentarians' League members.

At the Headquarters of the Hannara (TN: phonetic) Party, from which Lee Hoi Change comes, ROK-Japan Parliamentarians' League Chairman Im Yunhwan, looking exhausted, told Kawamura and the others about the defeat of Lee: "Most of our members belong to the Hannara Party. Now that it turned into an opposition party, our political networks will undoubtedly become thin. I wonder if ROK-Japan relations will proceed smoothly."

In addition to the ROK economic crunch and Japan-North Korea normalization talks, difficult issues
UNCLAS SECTION 09 OF 09 TOKYO 010916

DEPT FOR E, P, PM, EB, EAP/J AND S/AL
USIA FOR MR AND REA
WHITE HOUSE FOR NSC, NEC
JUSTICE FOR DAVID BOLING IN ANTI-TRUST DIVISION
COMMERCE FOR JEAN GRIER IN GENERAL COUNCILQS OFFICE, DAS
TREASURY FOR OASIA/IMI/JAPAN
DEPT PASS USTR FOR PUBLIC AFFAIRS OFFICE
DEPT PASS ELECTRONICALLY TO USDA FAS/ITP FOR SCHROETER

E.O. 12958: N/A
TAGS: PGOV, PINR, JA
SUBJECT: JAPANESE DAILY PRESS SUMMARY 12/22/97

involving the Korean Peninsula, such as Japan-ROK fisheries talks entangled with the issue of sovereignty over the Takeshima Islands, are pending between the two countries. Under such circumstances, both sides will see their political roles become more important. The Hashimoto Administration and the new Kim Dae Jung Administration for the time being will likely to

rely on the former generation's personnel networks.
How they will hand down the personal networks to
the new generation is unable to be answered.

FOLEY

SECT: SECTION: 01 OF 09

<^SECT>SECTION: 02 OF 09
<^SECT>SECTION: 03 OF 09
<^SECT>SECTION: 04 OF 09
<^SECT>SECTION: 05 OF 09
<^SECT>SECTION: 06 OF 09
<^SECT>SECTION: 07 OF 09
<^SECT>SECTION: 08 OF 09
<^SECT>SECTION: 09 OF 09

SSN: 0916

<^SSN>0916
<^SSN>0916
<^SSN>0916
<^SSN>0916
<^SSN>0916
<^SSN>0916
<^SSN>0916
<^SSN>0916

TOR: 971222030115 M3080689

<^TOR>971222030201 M3080690
<^TOR>971222030217 M3080691
<^TOR>971222030322 M3080693
<^TOR>971222030412 M3080694
<^TOR>971222030427 M3080695
<^TOR>971222030548 M3080696
<^TOR>971222030603 M3080697
<^TOR>971222030625 M3080698

DIST:

SIT: NSC

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
006. cable	Re: Economy, Security Issues (4 pages)	12/22/1997	P1/b(1)

COLLECTION:

Clinton Presidential Records
NSC Cables
Jan 1997-Dec 1998 ([Futenma])
OA/Box Number: 520000

FOLDER TITLE:

[12/19/1997 - 12/23/1997]

2016-0420-F
sb1919

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]

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
007. cable	Re: Nago Heliport Referendum (5 pages)	12/22/1997	P1/b(1)

COLLECTION:

Clinton Presidential Records
NSC Cables
Jan 1997-Dec 1998 ([Futenma])
OA/Box Number: 520000

FOLDER TITLE:

[12/19/1997 - 12/23/1997]

2016-0420-F
sb1919

RESTRICTION CODES

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

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

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.

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]

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
008. cable	Re: Former Vice Gov. Yoshimoto (5 pages)	12/22/1997	P1/b(1)

COLLECTION:

Clinton Presidential Records
NSC Cables
Jan 1997-Dec 1998 ([Futenma])
OA/Box Number: 520000

FOLDER TITLE:

[12/19/1997 - 12/23/1997]

2016-0420-F
sb1919

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]

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
009. cable	Re: Reaction to Nago Plebiscite (5 pages)	12/22/1997	P1/b(1)

COLLECTION:

Clinton Presidential Records
NSC Cables
Jan 1997-Dec 1998 ([Futenma])
OA/Box Number: 520000

FOLDER TITLE:

[12/19/1997 - 12/23/1997]

2016-0420-F
sb1919

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]

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
010. cable	Re: Japan-U.S. / Okinawa Base Issues (2 pages)	12/22/1997	P1/b(1)

COLLECTION:

Clinton Presidential Records
NSC Cables
Jan 1997-Dec 1998 ([Futenma])
OA/Box Number: 520000

FOLDER TITLE:

[12/19/1997 - 12/23/1997]

2016-0420-F
sb1919

RESTRICTION CODES

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

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

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.

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]

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
011. cable	Re: Deputy Secretary November 12 Meeting (4 pages)	12/22/1997	P1/b(1)

COLLECTION:

Clinton Presidential Records
NSC Cables
Jan 1997-Dec 1998 ([Futenma])
OA/Box Number: 520000

FOLDER TITLE:

[12/19/1997 - 12/23/1997]

2016-0420-F
sb1919

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: PRIORITY
CLASS: UNCLASSIFIED
LINE1: PAAUZYUW RUCWAAA0595 3562314-UUAA--RHEHWSR.
LINE2: ZNR UUUA ZYN
LINE3: P 222314Z DEC 97
LINE4: FM FBIS RESTON VA
OSRI: RUCWAAA
DTG: 222314Z DEC 97
ORIG: FBIS RESTON VA
TO: RHEHWSR/WHITE HOUSE SITUATION ROOM WASHINGTON DC
RUEKJCS/SECDEF WASHINGTON DC//OASD/ISA/EAPR FOR LEW STERN//
RUEHC/SECSTATE WASHINGTON DC//EAP/JAPAN//
RUEHC/SECSTATE WASHINGTON DC//EAP/JAPAN/FOR SCOTT/LUDAN//
RUEHKOF/AMCONSUL FUKUOKA
RUEHOK/AMCONSUL OSAKA KOBE
RUEHKOS/AMCONSUL SAPPORO
RUEHBK/AMEMBASSY BANGKOK//POL//
RUEHBJ/AMEMBASSY BEIJING
RUEHJA/AMEMBASSY JAKARTA
RUEHGP/AMEMBASSY SINGAPORE
RUEHGP/AMEMBASSY SINGAPORE//FOR REGIONAL AFFAIRS//
RUHPHQ/CDR JTF-FA HONOLULU HI//J2//
RUATTBU/CDRISTBN1STSFGA TORII STA JA//SSO//
RUAGYIN/CDRCSCCTHREE YONGIN KOR//EACT-T-I//
RUAGAMS/CINC UNC CFC SEOUL KOR//UNCMAC//
RUHDBKT/DATT-TLO BANGKOK TH
RUEALGX/DEFINTAGENCY WASH DC
RUCPDC/DEPT OF COMMERCE WASHINGTON DC//O/IL//
RUCPDC/DEPT OF COMMERCE WASHINGTON DC//ITA/IEP/JAPAN//
RAYWBBK/DIO CANBERRA AS
RUYLBAH/DODSPECREP OKINAWA JA
RUESFG/FBIS BANGKOK TH
RUESDG/PTS HONG KONG
RUDKMKE/FBIS LONDON UK
RUDKMBK/FBIS LONDON UK//BBC RUCWAAA//
RUESDJ/FBIS OKINAWA JA
RUALJDT/JDET YOKOTA AB JA
RUDGFT/HQ AFTAC PATRICK AFB FL//DOB//
RUEBNA/HQ AFTAC-IN PATRICK AFB FL
RHHJDHA/HQ PACAF IDHS HICKAM AFB HI
RHHJJAA/JICPAC HONOLULU HI
RUDMQAN/MARCORINTACT DET QUANTICO VA
RUEAIJU/NPIC WASHINGTON DC//IEG EXEC OFF//
RAYWBFA/ONA CANBERRA AS
RHHMUNA/USCINCPAC HONOLULU HI
RUEHVEN/USMISSION USVIENNA
RUESTO/AMEMBASSY TOKYO
RUEHLO/AMEMBASSY LONDON UK
RUEHC/SECSTATE WASHINGTON DC//INR//
RUEHIA/USIA WASHINGTON DC//R//
RUDPWDC/DA AMHS WASHINGTON DC
RUEAIIS/STORAGE CENTER FBIS RESTON VA

ACCT FBWA-EWDK

INFO: ////

SUBJ: FBIS FOREIGN MEDIA NOTE-22DEC97-NAGO REFERENDUM

TEXT:

UNCLAS 4z/LD

WARNING: (THE FOLLOWING ITEM IS INTENDED FOR USE ONLY BY U.S. GOVERNMENT CONSUMERS. IT IS BASED ON FOREIGN MEDIA CONTENT AND BEHAVIOR AND IS ISSUED WITHOUT COORDINATION WITH OTHER GOVERNMENT COMPONENTS.)

WARNING: TOPIC: INTERNATIONAL, POLITICAL, MILITARY

SERIAL: WA2212231497

PASS: ATTN BLOUGH/MILLER
ATTN BBC RDSUP

COUNTRY: Japan-U.S.

SUBJ: FBIS FOREIGN MEDIA NOTE-22DEC97-NAGO REFERENDUM

SOURCE: FOREIGN BROADCAST INFORMATION SERVICE

TEXT:

Japan-US: Japanese Media Reaction Mixed on Nago Heliport Referendum Outcome

[FBIS Media Analysis] Editorials in major Tokyo and Okinawan papers on 22 December offered mixed reaction to the outcome of the Nago City referendum on constructing the offshore heliport.

The Okinawan papers and Asahi Shimbun called on Okinawa and Tokyo to accept the referendum results and to "make honest efforts" toward reducing the burden of bases in Okinawa.

--Ryukyu Shimpo asserted that Tokyo should review the option of withdrawing marines from Okinawa in bilateral negotiations with the United States because relocation of facilities as part of the SACO agreement has not "defused the crisis" of the Okinawa bases issue and not contributed to a fundamental solution.

--Okinawa Times stated that Hashimoto's political standing and the US-Japan security alliance will be "shaken" if the SACO agreement relocations are not implemented and called for a national referendum to determine whether the Okinawan people alone should bear the burden of the US-Japan security alliance.

--Asahi Shimbun said the United States should take referendum results "seriously" and urged Tokyo to make a "resolute decision" to rethink whether Futenma's relocation within Okinawa was an "absolute condition" for the US military.

Other Tokyo papers asserted that the referendum was not the end of the heliport issue and called on Okinawa and Tokyo to make further efforts, warning that failure to resolve the heliport issue would mean negative consequences for Hashimoto and Japan.

--Nihon Keizai Shimbun, Japan's leading economic daily, said it

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
012. cable	Re: FBIS Foreign Media Note - Nago Referendum [partial] (1 page)	12/22/1997	P3/b(3)

COLLECTION:

Clinton Presidential Records
NSC Cables
Jan 1997-Dec 1998 ([Futenma])
OA/Box Number: 520000

FOLDER TITLE:

[12/19/1997 - 12/23/1997]

2016-0420-F
sb1919

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]

would be a "heavy blow" to the Hashimoto government if the issue of Futenma relocation is reopened

--Yomiuri Shimbun said in an editorial for 23 December (Internet version) that the decision to return Futenma may have been made through "political negotiations" between Hashimoto and Clinton and thus an "unfavorable impact on US-Japan relations might be unavoidable" if it failed to materialize.

--Sankei Shimbun warned that postponement of the relocation of Futenma would result in the Japanese government "losing its credibility overseas" and would exert "negative influence on Japan's security."

(b)(3)

012

THIS REPORT MAY CONTAIN COPYRIGHTED MATERIAL. COPYING AND DISSEMINATION ARE PROHIBITED WITHOUT PERMISSION OF THE COPYRIGHT OWNERS.

(endall) EAG/HH/dh 22/2159z dec

SECT: SECTION: 01 OF 01

SSN: 0595

TOR: 971222182123 M3082132

DIST:

SIT: NSC

Cable

PREC: IMMEDIATE

CLASS: UNCLASSIFIED

LINE1: OAAUZYUW RUEHCAA8946 3570048-UUUU--RHEHNSC.

LINE2: ZNR UUUUU ZZH

LINE3: O P 230045Z DEC 97

LINE4: FM SECSTATE WASHDC

OSRI: RUEHC

DTG: 230045Z DEC 97

ORIG: SECSTATE WASHDC

TO: ALL EAST ASIAN AND PACIFIC DIPLOMATIC POSTS IMMEDIATE

RUEHIA/USIA WASHDC PRIORITY 3980

RHEHNSC/NSC WASHDC PRIORITY 7482

RUCNDT/USMISSION USUN NEW YORK PRIORITY 1016

RUATNPP/AMCONSUL PUSAN IMMEDIATE 5648

RUEHKOF/AMCONSUL FUKUOKA IMMEDIATE 7773

RUEHKON/AMCONSUL NAGOYA IMMEDIATE 1248

RUHBBMA/AMCONSUL NAHA IMMEDIATE 1413

RUEHOK/AMCONSUL OSAKA KOBE IMMEDIATE 4383

RUEHGZ/AMCONSUL GUANGZHOU IMMEDIATE 4061

RUESLE/AMCONSUL SHANGHAI IMMEDIATE 0130

RUEHSH/AMCONSUL SHENYANG IMMEDIATE 8544

RUEHJA/AMCONSUL SURABAYA IMMEDIATE 7739

INFO: RUEHLO/AMEMBASSY LONDON PRIORITY 7013

RUEHFR/AMEMBASSY PARIS PRIORITY 6542

RUEHMO/AMEMBASSY MOSCOW PRIORITY 8261

RUEHVEN/USMISSION USVIENNA PRIORITY

RUEHOL/AMEMBASSY BONN PRIORITY 7810

RUEHGV/USMISSION GENEVA PRIORITY 3103

RUEHLE/AMEMBASSY LUXEMBOURG PRIORITY 1656

RUEHNE/AMEMBASSY NEW DELHI PRIORITY 0494

RUEKJCS/SECDEF WASHDC//USDP PRIORITY 9924

RHHMUNA/USCINCPAC HONOLULU HI PRIORITY

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

RUAGAMS/CHJUSMAG SEOUL KS PRIORITY

RUAGAMS/SACINCUNC KS PRIORITY

RUAGAMS/USCINCUNC SEOUL KS PRIORITY

RHHMBRA/CINCPACFLT HI PRIORITY

RUEKJCS/JOINT STAFF WASHDC PRIORITY 5727

SUBJ: DECEMBER 22, 1997 PRESS GUIDANCES FOR THE EAP
REGION

ALL POSTS -- ALSO FOR USIS

SECDEF -- ALSO FOR OASD/PA

TEXT:

UNCLAS SECTION 01 OF 04 STATE 238946

USIA FOR EA; TOKYO FOR YAMAUCHI; MOSCOW FOR ANDERTON

E.O. 12958: N/A

TAGS: OPRC, XE, US

SUBJECT: DECEMBER 22, 1997 PRESS GUIDANCES FOR THE EAP

REGION

ALL POSTS -- ALSO FOR USIS
SECDEF -- ALSO FOR OASD/PA
USCINOPAC FOR FPA TEARE
USVIENNA FOR UNVIE
BEIJING PASS CHENGDU

1. INDEX

-- JAPAN -- OKINAWA REFERENDUM PARAS 2 - 3
-- WWII CLAIMS: SWITZERLAND AND USE OF FUNDS OF ALLIED
POW' S HELD BY JAPAN PARAS 4 - 5
-- NORTH-SOUTH KOREAN DIALOGUE PARAS 4 AND 6
-- CHINA: WEL'S COMMENTS PARAS 4 AND V
-- INDONESIA: AMERICAN CRASH VICTIMS IDENTIFIED PARAS 4
AND 8
-- ANTARCTICA: AN IMPORTANT NEW AGREEMENT PARAS 9 - 10

2. THE FOLLOWING PRESS GUIDANCES WAS PREPARED ON 12/22/97
AND USED AT THE DAILY PRESS BRIEFING. POSTS MAY DRAW ON IT
FOR USE ON AN IF ASKED BASIS.

3. JAPAN -- OKINAWA REFERENDUM

CONTEXT: IN NOVEMBER 1995 THE GOVERNMENTS OF THE UNITED STATES AND JAPAN ESTABLISHED THE SPECIAL ACTION COMMITTEE ON OKINAWA -- SACO -- TO ADDRESS LOCAL CONCERNS ASSOCIATED WITH THE U.S. MILITARY PRESENCE ON OKINAWA. ON DECEMBER 2, 1996, THE SACO FINAL REPORT RECOMMENDED WAYS TO REALIGN, CONSOLIDATE AND REDUCE U.S. FACILITIES AND AREAS, AND ADJUST OPERATIONAL PROCEDURES OF U.S. FORCES IN OKINAWA CONSISTENT WITH OUR RESPECTIVE OBLIGATIONS UNDER THE TREATY OF MUTUAL COOPERATION AND SECURITY AND RELATED AGREEMENTS. THE DECISION TO PURSUE A SEA-BASED FACILITY (SBF) WAS AN INTEGRAL PART OF THE SACO FINAL REPORT. SACO JUDGED THAT A SBF WAS THE BEST OPTION IN TERMS OF ENHANCED SAFETY AND QUALITY OF LIFE FOR THE OKINAWAN PEOPLE, WHILE MAINTAINING THE CRITICAL OPERATIONAL CAPABILITIES OF U.S. FORCES. IN SUNDAY'S REFERENDUM, CITIZENS IN NAGO, THE AREA WHERE THE PROPOSED OFF-SHORE FACILITY WOULD BE BUILT, VOTED BY A MARGIN OF ABOUT 2400 VOTES (APPROXIMATELY 53 PERCENT TO 47 PERCENT) AGAINST THE PROPOSAL. THE JAPANESE GOVERNMENT IS NOW FACED WITH THE QUESTION OF HOW TO RESPOND TO THE VOTE, AND IT IS FELT THAT A LOW-KEY APPROACH BY US WOULD BE THE MOST HELPFUL.

Q: WHAT IS THE U.S. REACTION TO THE DECEMBER 21 NAGO REFERENDUM?

A: IN THE FINAL REPORT OF THE SPECIAL ACTION COMMITTEE ON OKINAWA (SACO), THE GOVERNMENTS OF THE UNITED STATES AND JAPAN AGREED TO THE RETURN OF MARINE CORPS AIR STATION FUTENMA (FOO-TEN-MAH) AFTER ADEQUATE REPLACEMENT FACILITIES WERE COMPLETED AND OPERATIONAL. BOTH GOVERNMENTS REMAIN COMMITTED TO THE IMPLEMENTATION OF THE SACO FINAL REPORT.

- WE ARE AWARE OF THE RESULTS OF THE REFERENDUM, WHICH IS A DOMESTIC MATTER FOR JAPAN.

UNCLAS SECTION 02 OF 04 STATE 238946

USIA FOR EA; TOKYO FOR YAMAUCHI; MOSCOW FOR ANDERTON

E.O. 12958: N/A

TAGS: OPRC, XE, US

SUBJECT: DECEMBER 22, 1997 PRESS GUIDANCES FOR THE EAP REGION

IF ASKED

-- I HAVE NO FURTHER COMMENT.

-- I HAVE NO FURTHER COMMENT.

IF ASKED SPECIFICALLY

Q: IS A SEA-BASED FACILITY AT NAGO THE ONLY SOLUTION ACCEPTABLE TO THE U.S.?

A: I HAVE NOTHING TO ADD TO WHAT THE SPOKESMAN SAID AT FRIDAY'S PRESS BRIEFING.

4. THE FOLLOWING PRESS GUIDANCES WERE PREPARED ON 12/22/97 AND WERE NOT USED AT THE DAILY PRESS BRIEFING. POSTS MAY DRAW ON THEM FOR USE ON AN IF ASKED BASIS.

5. WWII CLAIMS: SWITZERLAND USE OF FUNDS OF ALLIED POW'S HELD BY JAPAN

Q: DO YOU HAVE ANY COMMENT ABOUT A DOCUMENT DECLASSIFIED BY THE U.S. THAT SUGGESTS THAT ALLIED FUNDS FOR POW'S WERE UTILIZED FOR THE TRANSFER OF SWISS CLAIMS IN JAPAN AND FOR THE USE OF THE JAPANESE GOVERNMENT DURING WORLD WAR II? WHAT ABOUT NEW DETAILS PUBLISHED TODAY?

A: A DOCUMENT CITED EARLIER IN PRESS REPORTS, WHICH WAS OF ABOUT 800,000 DECLASSIFIED OVER THE LAST YEAR, DID NOT SPECIFICALLY COME TO OUR ATTENTION BECAUSE IT FELL OUTSIDE THE SCOPE OF OUR RESEARCH INTO THE FLOW OF GOLD AND OTHER ASSETS AS WELL AS TRADE IN VITAL WAR SUPPLIES BETWEEN NAZI GERMANY AND WORLD WAR II NEUTRAL COUNTRIES.

-- WE ARE NOT NOW IN A POSITION TO PROPERLY EVALUATE THAT DOCUMENT WITHOUT A GREATER UNDERSTANDING OF THE CONTEXT SURROUNDING IT. NOR ARE WE FAMILIAR WITH THE DETAILS MENTIONED IN TODAY'S PRESS REPORTS (12/22/97).

-- ONE OF THE REASONS WE DECLASSIFIED THESE DOCUMENTS WAS TO HELP OTHERS DOING RESEARCH ON THIS WHOLE COMPLEX SET OF ISSUES RELATED TO WORLD WAR II.

6. NORTH-SOUTH KOREAN DIALOGUE

CONTEXT: AFTER VICTORY IN THE SOUTH KOREAN PRESIDENTIAL ELECTION, KIM DAE-JUNG CALLED FOR DIRECT NORTH-SOUTH DIALOGUE HE HAD DURING THE CAMPAIGN. THERE HAVE BEEN SEVERAL ATTEMPT SUSTAINED NORTH-SOUTH DIALOGUE SINCE THE 1970S.

Q: WILL KIM DAE-JUNG'S CALL FOR DIRECT DIALOGUE WITH THE NORTH INTERFERE WITH THE FOUR PARTY PROCESS?

A: NO. WE HAVE LONG SUPPORTED DIRECT DIALOGUE BETWEEN THE SOUTH AND THE NORTH.

- THE PURPOSE OF THE FOUR PARTY TALKS IS THE REDUCTION OF TENSION ON THE PENINSULA AND THE ACHIEVEMENT OF PERMANENT PEACE, WHICH IS IN EVERYONE'S INTEREST. IMPROVEMENT OF RELATIONS BETWEEN NORTH AND SOUTH KOREA COULD ONLY CONTRIBUTE TO THE ACHIEVEMENT OF THIS GOAL.

UNCLAS SECTION 03 OF 04 STATE 238946

USIA FOR EA; TOKYO FOR YAMAUCHI; MOSCOW FOR ANDERTON

E.O. 12958: N/A

TAGS: OPRC, XE, US

SUBJECT: DECEMBER 22, 1997 PRESS GUIDANCES FOR THE EAP REGION

PROGRESS IN THE FOUR PARTY PROCESS AND BETTER RELATIONS BETWEEN THE PARTICIPANTS ARE MUTUALLY REINFORCING.

7. CHINA: WEI'S COMMENTS

Q: WHAT IS THE U.S. RESPONSE TO WEL JINGSHENG'S COMMENT THAT THE U.S. MAY BE BEING "DUPED" BY CHINA ON HUMAN RIGHTS?

A: OUR POLICY OF ENGAGEMENT WITH CHINA ENTAILS WORKING TO NARROW DIFFERENCES IN AREAS WHERE WE HAVE REAL DISAGREEMENTS, SUCH AS HUMAN RIGHTS, AS WELL AS WORKING TO EXPAND AREAS OF COOPERATION.

-- ENGAGEMENT DOES NOT MEAN ENDORSEMENT AND IN THE AREA OF HUMAN RIGHTS WE WILL CONTINUE TO PRESS THE CHINESE TO TAKE STEPS TO BRING CHINA'S HUMAN RIGHTS PRACTICES INTO LINE WITH INTERNATIONAL NORMS AND STANDARDS.

--AS YOU KNOW, WE HAVE FREQUENTLY URGED CHINA TO RELEASE ALL THOSE INCARCERATED FOR THE PEACEFUL EXPRESSION OF THEIR POLITICAL, SOCIAL OR RELIGIOUS VIEWS.

--WE BELIEVE THAT THE RECENT RELEASE OF WEL JINGSHENG WAS AN EXTREMELY POSITIVE STEP AND HOPE THAT OTHERS INCARCERATED SOLELY FOR PEACEFUL EXPRESSION OF THEIR VIEWS BE RELEASED IN THE NEW YEAR.

8. INDONESIA: AMERICAN CRASH VICTIMS IDENTIFIED

CONTEXT: FIVE AMERICANS ARE CONFIRMED DEAD IN FRIDAY'S SILK AIR CRASH IN INDONESIA. WE HAVE NOTIFIED THE NEXT-OF-KIN, AND ARE THEREFORE ABLE TO NAME THE VICTIMS PUBLICLY. SALVAGE OPERATIONS CONTINUE ON THE ISLAND OF SUMATRA, WHERE THE PLANE WENT DOWN, BUT IT APPEARS THAT RIVER CONDITIONS ARE MAKING RECOVERY OF REMAINS "PROBLEMATIC," REPORT OUR EMBASSY JAKARTA OFFICERS WHO WERE ON THE SCENE OVER THE WEEKEND.

Q: CAN YOU IDENTIFY THE FIVE U.S. CITIZENS KILLED IN FRIDAY'S CRASH IN INDONESIA?

A: WE REGRET TO CONFIRM THAT FIVE AMERICANS WERE KILLED IN THE AIR CRASH IN INDONESIA DECEMBER 19. THEIR NEXT-OF-KIN HAVE BEEN NOTIFIED. OUR CONSULAR OFFICERS IN JAKARTA AND IN SINGAPORE ARE PROVIDING ALL APPROPRIATE ASSISTANCE.

(IF ASKED:)

--THE FIVE AMERICANS WERE: KATHRYN WORTH, SUSAN PICARIELO, BERNICE OEY, JONATHAN OEY -- ALL RESIDENT IN SINGAPORE -- AND RICHARD DALRYMPLE, RESIDENT IN JAKARTA. OUR THOUGHTS AND PRAYERS ARE WITH THEIR FAMILIES.

9. THE FOLLOWING STATEMENT WAS ISSUED L2//22/97 BY THE OFFICE OF THE STATE DEPARTMENT SPOKESMAN.

10. ANTARCTICA: AN IMPORTANT NEW AGREEMENT

AN HISTORIC NEW AGREEMENT ON ANTARCTICA -- THE PROTOCOL UNCLAS SECTION 04 OF 04 STATE 238946

USIA FOR EA; TOKYO FOR YAMAUCHI; MOSCOW FOR ANDERTON

E.O. 12958: N/A

TAGS: OPRC, XE, US

SUBJECT: DECEMBER 22, 1997 PRESS GUIDANCES FOR THE EAP REGION

ON ENVIRONMENTAL PROTECTION TO THE ANTARCTIC TREATY -- WILL ENTER INTO FORCE ON JANUARY 14, 1998. ENTRY INTO FORCE TAKES PLACE THIRTY DAYS AFTER ALL TWENTY-SIX ANTARCTIC TREATY CONSULTATIVE PARTIES HAVE RATIFIED, A PROCESS WHICH WAS COMPLETED ON DECEMBER 15, 1997, WITH RATIFICATION BY JAPAN.

THE ENTRY INTO FORCE AND THE IMPLEMENTATION OF THE PROTOCOL ARE IMPORTANT OBJECTIVES OF U.S. ANTARCTIC POLICY. THE PROTOCOL BUILDS ON THE ANTARCTIC TREATY TO EXTEND ITS EFFECTIVENESS AS A MECHANISM FOR ENSURING THE PROTECTION OF THE ANTARCTIC ENVIRONMENT. IT DESIGNATES ANTARCTICA AS A NATURAL RESERVE, DEVOTED TO PEACE AND SCIENCE, AND SETS FORTH BASIC

PRINCIPLES AND DETAILED, MANDATORY RULES APPLICABLE TO HUMAN ACTIVITIES IN ANTARCTICA, INCLUDING OBLIGATIONS TO ACCORD PRIORITY TO SCIENTIFIC RESEARCH.

THE PROTOCOL PROHIBITS ALL ACTIVITIES RELATING TO MINERAL RESOURCES IN ANTARCTICA, EXCEPT FOR SCIENTIFIC RESEARCH.

THE PROTOCOL COMMITS PARTIES TO ENVIRONMENTAL IMPACT ASSESSMENT PROCEDURES FOR PROPOSED ACTIVITIES, BOTH GOVERNMENTAL AND PRIVATE. IT REQUIRES PARTIES TO PROTECT ANTARCTIC FAUNA AND FLORA AND IMPOSES STRICT LIMITATIONS ON DISPOSAL OF WASTES IN ANTARCTICA AND DISCHARGE OF POLLUTANTS INTO ANTARCTIC WATERS. IN ADDITION, PARTIES MUST PROVIDE FOR PROMPT AND EFFECTIVE RESPONSE TO ENVIRONMENTAL EMERGENCIES, INCLUDING THROUGH THE DEVELOPMENT OF JOINT CONTINGENCY PLANS.

THE PROTOCOL ALSO INCORPORATES EFFECTIVE COMPLIANCE PROVISIONS, INCLUDING COMPULSORY AND BINDING DISPUTE SETTLEMENT PROCEDURES.

TALBOTT

SECT: SECTION: 01 OF 04

<^SECT>SECTION: 02 OF 04

<^SECT>SECTION: 03 OF 04

<^SECT>SECTION: 04 OF 04

SSN: 8946

<^SSN>8946

<^SSN>8946

<^SSN>8946

TOR: 971222194947 M3082226

<^TOR>971222195033 M3082227

<^TOR>971222195120 M3082229

<^TOR>971222195121 M3082230

DIST:

SIT: BADER GAGNON KRISTOFF NORRIS PRITCHARD

SIT: NSC

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
013. cable	Re: MCAS Futenma Replacement Facility (5 pages)	12/23/1997	P1/b(1)

COLLECTION:

Clinton Presidential Records
NSC Cables
Jan 1997-Dec 1998 ([Futenma])
OA/Box Number: 520000

FOLDER TITLE:

[12/19/1997 - 12/23/1997]

2016-0420-F
sb1919

RESTRICTION CODES

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

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

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.

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]