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DEPARTMENT OF STATE

12198

Memorandum of Conversation

DATE: July 10, 1967

SUBJECT: Okinawa and the Bonin Islands

PARTICIPANTS: Takeso Shimoda, Ambassador of Japan
William P. Bundy, Assistant Secretary for East Asian
and Pacific Affairs
Samuel D. Berger, Deputy Assistant Secretary for
East Asian and Pacific Affairs
COPIES TO: Richard W. Petree, Acting Country Director for Japan

S/S
EA
EA/J
INR

OASD/ISA - Dr. Halperin
ARMY - Mr. Freimuth
Embassy Tokyo

1. Ambassador Shimoda said he was under no specific instructions from his Government, but he wished to sound out the views of the U.S. Government concerning Okinawa, the Bonin Islands, the Security Treaty and other matters. He had discussed these subjects with the Prime Minister and Foreign Minister before leaving Tokyo. Both are very concerned about Okinawa and they probably will wish to take this subject up during their respective visits to the U.S. this fall. Okinawa was raised during the meeting between Vice President Humphrey and Prime Minister Sato in Seoul last month, and they both expected that it would come up again this fall. The Ambassador said, according to their information, the Vice President told Sato that the views of both governments now are much closer than before. This remark encouraged Sato very much.

2. The Ambassador said Okinawa and the Bonin Islands have been discussed many times between the two sides at various levels, but he wished today to describe the fundamental view of the Japanese Government. From the Japanese point of view, one of the first aspects of the Okinawa problem is the fact that Okinawa is the only Japanese territory where land fighting took place during World War II. The continuation of U.S. control in

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2

the islands has meant that they were also the only part of Japanese territory to continue under military control after the Peace Treaty. The suggestion in Article III of the Peace Treaty that the Ryukyus might in due course be turned over to UN trusteeship has never been carried out, and most Okinawa people think of the present situation as a prolongation of military occupation. The Ambassador recalled that both Secretary Dulles and General MacArthur had been quoted as saying that history shows that a military occupation never succeeds over a long period of time. The U.S. administration of the Ryukyus has now gone on twenty years. While U.S. administration has been wise and extremely generous, and the docile nature of the Okinawan people has permitted a large degree of success in this military occupation, the present trend of developments appears to be leading toward the creation of new problems which might damage fundamental U.S.-Japan relations.

3. The Ambassador said the Okinawa policy of the U.S. was created by Secretary Dulles in the interests of stabilizing the security and peace of the Far East. If the continuation of this policy leads to new problems, however, it would be contrary to the achievement of the basic goal Secretary Dulles sought. Therefore, the two governments must handle the Ryukyus problem skillfully to prevent emergence of such new problems. The situation is bound to deteriorate if the two sides do nothing about it. It is for this reason that the Japanese Government desires to take up this problem during the talks that are in prospect this fall. Ambassador Shimoda said he hoped the U.S. side would be fully prepared to discuss this matter. He assumed that U.S. readiness to discuss the problem this fall included the readiness of all elements in the U.S. Government, up to the White House and including the Defense Department.

4. Mr. Bundy referred to Ambassador Shimoda's recent statements on the subject of Okinawa and asked whether there was any particular direction the thoughts of the COJ were taking. Ambassador Shimoda said one aspect of the Okinawa problem is military and another political. The Foreign Office is not expert on the military aspects of the problem, but since they

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3

are managing Japanese policy they need to have a valid military evaluation of Okinawa. They appreciated very much the frank talks held in Tokyo in May with the attendance of Ambassador Johnson, Assistant Secretary McNaughton, Mr. Berger, Mr. Sneider, and others. They felt those talks were very useful, but even after hearing the U.S. explanation of the military importance of Okinawa, the Japanese came out with the feeling that the military situation is not likely to change very much. Okinawa will continue to be very important militarily, especially while the Vietnam conflict continues. While the military importance may possibly increase, depending upon developments, it will never decrease. There is no misunderstanding about the military importance of Okinawa in the Japanese Government. Of course, many contradictory things are said on occasion in Diet deliberations and in the press, but Prime Minister Sato and Foreign Minister Miki clearly have no misconceptions about this aspect of the Okinawa problem.

5. Ambassador Shimoda said he felt it was reasonable to expect that if Japan is to ask something from the U.S. the Japanese side must formulate a concrete proposal. Unfortunately, the Japanese Government has not reached any firm conclusions, so it is somewhat awkward for the Japanese Government to order Shimoda and others to continue their efforts to sound out the U.S. position. The Ambassador said that before he left Tokyo he attempted to raise a number of questions to clarify the thinking on the Japanese side. He feels that Japanese and Okinawan leaders have gradually been brought around to facing the problem more squarely.

6. The Ambassador outlined two main schools of thought about the Okinawa solution:

(1) the first concept is to permit the U.S. to retain its military bases, if possible concentrating them within narrower geographic limits. The rest of the territory of the Ryukyus would be returned to Japan. The bases would become a kind of concession, somewhat like the Japanese base at Port Arthur in the old days. Within the bases the U.S. would hold all powers of control. This concept is espoused by such conservative leaders as Diet member Tokonami.

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4

(2) the second school of thought objects to the creation of a new system. This school would admit to free use by the U.S. of its military bases in the islands, including the introduction of nuclear weapons, by creating an exception to the Security Treaty requirement for prior consultation under certain circumstances. All administrative rights over the islands would be returned to Japan.

Ambassador Shimoda said he supported the latter school of thought and believes that Prime Minister Sato does, too, although the Prime Minister cannot openly express an opinion. So far, the Prime Minister has been taking a wait-and-see attitude. He created the Ohama Committee to study the problem and report to him.

7. Ambassador Shimoda said he assumed Mr. Bundy could not express a view on these two schools of thought at this time. Mr. Bundy said he could not express a preference at this time. Either choice requires serious study, which the U.S. side is in fact presently conducting. He asked the Ambassador if it was correct that the GOJ is thinking of a fundamental solution to this problem and not a way of altering the present rights in the islands. He referred by way of example to the concept of partial reversion.

8. Ambassador Shimoda said partial reversion cannot work. He believed it impossible to divide authority over the islands. He said he was even opposed to Japan picking up all executive authority or all judicial authority. Such partial reversion will not work.

9. Mr. Berger asked if the Japanese side intended to make specific proposals during the Miki and Sato visits this fall. The Ambassador said that depended to some extent on the soundings which he was instructed to carry out. He could not say whether the Japanese side would come forward with specific proposals. He recalled a recent statement by General Unger (HICOMRY) that he found the second school of thought more concrete and the first one somewhat vague. General Unger firmly stated, however, that at this point he could say nothing about a preference between the two concepts.

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Authority NND 969
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5

10. Mr. Bundy asked if it was possible that the GOJ might wish to discuss separation of the Bonins from the Okinawa problem and earlier action on the Bonins matter. Does the GOJ consider the two problems separate?

11. The Ambassador said he wished to comment on that later. Referring again to the readiness of the U.S. to discuss the Okinawa problem, he asked whether the U.S. side would be prepared to give a firm view in September, when Foreign Minister Miki plans to visit Washington. Mr. Bundy said we would have to discuss this matter on the U.S. side and provide a considered response as to which of the alternative concepts appeared to us to be more realistic. We might be able to indicate a clear preference between those two choices, but that would still not mean a final decision that the preferred choice would be wise from the U.S. point of view.

12. Mr. Berger asked whether either of the problems outlined by the Ambassador would mean 100 per cent freedom of U.S. use of the bases in the Ryukyus. The Ambassador said that was correct. Under the first concept Japan would have only residual sovereignty over the base enclaves. Under the second idea the whole territory of the Ryukyu Islands would be under full sovereign Japanese control, but the consultation clause of the Security Treaty affecting the freedom of base utilization would by agreement not be applied in the Ryukyus.

13. Mr. Berger asked what the Japanese timetable was. The Ambassador said Mr. Miki intended to take this matter up during his visit in September preparing the ground for Prime Minister Sato's discussions in Washington in November. He assured the U.S. that no responsible Japanese leader would ask for return of the military bases. He said he did not wish to disturb the U.S. by a premature raising of this problem.

14. Mr. Berger asked whether the Japanese side envisaged a change in status of the Ryukyus while the Vietnam war was going on. Ambassador Shimoda said he felt the change must come even before the end of the Vietnam conflict.

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Authority NND 9691SL NARA Date 2/7/97SECRET - EXDIS
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6

15. Mr. Bundy asked whether there was a relationship in Japanese thinking between the Okinawa problem and the 1970 problem in Japan. Ambassador Shimoda said there was no logical connection in the minds of Japanese leaders. Opposition parties, of course, hope to connect the two. Mr. Bundy asked whether the GOJ had in mind the Okinawa settlement coming into effect before 1970. The Ambassador said they did feel it would be better if it could be accomplished before 1970. Such a basic change in status, however, cannot be worked out overnight. The process might take days, months or even years, but the agreement at least should be concluded before 1970. He emphasized the fact that his views were not instructed Japanese Government views, since the Government had as yet reached no conclusions.

16. Mr. Bundy reverted again to the question whether the Bonins problem was separate from Okinawa. Ambassador Shimoda felt it was a separate problem. The Bonins constitute a new question for the Japanese public, for one reason because it has been handled exclusively by conservative leaders. Diet Member Fukuda, former Director of the Japan Defense Agency and member of the Foreign Office, has handled the matter quietly in his talks in Tokyo and Washington. He has not sought publicity, so the problem has remained relatively quiet. Since the new Socialist Governor of Tokyo, Minobe, has come into office, however, he has approached the Prime Minister for some action on the Bonins. His interest arises from the fact that the Bonin Islands fall within the Tokyo Metropolitan Government's jurisdiction. Because of these recent moves, the Bonins have drawn public attention in the Diet and in the press. There is a possibility that this could become a hot issue. If it does, it might be even more dangerous than Okinawa because of the relationship to Tokyo where most of the former residents of the Bonins live. The Ambassador said he felt for these reasons the two sides must face this question squarely.

17. The Ambassador said Fukuda had been of the view that return of the former inhabitants would help to relax the tension over this problem. Fukuda's idea has not received widespread support. The Ambassador said he believed that if

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7

the former inhabitants were repatriated, it would create a new problem somewhat like Okinawa. It would not be wise to permit repatriation. He feels it would be far better to ask immediately for reversion on the same pattern as Okinawa. The Japanese Government recognizes the existence of military facilities in the Bonins, and the need to preserve the military utility of those bases. If settlement of the Bonins question appears easier and quicker of accomplishment than the Ryukyus, Miki and Sato would wish to start with movement on the Bonins in their talks with the U.S.

18. Mr. Berger recalled from his talks in Tokyo that there had been a number of different points of view expressed even within the Foreign Office concerning the approach to the Bonins problem. The Ambassador said a majority in the Foreign Office now strongly favor reversion of the Bonins. Mr. Berger recalled some concern that an earlier reversion of the Bonins might create problems in Okinawa. The Ambassador asked if this was not primarily a problem for the U.S. side. Mr. Berger also recalled the fear of some Foreign Office people that if the Bonins reverted to Japanese control earlier, Okinawans might feel as though they had been sacrificed in the deal between the two Governments. Ambassador Shimoda said he agreed that such a danger existed.

19. Mr. Berger asked whether the Japanese side would have specific proposals/^{formulated} for presentation during the talks in Washington this fall. Ambassador Shimoda said he did not know whether a position would be formulated by that time. He intends to try to push the Foreign Office, and the Director of the North American Affairs Bureau, Togo, also is pushing for the formulation of a Japanese position. Before the Ambassador's departure from Tokyo, Togo was aiming at a draft blueprint for presentation to Foreign Minister Miki by the end of June. Sometime in July, assuming Miki approved the draft, they were aiming for a meeting with the Prime Minister. Based on these discussions, the blueprint would then be redrafted, and if final clearances were obtained within the Japanese Government, Foreign Minister Miki would discuss it in detail during his visit in Washington.

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8

in September. Ambassador Shimoda said he hoped Miki would be in a position to convey some clear ideas in September, otherwise there would only be another exchange of vague views. He asked whether it would be disturbing to the U.S. if Miki brought such a blueprint with him in September.

20. Mr. Bundy said it would not be disturbing to the U.S. side, though it would of course provoke a good deal of thought. The problem is already under active consideration on the U.S. side, however.

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