

Withdrawal/Redaction Sheet

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. cable	Re: National Update (Executive Edition) (9 pages)	12/24/1997	P1/b(1)
002. cable	Re: MCAS Futenma Replacement Facility (4 pages)	12/24/1997	P1/b(1)
003. cable	Re: General Hall Address (3 pages)	12/24/1997	P1/b(1)
004. cable	Re: 2015 Nago Strategy (3 pages)	12/24/1997	P1/b(1)
005. cable	Re: Okinawa Governor and Nago Mayor (3 pages)	12/24/1997	P1/b(1)
006. cable	Re: Japan-U.S. / Okinawa Base Issues (3 pages)	12/24/1997	P1/b(1)
007. cable	Re: Summary (4 pages)	12/27/1997	P1/b(1)
008. cable	Re: National Update (Executive Edition) (10 pages)	12/29/1997	P1/b(1)
009. cable	Re: 1998 Report on Allied Contributions to the Common Defense (18 pages)	12/29/1997	P1/b(1)
010. cable	Re: Mayoral Election Scheduled for February 8 (4 pages)	12/29/1997	P1/b(1)
011. cable	Re: 1998 Report on Allied Contributions to the Common Defense, Corrected Copy (18 pages)	12/31/1997	P1/b(1)

COLLECTION:

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

FOLDER TITLE:

[12/24/1997 - 12/31/1997]

2016-0420-F
sb1920

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

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Cable

PREC: IMMEDIATE

CLASS: UNCLASSIFIED

LINE1: OAAUZYUW RUEHKOAO944 3580317-UUUU--RHEHAAA.

LINE2: ZNR UUUUU ZZH

LINE3: O 240317Z DEC 97

LINE4: FM AMEMBASSY TOKYO

OSRI: RUEHKO

DTG: 240317Z DEC 97

ORIG: AMEMBASSY TOKYO

TO: RUEHIA/USIA WASHDC IMMEDIATE 8186
RHEHAAA/WHITEHOUSE WASHDC IMMEDIATE
RUEHC/SECSTATE WASHDC PRIORITY 4599
RUEKJCS/SECDEF WASHDC//USDA;ISA// PRIORITY
RUCPDOG/USDOC WASHDC PRIORITY
RUEATRS/TREASURY DEPT WASHDC PRIORITY
RUYNJDK/COMNAVFORJAPAN YOKOSUKA JA PRIORITY
RHHMUNA/USCINCPAC HONOLULU HI//USIA// PRIORITY
RHHMAH/CINCPACFLT PEARL HARBOR HI//N541// PRIORITY
RUHVPAC/HQ PACAF HICKAM AFB HI//CC/PA// PRIORITY
RUHBANB/OAFO CAMP BUTLER JA PRIORITY
RUALSFJ/COMUSJAPAN YOKOTA AB JA PRIORITY

INFO: RUEHKOF/AMCONSUL FUKUOKA PRIORITY 8040
RUEHOK/AMCONSUL OSAKA KOBE PRIORITY 5011

SUBJ: MEDIA REACTION, NAGO CITY HELIPORT PLEBISCITE;
TOKYO

LEAD STORIES: TOP STORIES THIS MORNING INCLUDE SUNDAY'S
NAGO CITY HELIPORT REFERENDUM IN WHICH A MAJORITY VOTED
AGAINST RELOCATING THE USFJ HELIPORT TO THE NAGO AREA.

TEXT:

UNCLAS TOKYO 010944

USIA

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

E.O. 12958; N/A

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TOKYO

LEAD STORIES: TOP STORIES THIS MORNING INCLUDE SUNDAY'S
NAGO CITY HELIPORT REFERENDUM IN WHICH A MAJORITY VOTED
AGAINST RELOCATING THE USFJ HELIPORT TO THE NAGO AREA.

1. "THE WAY TO MAKE THE BEST USE OF NAGO CITIZENS' WILL"
THE LIBERAL ASAHI EDITORIALIZED (12/22), "IN THE POLL ON
PROPOSED CONSTRUCTION OF A U.S. MARINE HELIPORT OFF NAGO
CITY, A MAJORITY OF RESIDENTS VOTED AGAINST HOSTING THE
BASE... PM HASHIMOTO HAS REPEATEDLY SAID, '(THE GOJ)
WILL NOT IMPOSE A HELIPORT WITHOUT CONSIDERING LOCAL

OPINION.' HE MUST NOT TRAMPLE THAT PROMISE. IT IS A MATTER OF COURSE THAT THE USG SHOULD ALSO TAKE THE REFERENDUM RESULT SERIOUSLY BY RECOGNIZING THAT THE PLANNED HELIPORT RELOCATION IS NOT JUST A GOVERNMENT-

LEVEL MATTER.

"IMPLEMENTATION OF THE SACO AGREEMENT IS BECOMING DIFFICULT AS NAGO CITIZENS HAVE SAID NO TO AN OFFSHORE FACILITY THAT REPLACES U.S. MARINE FUTENMA AIR STATION... A BOLD DECISION (BY THE GOJ) IS NEEDED TO REVIEW THE FUTENMA REVERSION ACCORD, THOUGH IT MIGHT TAKE TIME, INCLUDING THE TIME NECESSARY TO EXAMINE WHETHER CONSTRUCTION OF A SEA-BASED HELIPORT, WHICH WOULD COST UP TO 1 TRILLION YEN, IS THE ONE AND ONLY OPTION FOR THE TRANSFER (OF THE FUTENMA FACILITY) TO ANOTHER LOCATION IN OKINAWA."

2. "REALISTIC JUDGMENT NEEDED FOR HELIPORT CONSTRUCTION" THE TOP-CIRCULATION, MODERATE YOMIURI OPINED (12/22), "(NAGO MAYOR AND OKINAWA GOVERNOR) SHOULD RECOGNIZE THE SIGNIFICANCE OF BUILDING AN ALTERNATIVE. FOR THE OKINAWA PREFECTURE, CONSOLIDATION AND REDUCTION OF AMERICAN MILITARY INSTALLATIONS ARE THE MOST IMPORTANT CONCERN. A PILLAR OF THE SACO AGREEMENT WHICH INCORPORATES BASE REDUCTION MEASURES IS THE REVERSION OF FUTENMA AIR STATION. THAT RETURN PRESUPPOSES CONSTRUCTING A SUBSTITUTE HELIPORT NECESSARY TO ENSURE U.S. MILITARY DETERRENCE CAPABILITY THAT IS ESSENTIAL TO PEACE-PRESERVING.

"IF THE ALTERNATIVE HELIPORT PROJECT FALTERS, THE FUTENMA REVERSION WOULD GO NOWHERE, RESULTING IN A DELAY OF SMOOTH IMPLEMENTATION OF THE SACO ACCORD... THE (FUTENMA) RETURN WAS DECIDED IN TOP-LEVEL POLITICAL NEGOTIATIONS BETWEEN PRESIDENT CLINTON AND PM HASHIMOTO. THIS BEING SO, IT IS INEVITABLE THAT A FAILURE TO IMPLEMENT THE U.S.-JAPAN AGREEMENT WOULD HAVE AN UNFAVORABLE EFFECT ON THE BILATERAL RELATIONS."
CRANE

SECT: SECTION: 01 OF 01

SSN: 0944

TOR: 971223224336 M3084223

DIST:

SIT: NSC

Cable

PREC: IMMEDIATE
CLASS: UNCLASSIFIED
LINE1: OAAUZYUW RUEHKO A0946 3580322-UUUU--RHEHAAA.
LINE2: ZNR UUUUU ZZH
LINE3: O 240322Z DEC 97
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OSRI: RUEHKO
DTG: 240322Z DEC 97
ORIG: AMEMBASSY TOKYO
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RUEHC/SECSTATE WASHDC IMMEDIATE 4600
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 24

TOP HEADLINES:

TEXT:
UNCLAS SECTION 01 OF 06 TOKYO 010946

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 24

TOP HEADLINES:

ASAHI: TRANSPORT MINISTRY TO DIRECTLY WATCH SAFETY OF
FOREIGN PLANES BY SHIFTING ITS PRINCIPLE OF LEAVING THE
MATTER ENTIRELY TO OTHER COUNTRIES; AIRCRAFT FUSELAGE AND
RECORDS TO BE CLOSELY EXAMINED

MAINICHI: KOREAN WON PLUMMETS, TOUCHING 2,000 AGAINST THE

DOLLAR ON SEOUL FOREIGN EXCHANGE; STOCK MARKET ALSO MARKS RECORD PLUNGE

YOMIURI: ROK WON DIPS 16 PERCENT TO JUST BEFORE 2,000 AGAINST THE DOLLAR AFFECTED BY DOWNGRADED LONG-TERM DEBTS

NIHON KEIZAI: 10 TRILLION YEN GOVERNMENT BONDS: GOVERNMENT, LDP DECIDE TO USE 3 TRILLION YEN FOR PURCHASING PREFERRED STOCKS AND 7 TRILLION YEN FOR PROTECTING DEPOSITORS (TRANSLATION BELOW)

SANKEI: TOKYO DISTRICT PUBLIC PROSECUTORS OFFICE TO PROSECUTE POSSIBLY EARLY NEXT YEAR A FORMER FINANCE MINISTRY FINANCIAL INSPECTION DEPARTMENT CHIEF ON SUSPICION OF RECEIVING SPECIAL TREATMENT WORTH SEVERAL MILLION YEN FROM NOMURA SECURITIES IN RETURN FOR GIVING FAVOR IN ISSUING ROAD BONDS

TOKYO SHIMBUN: SENIOR IMMIGRATION OFFICER RECEIVES 7 MILLION YEN FROM ENTERTAINMENT PROMOTION COMPANY; MONEY TRANSFERRED TO HIS BANK ACCOUNT 20 TIMES SINCE 1994

GOVERNMENT FEARS SETTLEMENT OF FUTENMA ALTERNATE HELIPORT ISSUE MAY BE PROLONGED (ASAHI - PAGE 2)

THE PROBLEM OF TRANSFERRING THE U.S.' FUTENMA AIR STATION, MADE MORE DIFFICULT BY THE REFERENDUM BY THE CITIZENS OF NAGO CITY IN OKINAWA, FELL INTO AN EVEN MORE PERPLEXING SITUATION ON THE 22ND. SOCIAL DEMOCRATIC PARTY HEAD TAKAKO DOI ANNOUNCED HER OPPOSITION TO INCLUDING IN THE BUDGET THE EXPENSES RELATED TO THE SURVEY OF CONSTRUCTION OF THE SEA-BASED FACILITY (HELIPORT) THAT IS TO REPLACE THE ONE AT FUTENMA. IN ADDITION, THE PROPOSAL TO RE-APPOINT FORMER DEPUTY GOVERNOR MASANORI YOSHIMOTO, WHO WAS EXPECTED TO PLAY A LIAISON ROLE WITH OKINAWA PREFECTURE, WAS REJECTED AGAIN BY THE OKINAWA PREFECTURAL ASSEMBLY. THE DANGER NOW FELT IN THE GOVERNMENT IS THAT A PROLONGATION OF THE ISSUE MAY BE UNAVOIDABLE.

"WAIT FOR THE JUDGMENTS OF THE GOVERNOR AND THE MAYOR, YOU SAY? STOP ASKING ME ABOUT THAT. WHO KNOWS WHAT THEIR JUDGMENT WILL BE ANYWAY?"

PRIME MINISTER RYUTARO HASHIMOTO EXPRESSED HIS IRRITATION TO THE PRESS CORPS THIS WAY YESTERDAY WHEN REPEATEDLY ASKED WHAT HE PLANNED TO DO NEXT.

THE PRIME MINISTER EXPRESSED HIS DESIRE TO MEET GOVERNOR OTA ON THE 24TH WHEN OTA COMES UP TO TOKYO TO PRESENT HIS PREFECTURE'S BUDGET. SEEKING TO OPEN UP THE SITUATION, HASHIMOTO INTENDS TO ENCOURAGE THE GOVERNOR AND THE MAYOR TO MAKE POLITICAL JUDGMENTS. HOWEVER, BOTH THE GOVERNOR AND THE MAYOR HAVE DECIDED TO DISCUSS THEIR RESPONSES AFTER THE NEW YEAR, SO IT IS LIKELY THAT THE FINAL JUDGMENT THAT INCLUDES THE PREFECTURE WILL SLIP.

THE GOVERNMENT IS SMARTING OVER THE OKINAWA PREFECTURAL

ASSEMBLY'S SECOND REJECTION OF THE RE-APPOINTMENT OF FORMER DEPUTY GOVERNOR YOSHIMOTO. THIS IS BECAUSE HE WAS THE MAIN POINT PERSON FOR WORKING ON THE GOVERNOR TO PERSUADE HIM.

OPINIONS CLASHING

UNCLAS SECTION 02 OF 06 TOKYO 010946

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 24

DIVERGENT VIEWS HAVE SURFACED WITHIN THE RULING CAMP OVER HOW TO HANDLE THE EXPENDITURES RELATED TO THE HELIPORT CONSTRUCTION IN THE BUDGET COMPILATION. THE DEFENSE AGENCY (JDA) AT FIRST PLANNED AN ADDITIONAL REQUEST OF 2 BILLION YEN FOR SURVEY EXPENSES FOLLOWING THE REFERENDUM, THIS WAS BECAUSE OF THE CONCERN OF JDA DIRECTOR GENERAL FUMIO KYUMA THAT "IF WE REQUEST SUCH BEFORE THE REFERENDUM, IT WOULD LOOK LIKE WE'RE GOING OVER THE HEADS OF THE LOCAL COMMUNITY."

HOWEVER, YESTERDAY AT A MEETING OF THE HEADS OF THE THREE RULING PARTIES, SDP HEAD DOI INSISTED, "WE SHOULD RESPECT THE RESULTS OF THE REFERENDUM AND NOT INCLUDE APPROPRIATIONS FOR THOSE EXPENDITURES." THE PRIME MINISTER THEN SAID, "WE CAN'T MAKE A SNAP DECISION WITHOUT FIRST SEEING THE JUDGMENT OF THE GOVERNOR." IT WAS DECIDED TO RESERVE OPINION UNTIL THE 25TH, WHEN DOWN-TO-THE-WIRE POLITICAL DECISIONS ARE MADE ON THE GOVERNMENT'S DRAFT BUDGET.

VISIT OF U.S. SECRETARY OF DEFENSE TO JAPAN

THE ORIGINAL AGREEMENT BETWEEN JAPAN AND THE U.S. WAS TO DRAFT A PLAN BY THE END OF THE YEAR FOR IMPLEMENTATION OF THE CONSTRUCTION OF A SEA-BASED FACILITY. THAT IS ALREADY IMPOSSIBLE. IN MID-JANUARY NEXT YEAR, SECRETARY OF DEFENSE COHEN IS PLANNING TO STOP IN JAPAN DURING A TOUR OF ASIAN COUNTRIES. AT THIS TIME, IF THE PRESENT SITUATION CONTINUES, "WE CAN ONLY CONTINUE TO EXPLAIN THE SITUATION TO THE LOCAL COMMUNITY AND SEEK THEIR UNDERSTANDING" (JDA SOURCE).

AT THIS RATE, THE SITUATION COULD BECOME A RERUN OF NAHA PORT, WHICH WAS AGREED TO BE RETURNED 24 YEARS AGO, BUT STILL HANGS IN LIMBO BECAUSE THE CANDIDATE SITE WAS

REJECTED.

HASHIMOTO TO PROPOSE TO GOVERNOR OTA TODAY PLACING A TIME LIMIT OF 2015 (NIHON KEIZAI - PAGE 1)

A PROPOSAL WAS FLOATED IN THE GOVERNMENT YESTERDAY FOR FINDING A BREAKTHROUGH IN THE PROBLEM OF CONSTRUCTION OF A SEA-BASED HELIPORT OFF OF NAGO CITY IN OKINAWA PREFECTURE. THE IDEA IS TO CONSTRUCT A TEMPORARY HELIPORT OFF NAGO CITY, PLACING A TIME LIMIT OF THE YEAR 2015 ON IT. SINCE THE NUMBER OF VOTES OPPOSING THE HELIPORT SURMOUNTED THOSE IN FAVOR OF IT IN THE REFERENDUM HELD IN NAGO CITY ON THE 21ST ON THE HELIPORT CONSTRUCTION QUESTION, THE AIM NOW IS TO BUILD AN ENVIRONMENT FOR NAGO CITY MAYOR TETSUYA HIGA AND OKINAWA GOVERNOR MASAHIDE OTA TO MAKE POLITICAL DECISIONS ACCEPTING THE CONSTRUCTION BY CREATING "THE PRACTICAL POSSIBILITY OF THE HELIPORT'S REMOVAL" BY PLACING A SPECIFIC TIME LIMIT ON IT.

PRIME MINISTER RYUTARO HASHIMOTO HAS TRANSMITTED HIS PLAN TO MEET WITH GOVERNOR OTA ON THE 24TH. HE WANTS TO OBTAIN THE GOVERNOR'S UNDERSTANDING, BUT THE OKINAWA PREFECTURE SIDE AS OF YESTERDAY HAD NOT REVEALED ITS ATTITUDE DURING INFORMAL COORDINATION WITH THE GOVERNMENT, SO THE OUTLOOK FOR A FINAL RESOLUTION IS UNCLEAR.

THE SEA-BASED FACILITY PLANNED FOR CONSTRUCTION OFF NAGO CITY WILL BE ONE OF TWO TYPES, A FIXED PLATFORM SET ON PILLARS DRIVEN INTO THE SEABED AND A PONTOON-STYLE STRUCTURE THAT WOULD FLOAT ON THE SURFACE. THE PRIME MINISTER HAS EXPLAINED THAT "IT WOULD BE REMOVABLE IN THE FUTURE." THE PROPOSAL TO LIMIT ITS EXISTENCE TO NO LATER THAN THE YEAR 2015 SEEMS TO HAVE BEEN MADE IN CONSIDERATION OF GOVERNOR OTA'S VIEW THAT ALL U.S. BASES ON OKINAWA SHOULD BE REMOVED BY THAT YEAR.

(TN: SIMILAR ARTICLES APPEARED IN SEVERAL OTHER DAILIES UNCLAS SECTION 03 OF 06 TOKYO 010946

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 24

ON 12/24.)

GOVERNMENT, LDP DECIDE TO POSTPONE BUDGET FOR HELIPORT SITE SURVEY EXPENSES (YOMIURI - PAGE 2)

THE GOVERNMENT AND THE LIBERAL DEMOCRATIC PARTY (LDP) YESTERDAY REACHED A POLICY DIRECTION TO POSTPONE APPROPRIATING IN THE FY1998 BUDGET ABOUT 2 BILLION YEN IN SURVEY EXPENSES FOR CONSTRUCTING A SEA-BASED HELIPORT TO REPLACE THE ONE AT THE U.S. FUTENMA AIR STATION.

IF AND WHEN THE HELIPORT PROJECT IS FORMALLY APPROVED, THE COSTS WILL BE EARMARKED FROM THE RESERVED FUND. THE GOVERNMENT HAS CONCLUDED FROM NAGO CITY'S REFERENDUM, IN WHICH OPPOSITION OUTNUMBERED APPROVAL, THAT IT WAS NOT GOOD TO APPROPRIATE SURVEY EXPENDITURES AND RUB LOCAL SENTIMENTS THE WRONG WAY WHEN NEITHER GOVERNOR MASAHIDE OTA NOR NAGO MAYOR TETSUYA HIGA HAS YET TO REVEAL THEIR INTENTION TO APPROVE THE PROJECT. IN ADDITION, THE DECISION SEEMS TO MIRROR THE LDP'S CONSIDERATION TO SOCIAL DEMOCRATIC PARTY HEAD TAKAKO DOI, WHO HAS STRONGLY OPPOSED APPROPRIATING SUCH ALLOCATIONS.

WORD OF YEAR 2015 TIME LIMIT ON NAGO HELIPORT SWEEPS
OKINAWA (YOMIURI - PAGE 2)

PRIME MINISTER HASHIMOTO YESTERDAY FIRMED UP HIS INTENTION TO SEEK LOCAL UNDERSTANDING TOWARD THE NEW IDEA OF LETTING THE U.S. FORCES USE THE HELIPORT UNTIL 2015 IN AN EFFORT TO FIND A BREAKTHROUGH IN THE OFFSHORE HELIPORT CONSTRUCTION PROBLEM. THIS PLAN, HOWEVER, HAS CAUSED A STIR AMONG PERSONS RELATED TO THE PROJECT IN OKINAWA PREFECTURE.

LIBERAL DEMOCRATIC PARTY (LDP) OKINAWA CHAPTER CHIEF ONAGA NOTED: "IT IS GOOD FOR THE PREFECTURE IF THE PRIME MINISTER HAS COME UP WITH THE YEAR 2015 AS THE DEADLINE FROM A HIGH-LEVEL POLITICAL DECISION. IT IS ONE MEANS TO REQUEST CONSTRUCTION IN VIEW OF THE OUTCOME OF THE LOCAL REFERENDUM. I WOULD LIKE TO APPLAUSE THE PRIME MINISTER'S DECISION."

IN CONTRAST, DEPUTY CHIEF SHINJO OF THE ASSOCIATION TO OPPOSE THE HELIPORT CONSTRUCTION PROJECT, WHICH HAS BEEN PUSHING AHEAD WITH THE ANTI-HELIPORT DRIVE, REMARKED IN A PERPLEXED TONE: "THERE IS NO GUARANTEE THAT THE (BASE) WILL BE REMOVED BY 2015. IS IT REALLY NECESSARY TO INJECT HUGE COSTS INTO A HELIPORT THAT WILL BE REMOVED IN A LITTER OVER TEN YEARS? I CANNOT BELIEVE SUCH A PROPOSAL."

CHAIRMAN OSAMU ISHIKAWA OF THE RULING PARTY IN THE OKINAWA ASSEMBLY ALSO REMARKED: "I CANNOT SEE WHAT'S THE TRUE INTENTION BEHIND SUCH AN ABRUPT PLAN. I CANNOT TRUST THE GOVERNMENT, WHICH HAS BEEN KEEPING ITS HEAD IN THE SAND, DISREGARDING OUR STRONG CALL FOR A REDUCTION OF THE BASES HERE. I JUST CANNOT BUY SUCH A PLAN."

DEPUTY CHIEF CABINET MINISTER NONAKA BRIEFS PRIME MINISTER ON MOOD IN NAGO CITY (YOMIURI - PAGE 2)

PRIME MINISTER HASHIMOTO MET WITH LIBERAL DEMOCRATIC

PARTY (LDP) ACTING SECRETARY GENERAL HIROMU NONAKA YESTERDAY AT HIS OFFICIAL RESIDENCE. IN IT, NONAKA BRIEFED ON OKINAWA GOVERNMENT'S MOOD AND CONVEYED NAGO CITY'S INTENTION TO LEAVE THE FINAL DECISION ENTIRELY TO THE GOVERNMENT AND GOVERNOR MASAHIDE OTA WITHOUT POSTPONING THEIR DECISION TO NEXT YEAR IN THE WAKE OF NAGO CITY'S REFERENDUM ON HELIPORT CONSTRUCTION.

NONAKA'S REPORT WAS BASED ON WHAT HE FOUND IN OKINAWA, WHERE HE VISITED ON THE 21ST AND 22 TO EXCHANGE VIEWS WITH NAGO MAYOR TETSUYA HIGA.

UNCLAS SECTION 04 OF 06 TOKYO 010946

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 24

GOVERNMENT, LDP FIRMS UP DETAILS OF FINANCIAL STABILIZATION PACKAGE (NIHON KEIZAI - TOP PLAY)

THE GOVERNMENT AND THE LIBERAL DEMOCRATIC PARTY (LDP) HAVE DECIDED TO STRENGTHEN FINANCIAL INSTITUTIONS' OWNED CAPITALS, INCLUDING HEALTHY BANKS, BY CHANNELING 3 TRILLION YEN OUT OF THE 10 TRILLION YEN TO BE INFUSED AS A FINANCIAL STABILIZATION MEASURE TO THE DEPOSIT INSURANCE CORPORATION (DIC) IN ORDER TO MAKE AVAILABLE FOR IT TO PURCHASE PREFERRED STOCKS ISSUED BY FINANCIAL INSTITUTIONS. THE REMAINING 7 TRILLION YEN WILL BE ALLOCATED FOR PROTECTION OF DEPOSITORS AND SUPPORT FOR FINANCIAL INSTITUTIONS THAT AGREE TO TAKE OVER OPERATIONS OF FAILED FINANCIAL COMPANIES. THE LDP WILL MAKE A DECISION ON SUCH STEPS TODAY. THIS POLICY LINE IS AIMED AT NOT ONLY PROTECTING DEPOSITORS BUT ALSO STRENGTHENING AS A COUNTERMEASURE ON BANKS' TENDENCY TO REDUCE THEIR LENDING THEIR OWNED CAPITALS SO THAT THEY WILL AUGMENT THEIR LENDING. IN THE MEANTIME, THE MINISTRY OF FINANCE (MOF) IS NOW LOOKING INTO THE POSSIBILITY OF INCLUDING IN A PACKAGE OF MEASURES FOR PROMOTING FLEXIBILITY OF THE EARLY CORRECTION SYSTEM TO BE APPLIED TO FINANCIAL INSTITUTIONS, INCLUDING A PROPOSAL FOR A SYSTEM OF AN OPTION BETWEEN "COST OR MARKET, WHICHEVER IS LOWER" BASIS AND COST BASIS. THE DECISION WILL BE RELEASED TODAY, TOGETHER WITH A MORATORIUM MEASURE ON THE ISSUANCE OF ADMINISTRATIVE PENALTIES.

THE LDP PRESENTED THE PACKAGE AT MIDNIGHT OF THE SAME DAY TO THE SOCIAL DEMOCRATIC PARTY (SDP) AND THE SAKIGAKE,

BUT THE SDP SHOWED STRONG OPPOSITION. NEGOTIATIONS WILL BE RESUMED TODAY.

THE LDP PLAN CITES THE FOLLOWING CONDITIONS AS STANDARDS FOR SCREENING CASES OF PURCHASING PREFERRED STOCKS AND SUBORDINATED BONDS FLOATED BY ORDINARY FINANCIAL INSTITUTIONS, SUCH AS BANKS ON THE VERGE OF BANKRUPTCY, WITH FUNDS ALLOCATED TO A "FINANCIAL CRISIS MANAGEMENT ACCOUNT" TO BE SET UP WITHIN THE DIC: (1) CRITICAL CASE WHERE THERE IS GRAVE CONCERN OVER THE CREDIT ORDER DUE TO A LARGE FALL IN TRUST IN THE FINANCIAL SYSTEM; (2) WHEN A SERIOUS HINDRANCE IS ANTICIPATED TO OCCUR UNLESS PREFERRED SHARES ARE NOT PURCHASED; (3) WHEN A DESTRUCTIVE IMPACT ON A SPECIFIC AREA AND SECTOR IS ANTICIPATED, RESULTING IN EXTREMELY SERIOUS IMPACT ON THE NATIONAL ECONOMY. THOSE MEASURES ARE IDENTIFIED AS SPECIAL EXEMPTION MEASURES VALID UNTIL THE END OF MARCH 2001.

THE JUDGMENT OF THE GOVERNMENT AND THE LDP IS: "UNLESS A STANCE THAT A MAJOR AIM OF INJECTING PUBLIC FUNDS IS TO PROTECT DEPOSITORS IS SHOWN, WE WILL NOT BE ABLE TO OBTAIN UNDERSTANDING FROM THE PEOPLE." THEY PLAN TO ALLOT A LARGE PART OF THE 10 TRILLION YEN FOR STEPPING UP THE FUNDING OF THE DIC. WHEN PURCHASING PREFERRED STOCKS AND SUBORDINATED BONDS, DELIBERATIONS WILL BE HELD BY A COMMITTEE CONSISTING OF SEVEN MEMBERS, INCLUDING THE FINANCE MINISTER, A FINANCIAL SURVEILLANCE AGENCY DIRECTOR GENERAL, THE BANK OF JAPAN (BOJ) GOVERNOR, THE DIRECTOR OF THE DIC AND THREE ACADEMICS. THE GOVERNMENT WILL GIVE APPROVAL TO THE COMMITTEE'S DECISION AT A CABINET MEETING. THE DIC WILL THEN ASSIGN FINANCIAL INSTITUTIONS THAT AGREE TO TAKE OVER OPERATIONS OF FAILED FINANCIAL FIRMS TO PURCHASE SUCH SHARES AND BONDS.

A SWITCH OF THE METHOD OF EVALUATING SECURITIES, WHICH MOF IS NOW CONSIDERING, IS A MEASURE THAT GIVES CONSIDERATION TO FINANCIAL INSTITUTIONS WHOSE PROFITS AND EARNINGS BASE IS SHAKEN DUE TO THE OCCURRENCE OF APPRAISAL LOSSES INCURRED AS A RESULT OF A PLUNGE IN STOCK PRICES. THE BENCHMARK 225-ISSUE NIKKEI AVERAGE ON THE 22ND FELL TO 14,799.4, A 18 PERCENT DROP FROM THE UNCLAS SECTION 05 OF 06 TOKYO 010946

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 24

READING IN LATE MARCH (18,003.4). UNDER THE CURRENTLY ADOPTED "COST OR MARKET" METHOD, MANY OF STOCKS HOLDINGS FALL BELOW BOOK VALUES, NECESSITATING FINANCIAL INSTITUTIONS TO REPORT HUGE AMOUNTS OF APPRAISAL LOSSES, BUT IF THE METHOD IS SWITCHED TO COST BASIS, IT WILL BECOME UNNECESSARY FOR THEM TO REPORT APPRAISAL LOSSES. THE JUDGMENT IS, THEREFORE, THAT THIS STEP WILL PREVENT THE CAPITAL BALANCE OF FINANCIAL INSTITUTIONS FROM SHRINKING, WORKING AS A CHECK ON THEIR CAPITAL ADEQUACY RATIOS FROM FALLING.

MOF IS ALSO CONSIDERING A PLAN FOR ALLOWING TO INCLUDE A CERTAIN FIXED RATIO OF LATENT PROFITS ON LAND IN THE LIST OF ITEMS THAT CAN BE REPORTED AS AN OWNED CAPITAL. THE INTENTION IS TO CONSOLIDATE AN ENVIRONMENT THAT WILL HELP RAISE FINANCIAL INSTITUTIONS' CAPITAL ADEQUACY RATIOS WITH AN EYE TO CONSTRAINING A NEGATIVE IMPACT TO BE CREATED BY THE EARLY CORRECTIVE ACTION, WHICH IS BOUND TO RESULT IN ISSUING ADMINISTRATIVE PENALTIES, SUCH AS PLACING FINANCIAL INSTITUTIONS WHOSE RATIOS WERE FOUND LOW, ON PROBATION.

-- OUTLINE OF FINANCIAL STABILIZATION PACKAGE --

-- INFUSION OF FUNDS INTO FINANCIAL INSTITUTIONS --

OF PUBLIC FUNDS WORTH 10 TRILLION YEN, 7 TRILLION YEN IS TO BE INJECTED FOR PROTECTION OF DEPOSITORS AND FINANCIAL INSTITUTIONS THAT AGREE TO TAKE OVER OPERATIONS OF FAILED FINANCIAL FIRMS. THE STEP IS A TIME-LIMITED MEASURE UNTIL THE END OF MARCH, 2001. A COMMITTEE CONSISTING OF THE FINANCE MINISTER, THE BOJ GOVERNOR, THE DIC DIRECTOR AND OTHERS IS TO REACH A FAIR JUDGMENT ON THE INFUSION OF FUNDS. BANKS THAT AGREE TO TAKE OVER OPERATIONS OF FAILED FINANCIAL FIRMS WILL BE ENTRUSTED TO PURCHASE PREFERRED STOCKS.

-- FLEXIBLE APPLICATION OF EARLY CORRECTION SYSTEM

SPECIAL-EXEMPTION REGULATION ON ASSETS CALCULATIONS, SUCH AS OFFSETTING DEPOSIT BY LENDING IN THE ACCOUNTS OF THE SAME ENTERPRISES. MEASURES TO POSTPONE THE ISSUANCE OF ORDERS TO PLACE FINANCIAL INSTITUTIONS ON PROBATION OR LIGHTEN SUCH ORDERS. ADOPT AN OPTION SYSTEM BETWEEN THEM

"COST OR MARKET" METHOD AND COST BASIS.

LDP SECRETARY GENERAL: JAPAN TO RELAX INTERNATIONAL STANDARDS IN DEALING WITH CREDIT CRUNCH
(MAINICHI - PAGE 1)

REFERRING TO A REVISION OF THE EARLY-CORRECTION SYSTEM FOR FINANCIAL INSTITUTIONS, CITED AS A REASON FOR THEIR CREDIT CRUNCH, LIBERAL DEMOCRATIC PARTY (LDP) SECRETARY GENERAL KOICHI KATO TOLD THE PRESS AT PARTY HEADQUARTERS YESTERDAY THAT THE GOVERNMENT WOULD CONSIDER FLEXIBLY OPERATING THIS SYSTEM BY EXTENDING THE GRACE PERIOD FOR CITY BANKS AND OTHER FINANCIAL INSTITUTIONS OPERATING

OVERSEAS TO ATTAIN THE INTERNATIONAL STANDARD (A CAPITAL ADEQUACY RATIO OF MORE THAN 8 PERCENT). DISCUSSION OF DETAILS WILL BE CONDUCTED AT A MEETING OF THE LDP EMERGENCY HEADQUARTERS FOR FINANCIAL SYSTEM STABILIZATION TODAY. KATO ALSO REVEALED AN INTENTION TO CALL IN FEDERATION OF BANKERS ASSOCIATIONS OF JAPAN CHAIRMAN SAEKI TO THE MEETING AND ADVISE HIM TO HAVE FINANCIAL INSTITUTIONS CORRECT THEIR UNWILLINGNESS TO PROVIDE LOANS AND TO HAVE CRIPPLED LOCAL BANKS WITHDRAW FROM INTERNATIONAL OPERATIONS. HE STATED: "LOCAL BANKS, IN AN ATTEMPT TO STICK TO INTERNATIONAL BUSINESS, ARE TRYING TO SOMEHOW ACHIEVE THE 8 PERCENT LEVEL, BUT WE WOULD LIKE TO STRESS THAT RATHER THAN CLINGING TO INTERNATIONAL BUSINESS, MAINTAINING THEIR LOCAL SERVICES WITHIN THE (DOMESTIC STANDARD OF) 4 PERCENT WILL BE MORE ESSENTIAL."

UNCLAS SECTION 06 OF 06 TOKYO 010946

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 24

THE EARLY-CORRECTION SYSTEM WILL BE INTRODUCED NEXT APRIL, IN AN EFFORT TO RECOVER THE HEALTH OF FINANCIAL INSTITUTIONS' OPERATIONS. SHOULD BANKS SEE THEIR CAPITAL-TO-ASSET RATIOS, INCLUDING OUTSTANDING LOANS AND DISCOUNTS, FALL BELOW A CERTAIN LEVEL, THE MINISTRY OF FINANCE (MOF) WILL INSTRUCT THEM TO WORK OUT MEASURES TO IMPROVE THEIR BUSINESS OPERATIONS. TWO KINDS OF STANDARDS WILL BE ADOPTED -- ONE FOR INTERNATIONAL BUSINESS (SETTING THE CAPITAL ADEQUACY RATIO AT MORE THAN 8 PERCENT) AND THE OTHER FOR DOMESTIC SERVICE (OVER 4 PERCENT). THE PLAN IS INTENDED FOR FINANCIAL INSTITUTIONS OPERATING OVERSEAS TO BOOST THEIR OWN CAPITAL.

MOF MINISTER HIROSHI MITSUZUKA ON THE 22ND INDICATED A POSITIVE STANCE TOWARD REVIEWING THE APPLICATION OF THE DOMESTIC STANDARD BUT AN UNWILLINGNESS TO REVISE THE INTRODUCTION OF THE INTERNATIONAL ONE. ON THIS, KATO REMARKED THAT "WHETHER TO REVIEW THE INTERNATIONAL STANDARD HAS BECOME THE MOST DIFFICULT POINT." HE ALSO SAID, "WE CANNOT ALLOW A FLEXIBLE APPLICATION (OF THE DOMESTIC STANDARD) TO ALL INSTITUTIONS. THE STANDARD WILL BE APPLIED FLEXIBLY TO IMPROVING INSTITUTIONS AND INFLEXIBLY TO HOPELESS ONES. WHETHER THE INTRODUCTION OF (THE INTERNATIONAL STANDARD) WOULD BE CONSIDERED IN THIS CONTEXT WILL BE IN FOCUS." IF JAPAN REVIEWED THE

APPLICATION OF THE INTERNATIONAL STANDARD, ITS REPUTATION
IN THE INTERNATIONAL COMMUNITY MIGHT BE UNDERMINED.

FOREIGN MINISTER OBUCHI TO SEOUL ON DECEMBER 29 TO MEET
KIM DAE JUNG (NIHON KEIZAI - PAGE 2)

FOREIGN MINISTER KEIZO OBUCHI WILL VISIT THE REPUBLIC OF
KOREA (ROK) ON THE 29TH AND 30TH. THIS PLAN CAME OUT OF
THE NEED FOR HIM TO VISIT THE ROK TO MEET PRESIDENT-ELECT
KIM DAE JUNG. KIM HAS DESIRED TO VISIT JAPAN AT AN EARLY
DATE, BUT IT IS NOW UNLIKELY THAT HIS VISIT WILL BE
REALIZED WITHIN THE YEAR. IN AN EFFORT TO FIND WAY OUT
OF THE DEADLOCK IN BILATERAL FISHERIES PACT NEGOTIATIONS,
HE WILL MEET ALSO WITH PRESIDENT KIM YOUNG SAM AND
FOREIGN MINISTER YOO CHONG HA.

LDP ACCEPTS PROPOSAL TO SCRAP LARGE STORE LAW,
CONDITIONED ON NEW REPLACEMENT LAW
(TOKYO SHIMBUN - PAGE 2)

THE LIBERAL DEMOCRATIC PARTY CONVENED A JOINT MEETING
YESTERDAY OF SUBCOMMITTEES OF ITS SMALL AND MEDIUM-SIZED
BUSINESS RESEARCH COUNCIL, INCLUDING THE COMMERCE AND
INDUSTRY SUBCOMMITTEE, AND OF THE RESEARCH COUNCIL FOR
THE REVITALIZATION OF DOWNTOWN CITY AREAS. IT THERE
ADOPTED A RESOLUTION APPROVING THE ABOLITION OF THE LARGE-
SCALE RETAIL STORE LAW, CONDITIONED ON THE PREPARATION OF
NEW LEGISLATION TO REPLACE THAT LAW.

THE RESOLUTION SEEKS AT THE TIME OF THE REVIEW OF THE
LARGE STORE LAW, THE TRANSFERENCE OF AUTHORITY TO LOCAL
GOVERNMENT FOR THE SAKE OF THE PROMOTION OF THE HEALTH OF
SMALL RETAILERS AND SO THAT LOCAL VIEWS WOULD BE
REFLECTED.

IN ADDITION, THE RESEARCH COUNCIL FOR THE REVITALIZATION
OF DOWNTOWN CITY AREAS, WHICH CONVENED AT THE SAME TIME,
ADOPTED A POLICY COURSE OF ASKING THE GOVERNMENT TO
COMPILE A "CHARTER FOR REVITALIZATION OF DOWNTOWN CITY
AREAS" IN ORDER TO ASSIST DOWNTOWN SHOPKEEPERS ROWS AND
THE LIKE, WHICH ARE EXPERIENCING A SERIOUS HOLLOWING OUT
AS THE NUMBERS OF EMPTY STORES RISE. IT WILL SEEK
ENACTMENT OF A DOWNTOWN CITY AREA REVITALIZATION LAW
(TENTATIVE TITLE) IN THE NEXT REGULAR DIET SESSION.
CRANE

SECT: SECTION: 01 OF 06

<^SECT>SECTION: 02 OF 06

<^SECT>SECTION: 03 OF 06

<^SECT>SECTION: 04 OF 06

<^SECT>SECTION: 05 OF 06

<^SECT>SECTION: 06 OF 06

SSN: 0946

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<^TOR>971223230543 M3084240
<^TOR>971223225259 M3084234

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DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
002. cable	Re: MCAS Futenma Replacement Facility (4 pages)	12/24/1997	P1/b(1)

COLLECTION:

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

FOLDER TITLE:

[12/24/1997 - 12/31/1997]

2016-0420-F
sb1920

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]
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- 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]

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DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
003. cable	Re: General Hall Address (3 pages)	12/24/1997	P1/b(1)

COLLECTION:

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

FOLDER TITLE:

[12/24/1997 - 12/31/1997]

2016-0420-F
sb1920

RESTRICTION CODES

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DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
004. cable	Re: 2015 Nago Strategy (3 pages)	12/24/1997	P1/b(1)

COLLECTION:

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Jan 1997-Dec 1998 ([Futenma])
OA/Box Number: 520000

FOLDER TITLE:

[12/24/1997 - 12/31/1997]

2016-0420-F
sb1920

RESTRICTION CODES

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DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
005. cable	Re: Okinawa Governor and Nago Mayor (3 pages)	12/24/1997	P1/b(1)

COLLECTION:

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

FOLDER TITLE:

[12/24/1997 - 12/31/1997]

2016-0420-F
sb1920

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DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
006. cable	Re: Japan-U.S. / Okinawa Base Issues (3 pages)	12/24/1997	P1/b(1)

COLLECTION:

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

FOLDER TITLE:

[12/24/1997 - 12/31/1997]

2016-0420-F
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DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
007. cable	Re: Summary (4 pages)	12/27/1997	P1/b(1)

COLLECTION:

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

FOLDER TITLE:

[12/24/1997 - 12/31/1997]

2016-0420-F
sb1920

RESTRICTION CODES

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

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DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
008. cable	Re: National Update (Executive Edition) (10 pages)	12/29/1997	P1/b(1)

COLLECTION:

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

FOLDER TITLE:

[12/24/1997 - 12/31/1997]

2016-0420-F
sb1920

RESTRICTION CODES

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

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

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RR. Document will be reviewed upon request.

b(1) National security classified information [(b)(1) of the FOIA]
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b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

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DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
009. cable	Re: 1998 Report on Allied Contributions to the Common Defense (18 pages)	12/29/1997	P1/b(1)

COLLECTION:

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

FOLDER TITLE:

[12/24/1997 - 12/31/1997]

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RESTRICTION CODES

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

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
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- 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]

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010. cable	Re: Mayoral Election Scheduled for February 8 (4 pages)	12/29/1997	P1/b(1)

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SUBJECT: JAPANESE DAILY PRESS SUMMARY 12/29/97

INDEX:

- (1) EDITORIAL: We Wish to Praise the Decision of the Mayor of Nago City
- (2) EDITORIAL: Nago Mayor's Hard Decision
- (3) Upper-House Dietmember Hironaka Will Not Merge with Komei
- (4) Recommendation to Scrap Large-Scale Retail Store Law; Social Regulations to Replace Store-Opening Restrictions
- (5) Temp. Service: Regulations on Certain Businesses Subject Law to Be Liberalized in Principle
- (6) Information to Be Transmitted through Sewer Pipes; Advancing Underground Tele-communications Big Bang

ARTICLES:

- (1) EDITORIAL: We Wish to Praise the Decision of the Mayor of Nago City

YOMIURI (Page 3) (Full)
December 25, 1997

In his meeting with Prime Minister Hashimoto on the question of the construction of an alternate heliport to the one at the U.S.' Futenma Air Station, Nago City Mayor Tetsuya Higa indicated willingness to accept its construction in the offing of Camp Schwab. This was a major step forward toward the realization of that project.

We would like to praise Mayor Higa for giving impetus to the realignment and reduction of the U.S. bases on Okinawa, which would answer the prayers of the citizens of that prefecture, and contributing to the nation's security and to progress in the bilateral relationship with the United States. We can expect now that this also will have a good impact on the Okinawa problem as a whole.

We hope there will be a decision, too, by Governor Ota, who, though he reserved his opinion regarding the mayor's wishes during his meeting with the Prime Minister, stated, "I took it constructively."

In the citizens' referendum in Nago City, those who were against construction outnumbered those who favored it. However, the difference was less than anyone expected.

On the other hand, if there is a setback in construction of an alternate heliport, it would greatly upset the plan to realign and reduce U.S. bases. An impact on the economic promotional package also would be unavoidable.

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SUBJECT: JAPANESE DAILY PRESS SUMMARY 12/29/97

project, it is indispensable that the environmental measures, including such a study, be made even more comprehensive.

Regarding the promotional package for the northern part of the island, centered on Nago City, the Government also must speed up its efforts, including budgetary measures that would bring such about.

(2) EDITORIAL: Nago Mayor's Hard Decision

NIHON KEIZAI (Page 2) (Full)
December 26, 1997

Tetsuya Higa, the mayor of Nago City in Okinawa Prefecture, has now formally announced that he will accept the planned construction of a sea-based heliport as an alternative facility incident to the programmed reversion of the U.S. Forces' Futenma Air Station site. At the same time, Mayor Higa has also clarified his intention to resign from office as the city's mayor. This is a consequence of Nago City's recent referendum, in which a majority of citizens were against the heliport construction plan. The mayor explained that he would take responsibility for the split in the Nago citizenry. We want to take a serious view of this decision.

Admitted that a local government's referendum of its residents has no legal binding force, it nonetheless is generally undesirable that the head of a local government hands down a judgment that differs from the public opinion shown in that referendum. We surmise that that is why Mayor Higa revealed his intention to resign. For the citizens

of Nago City, the next mayoral election will be an occasion to once more demonstrate their opinion regarding the heliport construction plan. So we cannot take it that the mayor's judgment created a major problem from the perspective of democracy.

The future course of the heliport issue will be affected also by the outcome of the city's mayoral election. Many twists and turns are expected in that event. Mayor Higa, recognizing such a prospect, had no choice but to make such a hard decision. In this act lies the peculiarity of the heliport issue as being too heavy a burden on the city of Nago.

The planned construction of such an offshore heliport accompanies the reversion of Futenma airfield, which was placed first on the list by Okinawa Prefecture in its petition for base land reversion. The waters where the heliport is planned to be constructed fall under the prefectural government's management as one of the state administrative functions assigned by the central government. Taking this into consideration, the most important factor was the coordination to be done by Okinawa's Governor Masahide Ota. However, the governor's efforts here were not necessarily clear in the eyes of the Nago

UNCLAS SECTION 04 OF 09 TOKYO 011006

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SUBJECT: JAPANESE DAILY PRESS SUMMARY 12/29/97

citizens.

According to an intergovernmental agreement between Japan and the U.S., the Futenma airfield's reversion is conditioned on securing an alternative facility within Okinawa Prefecture. If the Japanese government fails to provide such an alternative facility, the Futenma airfield will not be returned.

Calling for Futenma reversion without granting any alternative facility will conflict with Japan's obligation under the bilateral security treaty to provide bases. In April, the special land lease law for U.S. forces was revised as approved by more

than 80 percent of all Dietmembers. This fact shows the gravity of a country's obligation to abide by the treaty.

We do not anticipate any showdown between Tokyo and Naha over national security. But in order to avoid such a eventuality, it is necessary to prepare conditions through another meeting between Prime Minister Ryutaro Hashimoto and Governor Ota that would enable the people of Okinawa Prefecture to reach a pragmatic judgment. There has to be an effort also to alleviate the bitterness that would accompany Governor Ota's decision.

The Futenma airfield is surrounded by residential quarters. Is it all right to leave it as is? The problem cannot be settled by idealism.

(3) Upper-House Dietmember Hironaka Will Not Merge with Komei

YOMIURI (Page2) (Full)
December 27, 1997

Former Environmental Agency director general Wakako Hironaka, a Shinshinto (New Frontier Party) member of the House of Councillors (proportional seat), is heading in the direction of not joining her fellow upper-house members of the Shinshinto from the former Komeito who will merge with the Komei group. She will instead stay in the Shinshinto. This was revealed on the 26th by a Komei executive officer. According to the source, there are 18 upper-house members who will merge with the Komei.

Ms. Hironaka first won election to the Upper House in 1986 from the former Komeito. She stated regarding the issue of merging with the Komei, "I think such a move is extremely regrettable, since (the Shinshinto) has been sticking out as the number one party in the opposition camp."

(4) Recommendation to Scrap Large-Scale Retail Store Law; Social Regulations to Replace Store-Opening Restrictions; Transparency of Application (of New Law) Likely to Become an Issue

ASAHI (Page 10) (Full)
December 25, 1997
UNCLAS SECTION 05 OF 09 TOKYO 011006

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A government panel tasked with the work of reviewing the Large-Scale Retail Store Law has finally completed a draft report. According to the report, the existing law, which has imposed restrictions on the floor space and number of closing days of large-scale stores to protect small retailers, will be scrapped and its role taken over by social regulations on store openings, such as environmental problems and city-planning schemes. Since the move will fundamentally change the concept of placing restrictions on large-scale stores, some representatives of small retailers have continued to hold out, one stating, "The meaning of the policy switch has yet to be permeate through our organizations; I am against finalizing the recommendations at this stage." In the meantime, whether the new situation will mean substantial deregulation of large stores remains unclear.

Regulations set under the Large-Scale Retail Store Law have so far been eased three times, including the relaxing of the standards for store-opening notifications. Such took place in part due to pressure from the United States. Substantive obstacles to the opening of large-scale stores have been considerably reduced, with the length of period needed for coordination on store-openings shortened to a year or less.

A new framework for shifting to the "(adoption of) social regulations" will consist of two elements. One is restrictions imposed by municipal governments on the use of land. Under this system, each municipal government, in accordance with its city-planning scheme, sets restrictions for each district on the total store space that a store can have if opened there. The City Planning Law will be amended in order to grant such authority to municipal governments.

Under this system, store-opening applicants first check restrictions on the use of land set for each area and if they find that they can open stores, they then notify prefectures or government ordinance-designated cities of their plan to open. The second feature of "social regulations" involves screening under a "large-scale retail store site law" (tentative name). The opening of large stores will affect the neighborhood environment, causing such problems as traffic congestion and the

disposal of large amounts of garbage. When municipal governments that received store-opening applications reach the judgment that "there will be serious and irrecoverable damage done to the neighborhood environment," they can then issue an improvement recommendation.

Major supermarket chains are concerned that local governments might apply such regulations in an arbitrary manner. For instance, there is concern that they might designate an entire city, town or village as a no store-opening area on the pretext UNCLAS SECTION 06 OF 09 TOKYO 011006

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SUBJECT: JAPANESE DAILY PRESS SUMMARY 12/29/97

of their city-planning schemes. In addition, while under the current legislation, there are four coordination items, under the new law, since municipal governments are not limited in applying restrictive measures to large stores, they may stop new store openings by demanding excessive improvement in the applicants' plans.

In order to keep a good balance between consumer convenience and downtown redevelopment for comfortable living, mapping out steps for the application of (social regulations) with transparency and impartiality will be on the agenda.

"There Is Concern over Strengthening of Restrictions," Say Major Supermarket Chains; Medium and Small-Size Retailers Are Worried, "How Will the Voices of Communities Be Reflected (in the New Mechanism)?"

The government's panel, having completed its look into the possibility of reforming the Large-Scale Retail Store Law, has issued a draft report calling for doing away with the existing law and enacting a new one. Major supermarket chains and department stores are strongly resisting the recommendations by the council, citing, "(The new law) to be applied by municipal governments will lead to the strengthening of restrictions." In the meantime, organizations of small to medium-sized businesses

calling for the continuation of the Large Store Law, have successively expressed their unhappiness with and opposition to the recommendations, citing that the methods for applying the new law are unclear.

Major supermarket chains first calculated that if the current law is scrapped, there would be no more coordination items, such as closing hours, "enabling us to remain open all night." However, with the prospect for the establishment of a new law to deal with traffic congestion and garbage problems, Toshimine Kobayashi (chairman of Mycal), is concerned, "Restrictions on large stores may become stricter than under the present Law. Store openings may become more difficult."

Isao Nakauchi, chairman and C.E.O. of Daiei, said:

"The new law includes (screening) standards that cannot be indicated in figures, such as traffic congestion, garbage, and noise. The contents of coordination items included in the new law are unclear and standards are not visible. From the viewpoint of industrial structural reform, it is hard to understand why such recommendations have been issued."

In the meantime, Eiichiro Kondo, chairman of the Central Federation of Societies of Commerce and Industry, Japan, which has many small enterprises as members, noted, "There are a considerable number of unclear points, such as how the views of local

UNCLAS SECTION 07 OF 09 TOKYO 011006

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TAGS: PGOV, PINR, JA
SUBJECT: JAPANESE DAILY PRESS SUMMARY 12/29/97

store owners will be reflected in the new mechanism." Kosaku Inaba, chairman of the Japan Chamber of Commerce and Industry, is also "against" the recommendations, citing, "High marks can be given to such points as that the draft report specifying that commercial coordination under the present Large-Scale Retail Store Law will remain in place until new rules on large-store openings are laid out, but it is highly regrettable that the recommendations have been compiled under

such a tight schedule."

(5) Temp Service: Regulations on Certain Businesses Subject Law to Be Liberalized in Principle

ASahi (Page 1) (Full)
December 18, 1997

The Private-Sector Supply-Demand System Subcommittee under the Central Employment Security Council, which has completed its review of the Employment Staff Service Law (ESSL), revealed its draft "basic thinking" on the 17th. The draft suggests liberalizing in principle the scope of businesses subject to the law, as well as limiting the length of dispatch. It then seeks specific legal measures. The Ministry of Labor (MOL) plans to submit a bill to the Diet next spring revising the ESSL in line with the draft proposal. The temporary jobs industry and businesses which use temp services have strongly requested relaxation of regulations. The outlook is that with this, temp services will greatly expand.

The subcommittee drafted the plan based on the thinking of the public service members. After discussing the draft on the 18th, the panel will report it on the 24th at the Employment Security Council (ESC). The ESC will compile a final report next spring based on the subcommittee's draft. After considers the ESC's final report, the MOL intends to submit an amendment to the current law to the next regular Diet session.

The subcommittee's draft has stipulated that regarding the scope of businesses, the concept of the International Labor Organization's (ILO) 181 Accord (the Private Sector Employment Service Agreement adopted June this year) should be fully considered. It has proposed allowing the liberalization in principle of temporary staff service restrictions. The length of the period for such work apparently will be less than a year.

The term of dispatching labor for 26 kinds of duties including operation of office computers will be extended twice a year in principle, to a maximum of three years, as the current system allows.

Regarding the notion of liberalizing staff service regulations, Asami Nakano, a lawyer of a the Job Replacement Network, criticized: "The suggestion will lower the wage standards of staffing services,
UNCLAS SECTION 08 OF 09 TOKYO 011006

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TAGS: PGOV, PINR, JA
SUBJECT: JAPANESE DAILY PRESS SUMMARY 12/29/97

which have maintained certain levels. On the other hand, it will be a great advantage to businesses."

(6) Information to Be Transmitted through Sewer Pipes; Advancing Underground Tele-communications Big Bang

ASAHI (Page 1) (Excerpt)
December 13, 1997

Telephone conversations and data flowing through the Internet will now be transmitted through sewer pipes --. Sewer pipes, which have played the lowly role of flushing drains, are about to be transformed into "urban networks" as a foundation for telecommunications. In the amendment to the Sewer Law last December, the government eased regulations to allow telecom carriers to install fiber optics within sewer pipes for telecom use. NTT's rival companies have started construction work, viewing this as a "good opportunity to lay out telecommunications networks which are independent from NTT's."

(Yuhei Takeuchi in the Economic Section)

Installation of Optical Fibers

Sewage made up of rainwater and liquid waste from kitchens, bathrooms, and toilets was flowing slowly. I dived into such a sewer pipe in Shibuya Ward, Tokyo, in which construction is underway by KDD to be the pioneer for installing optical fibers (in such conduits).

A black-tube optical-fiber cable three centimeters in diameter is fixed on the sewer pipe with fittings called saddles spaced one meter apart.

In the cable, 100 fiber-optical threads are laid out. The cable can produce 120 giga-bit communication capability per second. With this capacity, 3 million persons will be able to speak over the telephone simultaneously.

Tokyo's 23 wards have 15,000 kilometers of sewer pipes. Out of them, those in which persons can work

account, for only 20 percent. In the other pipes, work is conducted by sending in optical fiber-setting robots operated by remote control. KDD already has laid a 1.6 kilometer-long cable, but the Tokyo Municipality has installed optical fiber networks covering about 260 kilometers. There is still a lot of leeway to spread optical fiber networks for telecommunications.

More than 30 Companies Participate in Explanatory Meeting

More than 30 telephone service and cable television companies participated in an explanatory meeting held by the Tokyo Metropolitan Government's Bureau of Waterworks in October.

UNCLAS SECTION 09 OF 09 TOKYO 011006

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Worldcom Co., an American carrier, has plans to set optical fiber networks in sewer pipes under the ground of financial quarters in Tokyo and link them to global-scale financial markets. Sewer pipes have now turned into an entry vehicle for foreign capital access.

Telephone companies have focused on sewer pipes, hoping to set up their own telecom networks there, without depending on NTT.

Most of them have had to relied on the telephone networks of NTT, their rival, to make up for the shortage of networks. It is crucial for them to reduce such portions as much as possible and pare down connection fees paid to NTT.

It costs 300 to 400 million yen per kilometer in construction expenses to lay a cable underground, but if sewer pipes are used, the cost is only one eighth or a tenth of that. The company is obligated to pay about 1,300 yen per meter to the Tokyo Municipal Government annually, but the cost is still far less.

In the telecom industry, NTT has begun

international telecom services, and low-price Internet telephone services will soon be offered. Regulations on foreign capital will be eased starting next year. As seen from these, the industry is at the threshold of mega-competition called "telecom Big Bang." In the process of groping for means to survive the competition, companies have fastened their eyes on the use of sewer pipes.

An executive of one carrier stated, "We tried to search out every hole in Tokyo. In the case of gas pipes, construction will be difficult. The use of water-supply facilities contains problems in terms of sanitation. Some European countries have allowed companies to use drainage facilities for telecommunications purpose. We have directed attention to it from before."

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RUEATRS/TREASURY DEPT WASHDC PRIORITY
RUYNJDK/COMNAVFORJAPAN YOKOSUKA JA PRIORITY
RHHMUNA/USCINCPAC HONOLULU HI//USIA// PRIORITY
RHHMHAH/CINCPACFLT PEARL HARBOR HI//N541// PRIORITY
RUHVPAC/HQ PACAF HICKAM AFB HI//CC/PA// PRIORITY
RUHBANB/OAFO CAMP BUTLER JA PRIORITY
RUALSFJ/COMUSJAPAN YOKOTA AB JA PRIORITY
INFO: RUEHKOF/AMCONSUL FUKUOKA PRIORITY 8075
RUEHOK/AMCONSUL OSAKA KOBE PRIORITY 5046
SUBJ: MEDIA REACTION, DECISION ON NAGO OFF-SHORE
HELIPORT; TOKYO

LEAD STORIES: MOST MONDAY MORNING PAPERS GAVE TOP
COVERAGE TO PLANS TO RE-ESTABLISH THE DEMOCRATIC

TEXT:
UNCLAS SECTION 01 OF 02 TOKYO 011013

USIA

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

E.O. 12958; N/A
SUBJECT: MEDIA REACTION, DECISION ON NAGO OFF-SHORE
HELIPORT; TOKYO

LEAD STORIES: MOST MONDAY MORNING PAPERS GAVE TOP
COVERAGE TO PLANS TO RE-ESTABLISH THE DEMOCRATIC
SOCIALIST PARTY (MINSHATOU) FOLLOWING THE BREAKUP OF THE
SHINSHINTO (NEW FRONTIER PARTY), AND FRONT-PAGE AND
INSIDE-PAGE COVERAGE TO AN INCIDENT INVOLVING A HAWAII-
BOUND UNITED FLIGHT IN WHICH 46 PASSENGERS ABOARD WERE
INJURED AFTER ENCOUNTERING TURBULENCE.

1. "NEW ELECTION FOR NAGO'S MAYOR WON'T RESOLVE ANYTHING"

THE LIBERAL ASAHI SHIMBUN EDITORIALIZED (12/26), "NAGO MAYOR TETSUYA HIGA RESIGNED AFTER MEETING WITH PRIME MINISTER HASHIMOTO TO SAY HE ACCEPTED THE CONSTRUCTION OF AN OFF-SHORE HELIPORT FOR USE BY THE U.S. MARINE CORPS. THE DECLARATION CAME JUST THREE DAYS AFTER 53 PERCENT OF THE PEOPLE VOTING IN A REFERENDUM SAID THEY OPPOSED THE HELIPORT.

"HIGA'S ACTION, HOWEVER, IS HARD TO FATHOM. THE REFERENDUM OUTCOME IS NOT LEGALLY BINDING, BUT THE MAYOR WENT AGAINST A CLAUSE OF THE ORDINANCE ON SUCH POLLS THAT EXPLICITLY OBLIGES THE MAYOR TO RESPECT THE MAJORITY OPINION REGARDING A GIVEN PROPOSITION.

"DECISIONS MADE BY THE HEAD OF A LOCAL GOVERNMENT SHOULD NOT BE TAKEN LIGHTLY. THE IMPORTANCE OF SUCH A VOTE SHOULD BE HONORED WHEN IT WAS MADE THROUGH THE EXERCISE OF THE DEMOCRATIC PROCESS.

"EARLY RETURN OF THE PROPERTY USED BY THE FUTENMA BASE SHOULD CERTAINLY BE ACHIEVED BY ALL MEANS, SINCE IT SYMBOLIZES THE NUISANCE OF THE U.S. MILITARY PRESENCE IN OKINAWA. BUT IS IT APPROPRIATE FOR THE PRIME MINISTER TO LAVISHLY DISTRIBUTE ECONOMIC DEVELOPMENT PROGRAMS FOR NAGO AND ADJACENT AREAS TO SUPPORT THE CANDIDATE WHO FAVORS HELIPORT CONSTRUCTION IN THE MAYORAL ELECTION?

THE FACT THAT THE GOVERNMENT CONSIDERED PUTTING A YEAR 2015 TIME LIMIT ON THE USE OF THE HELIPORT IS AN INDICATION OF THE EXTENT TO WHICH IT UNDERESTIMATED THE RESENTMENT OF THE PEOPLE OF NAGO... THE PRIME MINISTER SHOULD ACCEPT THE REALITY AND START AGAIN."

2. "NAGO MAYOR SACRIFICING HIMSELF FOR THE CITY?" THE LIBERAL MAINICHI SHIMBUN'S EDITORIAL (12/26) SAID, "(NAGO MAYOR) HIGA'S ANNOUNCEMENT DEFIES THE WILL OF NAGO'S CITIZENS, WHO REJECTED THE PROPOSED HELIPORT IN A REFERENDUM HELD ON DECEMBER 21... EVEN THOUGH THE MAYOR HIMSELF HAD PLEDGED TO SOLEMNLY ACCEPT THE WEIGHT OF THE VOTES AND GIVE CAREFUL CONSIDERATION TO THE RESULTS OF THE PLEBISCITE, HE SEEMS TO HAVE HAD LITTLE DIFFICULTY IN ARRIVING AT HIS DECISION.

"THE NATURAL QUESTION IS: WHY DID THE CITY BOTHER TO HOLD THE REFERENDUM? OPPONENTS OF THE HELIPORT CLAIM THE MAYOR HAS BETRAYED THEM BY 'TRAMPLING ON THE REFERENDUM' AND HAVE CONDEMNED THE MAYOR FOR ABANDONING HIS RESPONSIBILITIES BY OFFERING TO RESIGN.

"THE UNCERTAINTY AND LACK OF CLARITY SURROUNDING THE PROPOSED HELIPORT IS UNSETTLING TO THE RESIDENTS OF NAGO... BY ELECTING AN OPPONENT OF THE HELIPORT AS MAYOR, NAGO VOTERS WOULD SEND A CLEAR MESSAGE: THEY REJECT THE CENTRAL GOVERNMENT'S PLAN TO SHUFFLE U.S. MILITARY FORCES BETWEEN BASES WITHIN OKINAWA PREFECTURE. HASN'T THE TIME COME FOR THE TWO COUNTRIES TO CONSIDER REVISING THE SIZE OF AMERICAN FORCES STATIONED IN O K I NAWA ? "

3. "NAGO MAYOR'S COURAGEOUS DECISION WELCOMED" THE CONSERVATIVE SANKEI SHIMBUN'S EDITORIAL (12/25) SAID, "WE HIGHLY WELCOME MAYOR HIGA'S JUDGEMENT. HIS VIEW TOOK EVERY ASPECT OF THE SITUATION INTO CONSIDERATION. IF THE ALTERNATIVE HELIPORT IS NOT CONSTRUCTED OFF NAGO, THE RETURN OF FUTENMA WOULD BE STYMIED, AND THE ISSUE OF U.S. BASES WOULD BECOME MORE DIFFICULT TO RESOLVE. WE RESPECT MAYOR HIGA FOR HIS COURAGEOUS DECISION. NEXT IT UNCLAS SECTION 02 OF 02 TOKYO 011013

USIA

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

E.O. 12958; N/A

SUBJECT: MEDIA REACTION, DECISION ON NAGO OFF-SHORE HELIPORT; TOKYO

IS GOVERNOR OTA'S TURN TO TAKE ACTION.

"THE U.S. BASES IN OKINAWA HAVE BECOME AN EXTREMELY DIFFICULT ISSUE TO WORK ON, AS IS THE CASE WHEN NATIONAL SECURITY AND LOCAL INTERESTS CLASH... SUCH A COMPLICATED ISSUE REQUIRES WISDOM AND FUTURE-ORIENTATION FROM RESPONSIBLE PEOPLE.

"MAYOR HIGA'S DECISION WILL NOT RESOLVE ALL THE PROBLEMS. HOW TO WORK ON THE ISSUE IS VERY IMPORTANT. U.S. BASES ARE INDISPENSABLE FOR OUR NATIONAL SECURITY AND THE BASES NEEDS TO BE MAINTAINED AT A LEVEL OF EFFICIENCY WHERE THEY CAN PERFORM AT 120 PERCENT OF CAPABILITY. THE EFFICIENT OPERATION REQUIRES LOCAL COOPERATION. THERE MUST BE PROGRAMS TO PROVIDE APPROPRIATE BENEFITS TO THE LOCAL COMMUNITY WHICH BEARS THE BURDEN."

4. "NAGO MAYOR'S BITTER DECISION" AN EDITORIAL IN THE BUSINESS-ORIENTED NIHON KEIZAI SHIMBUN OBSERVED (12/26), "WE WOULD LIKE TO TAKE MAYOR HIGA'S DECISION SERIOUSLY. ALTHOUGH THE OUTCOME OF THE REFERENDUM IS NOT LEGALLY BINDING, IT IS NOT GENERALLY DESIRABLE FOR THE HEAD OF THE LOCAL GOVERNMENT TO MAKE A DECISION DIFFERENT FROM THE PUBLIC OPINION EXPRESSED IN A REFERENDUM. THAT IS WHY THE MAYOR DECIDED TO RESIGN HIS POST. THE COMING MAYORAL ELECTION WILL BE A CHANCE FOR NAGO CITIZENS TO EXPRESS THEIR WILL AGAIN ON THE CONSTRUCTION OF THE HELIPORT.

"A CONFRONTATION BETWEEN THE CENTRAL GOVERNMENT AND THE OKINAWA PREFECTURAL GOVERNMENT OVER THE BASE ISSUE WOULD NOT BE GOOD. TO AVOID THAT, PRIME MINISTER HASHIMOTO AND GOVERNOR OTA NEED TO PREPARE CONDITIONS FOR THE OKINAWA RESIDENTS TO MAKE A REALISTIC JUDGEMENT. SUCH EFFORTS WILL ALSO HELP EASE DIFFICULTIES FOR GOVERNOR OTA IN MAKING HIS DECISION."

5. "HOW TO RESPOND TO THE BITTER DECISION" THE MODERATE TOKYO SHIMBUN EDITORIALIZED (12/26), "THE CENTRAL GOVERNMENT SHOULD DO ITS BEST TO RESPOND TO THE BITTER DECISION TAKEN BY THE NAGO MAYOR.

"GOVERNOR OTA'S SITUATION IS MORE DIFFICULT THAN THAT OF MAYOR HIGA. HE WANTS TO ACCOMPLISH THE RETURN OF FUTENMA TO PROMOTE OKINAWA'S ECONOMY. BUT IT IS HARD FOR HIM TO ASK THE RESIDENTS OF NAGO TO ACCEPT THE CONSTRUCTION OF THE ALTERNATIVE HELIPORT BECAUSE THE GOVERNOR HIMSELF HAS ALWAYS OPPOSED THE RESHUFFLING OF THE BASES WITHIN THE PREFECTURE.

"THE CENTRAL GOVERNMENT NEEDS TO UNDERSTAND THE SITUATION OF GOVERNOR OTA AND MAYOR HIGA. IF THE CURRENT SCENARIO IS NOT ACCEPTABLE TO THE CITY OF NAGO AND OKINAWA PREFECTURE, VARIOUS PROPOSALS SHOULD BE SERIOUSLY STUDIED INCLUDING A PLAN TO PUT A TIME LIMIT ON THE USE OF THE HELIPORT BY 2015, THE YEAR BY WHICH OKINAWA PREFECTURE HOPES TO TOTALLY REMOVE ALL THE U.S. BASES. THE U.S. GOVERNMENT MAY BE RELUCTANT TO THE IDEA OF LIMITED USE BUT THE DIFFICULTIES OF MOVING BASES WITHIN OKINAWA MUST BE EXPLAINED TO GAIN U.S. UNDERSTANDING.

"THE GOVERNMENT SHOULD EXPEDITE THE SETTLEMENT OF THIS ISSUE. IF THE ISSUE OF OFF-SHORE HELIPORT CONSTRUCTION BECOMES COMPLICATED, AND THE ANTI-BASE MOVEMENT FLARES UP, OPERATIONS OF ALL THE U.S. BASES IN OKINAWA COULD BE HAMPERED. WE CALL ON THE PRIME MINISTER TO SHOW STRONG LEADERSHIP." CRANE

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

SSN: 1013
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TOR: 971229195913 M3087791
<^TOR>971229200000 M3087792

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NSC Cables
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OA/Box Number: 520000

FOLDER TITLE:

[12/24/1997 - 12/31/1997]

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- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
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