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**Collection:** Executive Secretariat, NSC: Country File:  
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**Folder Title:** Japan (12/07/1982-01/05/1983)

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# WITHDRAWAL SHEET

## Ronald Reagan Library

Collection: Executive Secretariat, NSC  
Country File

Archivist: mjd

OA/Box:  
File Folder: Japan (12/7/82 – 1/5/83)

FOIA ID: F00-037 (1539), Oberdorfer  
Date: 01/12/2004

DOCUMENT NO. & TYPE	SUBJECT/TITLE	DATE	RESTRICTION
1. Cable	070601Z DEC 82, 2p <i>R 7/24/06 Foo-037/1 # 393</i>	12/7/82	<del>B1</del>
2. Cable	140857Z DEC 82, 2p <i>R " " # 394</i>	12/14/82	<del>B1</del>
3. Cable	140857Z DEC 82, 3p <i>R " " # 395</i>	12/14/82	<del>B1</del>
4. Cable	171212Z DEC 82, 3p <i>R " " # 396</i>	12/17/82	<del>B1</del>
5. Cable	270542Z DEC 82, 2p <i>R " " # 397</i>	12/27/82	<del>B1</del>
6. Cable	290820Z DEC 82, 1p <i>R " " # 398</i>	12/29/82	<del>B1</del>
7. Note	Bud to Judge Clark re Nakasone Visit, 2p <i>R " " # 399</i>	12/30/82	<del>B1</del>
8. Memo	Gaston Sigur to William Clark re US-Japanese Relations, 4p <i>R " " # 400</i>	12/30/82	<del>B1</del>
9. Note	Thomas Cormack to Clark re attached reports, 1p <i>PART 7/24/06 Foo-037/1 # 401</i>	1/5/83	<del>B1, B3</del>
10. Report	30p <i>D " " # 402</i>	12/21/82	B1, <del>B3</del>
11. Report	27P <i>D " " # 403</i>	9/1/82	B1, <del>B3</del>
12. Cable	050848Z JAN 83, 1p <i>R " " # 404</i>	1/5/83	<del>B1</del>

### RESTRICTIONS

- B-1 National security classified information [(b)(1) of the FOIA].
- B-2 Release could 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 commercial 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-7a Release could reasonably be expected to interfere with enforcement proceedings [(b)(7)(A) of the FOIA].
- B-7b Release would deprive an individual of the right to a fair trial or impartial adjudication [(b)(7)(B) of the FOIA].
- B-7c Release could reasonably be expected to cause unwarranted invasion or privacy [(b)(7)(C) of the FOIA].
- B-7d Release could reasonably be expected to disclose the identity of a confidential source [(b)(7)(D) of the FOIA].
- B-7e Release would disclose techniques or procedures for law enforcement investigations or prosecutions or would disclose guidelines which could reasonably be expected to risk circumvention of the law [(b)(7)(E) of the FOIA].
- B-7f Release could reasonably be expected to endanger the life or physical safety of any individual [(b)(7)(F) 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].

# PENDING REVIEW IN ACCORDANCE WITH E.O. 13233

## Ronald Reagan Library

**Collection Name** EXECUTIVE SECRETARIAT, NSC: COUNTRY FILE

**Withdrawer**

LOJ 7/20/2007

**File Folder** JAPAN (12/07/1982-01/05/1983)

**FOIA**

F00-037 (F1539)

**Box Number**

ID	Doc Type	Document Description	No of Pages	Doc Date	
<del>7</del>	<del>NOTE</del>	<del>MCFARLANE TO CLARK, RE NAKASONE VISIT (F00-037/1#399)</del>	<del>2</del>	<del>12/30/1982</del>	<del>mva 5/21/08</del>
<del>8</del>	<del>MEMO</del>	<del>SIGUR TO CLARK RE US JAPANESE RELATIONSN (F00-037/1#400)</del>	<del>4</del>	<del>12/30/1982</del>	<del>mva 5/21/08</del>

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WHITE HOUSE SITUATION ROOM

PAGE 01 TOKYO 1255 30530 DTG: 070601Z DEC 82 PSN: 026510  
SIT634 DATE 12/10/82 TOR: 341/1014Z

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MESSAGE ANNOTATIONS:

NO MESSAGE ANNOTATIONS

MESSAGE:

IMMEDIATE  
DE RUEHKO #1255/01 3410605  
O 070601Z DEC 82  
FM AMEMBASSY TOKYO

TO SECSTATE WASHDC IMMEDIATE 7465

INFO USMISSION GENEVA 5586  
BT

~~C O N F I D E N T I A L~~  
LIMITED OFFICIAL USE SECTION 01 OF 02 TOKYO 21255  
E.O. 12356: DNG: N/A  
TAGS: ETRD, JA  
SUBJECT: SUMMARY REPORT ON U.S.-JAPAN TRADE SUBCOMMITTEE:  
DECEMBER 3 AND 4, TOKYO

1. THE U.S. MADE AN EFFORT TO MOVE AWAY FROM THE PATTERN OF PAST EXCHANGES BY FOCUSING ON THE URGENCY OF SHOWING RESULTS FROM THE U.S.-JAPAN TRADE CONSULTATIONS. ACCORDINGLY, THE U.S. ASKED THAT IN ADDITION TO THE TECHNICAL RESPONSES TO U.S. REQUESTS PRESENTED IN THESE MEETINGS, JAPAN FORMALLY TELL US BY JANUARY 1, 1983 WHETHER OR NOT THEY WOULD BE PREPARED TO ACT ON EACH OF THE U.S. REQUESTS. THIS INFORMATION WOULD BE USED BY THE U.S. DELEGATION IN REPORTING TO THE PRESIDENT AND THE NEW CONGRESS. THE GOJ PROMISED TO RESPOND TO EACH QUERY WITH "BEST EFFORTS." OVERALL TONE WAS BUSINESSLIKE, BUT GOJ WITH A NEW GOVERNMENT WAS NOT PREPARED AT THIS TIME TO COMMIT TO ANY SPECIFIC ACTIONS.

2. KEY ISSUES:  
A. AGRICULTURE: THE U.S. STRESSED THE CRITICAL

MESSAGE (CONTINUED):

IMPORTANCE OF AGRICULTURAL TRADE BETWEEN OUR TWO COUNTRIES AND THE NEED FOR JAPAN TO LIBERALIZE ITS QUOTAS ON U.S. AGRICULTURAL EXPORTS, ESPECIALLY BEEF AND CITRUS. THE U.S. SEEKS ELIMINATION OF THE QUOTAS AFTER CURRENT AGREEMENTS EXPIRE IN APRIL 1984. THE GOJ STATED ITS WILLINGNESS TO DISCUSS INCREASES IN QUOTAS, BUT STRESSED THAT A U.S. DEMAND FOR COMPLETE ELIMINATION OF QUOTAS WAS UNREALISTIC AND A MAJOR BARRIER TO OPENING DISCUSSIONS ON QUOTA EXPANSION.  
E. TOBACCO: ON TOBACCO PRODUCTS, THE U.S. REQUESTED ELIMINATION OF TARIFFS AND IMPROVEMENTS IN DISTRIBUTION OF FOREIGN PRODUCTS, INCLUDING PERMISSION FOR U.S. EXPORTERS TO DISTRIBUTE THEIR PRODUCTS DIRECTLY TO JTS RETAILERS. THE U.S. SEES GOJ ACTIONS IN THIS AREA AS A BELLWETHER OF THEIR TRADE INTENTIONS, SINCE JTS IS A STATE MONOPOLY. GOJ ADDED NOTHING TO ITS PAST

STATEMENTS ON TOBACCO.

C. TARIFFS: THE U.S. REQUEST FOR TARIFF CUTS WAS ALSO RENEWED AND SOME NEW PRODUCTS ADDED. LIST INCLUDES COMPUTERS AND RELATED PARTS, WOOD AND WOOD PRODUCTS, PAPER AND PAPER PRODUCTS, AGRICULTURAL PRODUCTS, CHOCOLATE CONFECTIONARY, SEAFOOD, ALCOHOLIC BEVERAGES AND FARM EQUIPMENT. THE GOJ AGREED TO ACCEPT AND REVIEW A LIST OF TARIFF REQUESTS FROM THE U.S. BUT SAID MANY OF THE ITEMS REQUESTED WERE "VERY DIFFICULT".  
D. STANDARDS: IN THE VITAL AREA OF STANDARDS, THE U.S. ASKED JAPAN TO COMMIT ITSELF TO IMPLEMENTING BY APRIL 1, 1983, A FACTORY CERTIFICATION POLICY THAT WOULD GIVE FOREIGN FIRMS THE SAME TREATMENT ACCORDED JAPANESE FIRMS. SPECIFIC STANDARDS PROBLEMS WERE ALSO RAISED. THE GOJ DID NOT FORMALLY RESPOND TO THE U.S. REQUEST IN SUBCOMMITTEE SESSIONS (SEE SEPTEL).  
E. SERVICES: THE U.S. STRESSED THE IMPORTANCE OF APPLYING FREE TRADE POLICIES IN THE BROAD AREA OF SERVICES INDUSTRIES, ESPECIALLY LEGAL SERVICES, FINANCIAL MARKETS AND THE TELECOMMUNICATIONS AREA. THE GOJ NOTED ITS ACTIONS IN THE SERVICES AREA.  
F. INDUSTRIAL POLICY: THE QUESTION OF JAPANESE INDUSTRIAL POLICY AND ITS ADVERSE MARKET-DISTORTING EFFECTS ON THE U.S. WAS RAISED. THE GOJ SAID IT WOULD NEED FURTHER TIME BEFORE RESPONDING TO A U.S. PROPOSAL FOR FURTHER WORK ON THIS SUBJECT.  
G. CARTELS: THE U.S. RAISED ITS CONCERNS ABOUT JAPANESE FORMATION OF CARTELS, SPECIFICALLY FOR

MESSAGE (CONTINUED):

PETROCHEMICALS AND LUMBER. THE U.S. ASKED THAT THE PETROCHEMICAL CARTEL NOT BE EXTENDED BEYOND MARCH AND THAT GOJ TAKE INTO ACCOUNT INTERESTS OF FOREIGN SUPPLIERS IN RATIONALIZATION PLANS.

H. IMPORT PROCEDURES: THE U.S. REQUESTED FURTHER IMPROVEMENTS IN PRE-IMPORT CLEARANCE PROCEDURES, INCLUDING ELIMINATION OF UNNECESSARY REQUIREMENTS, GREATER DELEGATION OF AUTHORITY TO CUSTOMS, AND SIMPLIFICATION OF DOCUMENTATION AND EXAMINATION. JAPANESE NOTED DIFFICULTY OF COORDINATING THE RESPONSE OF THE MANY AGENCIES CONCERNED.

3. IN CLOSING REMARKS THE U.S. (WHYTE-LABOR) CALLED ATTENTION TO THE STARK EMPLOYMENT SITUATION IN THE U.S., HIGHLIGHTED BY FRIDAY'S RELEASE OF NEW U.S. UNEMPLOYMENT FIGURES. AMBASSADOR MACDONALD CLOSED WITH

DECLASSIFIED

NLS Foo-037/1#393

BY MJ DATE 7/24/06

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WHITE HOUSE SITUATION ROOM

PAGE 01  
SIT776

TOKYO 1255  
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TOR: 341/1012Z

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OP IMMED  
UTS0186  
DE RUEHKO #1255/02 3410607  
O 070601Z DEC 82  
FM AMEMBASSY TOKYO

TO SECSTATE WASHDC IMMEDIATE 7466

INFO USMISSION GENEVA 5587

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

~~LIMITED OFFICIAL USE~~ SECTION 02 OF 02 TOKYO 21255  
REMARKS EMPHASIZING THE URGENT NEED FOR ACTION BY THE  
JAPANESE. HE FURTHER EXPLAINED THAT THE KEY ISSUE IN  
THE U. S. IS NOT PROTECTIONISM, BUT THE LOSS OF FAITH IN  
THE WORKING OF THE INTERNATIONAL TRADING SYSTEM AND ITS  
RULES. HE EMPHASIZED THAT THE JAPANESE NEEDED TO JOIN  
THE U. S. IN RESTORING CONFIDENCE BY OPENING THEIR  
MARKETS. (FULL SUMMARY OF AMBASSADOR MACDONALD'S  
OPENING AND CLOSING REMARKS SENT SEPTELS.) THE GOJ  
(MURATA-MOFA) EXPRESSED JAPANESE CONCERN ABOUT U. S.  
PROBLEMS AND THE JAPANESE DESIRE FOR A COOPERATIVE  
APPROACH. HE ASSERTED THAT JAPAN DID NOT DISCRIMINATE  
AGAINST FOREIGN PRODUCTS AND URGED THE USG TO TAKE THE  
LEAD IN FIGHTING PROTECTIONIST PRESSURES IN THE U. S.

5. FULL REPORT FOLLOWS SEPTEL.  
MANSFIELD  
BT

~~CONFIDENTIAL~~

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# WHITE HOUSE SITUATION ROOM

PAGE 01 TOKYO 1779 28214 DTG: 140857Z DEC 82 PSN: 036492  
SIT709 DATE 12/15/82 TOR: 348/1026Z

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EOB:

WHSR COMMENT: NODIS/CHECKLIST FOR ACTION-----

MESSAGE ANNOTATIONS:

NO MESSAGE ANNOTATIONS

MESSAGE:

IMMEDIATE  
DE RUEHKO #1779/01 3480859  
O 140857Z DEC 82  
FM AMEMBASSY TOKYO

TO SECSTATE WASHDC IMMEDIATE 7751

~~SECRET~~ SECTION 01 OF 02 TOKYO 21779

NODIS

E.O. 12356: DECL: OADR

TAGS: EEWT EFIN UR

SUBJ: MESSAGE TO SECRETARY SHULTZ FROM JAPANESE

- FOREIGN MINISTER ABE

REF STATE 337176

1. ~~(S)~~ - ENTIRE TEXT)

2. FOLLOWING IS TEXT OF LETTER TO SECRETARY SHULTZ FROM JAPANESE FOREIGN MINISTER ON EAST-WEST ECONOMIC RELATIONS. IT REPLIES TO SECRETARY'S LETTER OF DEC 4. WHEN HANDING COPY TO EMIN, MOFA DEP DIRECTOR GENERAL TANAKA SAID GOJ DESIRED A MEETING OF THE SEVEN AMBASSADORS IN WASHINGTON BUT DID NOT THEREBY WISH TO PRECLUDE IN ANY WAY USE OF NATO, OECD, OR COCOM MECHANISMS AS APPROPRIATE FOR DEALING WITH THESE ISSUES.

-  
BEGIN TEXT

DEAR MR. SECRETARY,

- THANK YOU FOR YOUR LETTER OF DECEMBER 4, 1982 CONCERNING YOUR IDEAS ABOUT FOLLOW-UP PROCESS ON THE CONSENSUS ON EAST-WEST ECONOMIC RELATIONS. OUR TENTATIVE REACTION TO YOUR PROPOSAL IS AS FOLLOWS.

MESSAGE (CONTINUED):

- AS REGARDS THE FUTURE ANALYSIS AND STUDIES ON SPECIFIC AREAS OF WESTERN ECONOMIC RELATIONS WITH THE USSR AND EASTERN EUROPE, IT IS OUR BASIC POLICY TO COOPERATE AS MUCH AS POSSIBLE TOGETHER WITH OTHER WESTERN NATIONS. HOWEVER, TAKING INTO CONSIDERATION THE DEVELOPMENTS OF DISCUSSIONS SO FAR, AND, IN ORDER TO ENSURE A SMOOTH PROGRESS IN THE FUTURE WORK, WE CONSIDER IT APPROPRIATE THAT MEMBER COUNTRIES OF THE AMBASSADORS' MEETING IN WASHINGTON MEET AGAIN, UPON COMPLETION OF BILATERAL COORDINATIONS WHICH YOU ARE PRESENTLY ENGAGED IN. THE PURPOSE OF SUCH A MEETING WOULD BE TO CONFIRM GENERAL FRAMEWORK FOR THE FUTURE FOLLOW-UP PROCESS. WE HAVE FURTHERMORE NO OBJECTION, IN PRINCIPLE, TO USING EXISTING INTERNATIONAL ORGANIZATIONS WHENEVER POSSIBLE.

- ON COCOM, WE CONSIDER IT IMPORTANT TO WORK OUT A SYSTEM WHICH IS POSSIBLE FOR THE WESTERN COUNTRIES TO IMPLEMENT. AS FOR YOUR PROPOSAL (INCLUDING FEBRUARY MEETING), WE INTEND TO COOPERATE ON THE BASIS OF THE WORK ALREADY DONE IN THE PAST IN COCOM, IF THE OTHER COUNTRIES AGREE.

- ALTHOUGH IT IS EXTREMELY DIFFICULT FOR JAPAN TO INTRODUCE A RESTRICTIVE MEASURE ON OTHER HIGH TECHNOLOGY INCLUDING THOSE OF OIL AND GAS SECTOR, WE ARE PREPARED TO LISTEN TO YOUR IDEAS. AT ANY RATE, IF THE OTHER COUNTRIES AGREE TO ENTER SUCH DISCUSSIONS, WE ALSO WILL BE PREPARED FOR THOSE DISCUSSIONS.

- ON EXPORT CREDITS, WE APPRECIATE YOUR VIEW THAT WE SHOULD BUILD ON EXISTING OECD EXPORT CREDIT ARRANGEMENT AND OTHER OECD WORK AS AN APPROPRIATE APPROACH. HOWEVER, WE THINK IT NECESSARY TO EXAMINE CAREFULLY WHETHER IT IS APPROPRIATE TO DEAL WITH THE PROBLEMS OF EXTENDING EXPORT CREDITS TO THE SOVIET UNION AT THE MEETINGS OF THE OECD EXPORT CREDIT ARRANGEMENT IN THE LIGHT OF THE PURPOSES AND SPIRITS AS EMBODIED IN THE OECD MEETINGS, SINCE SUCH DISCUSSIONS MIGHT EXERCISE SOME INFLUENCE ON THE SAID ARRANGEMENT.

- IN THIS CONNECTION, WE ARE READY TO TAKE PART IN A MEETING IN JANUARY FOR THE PURPOSE OF EXAMINING PROCEDURES FOR PERIODIC EX POST REVIEW (AND POSSIBLY

MESSAGE (CONTINUED):

A FORUM FOR SUCH REVIEW) AND HARMONIZATION OF EXPORT CREDIT POLICIES, ON CONDITION THAT THE SUMMIT SEVEN COULD ACT IN CONCERT.

- IN THE FIELD OF ENERGY, ALTHOUGH THE MAIN OBJECTIVE OF THE STUDY IS THE EUROPEAN ENERGY SITUATION, WE ARE ALSO READY TO ACCEPT IT, IF THE OTHER WESTERN COUNTRIES SUPPORT YOUR IDEA.

- AS TO THE FORMATION OF A SPECIAL GROUP FOR CONDUCTING OVERALL STUDY ON EAST-WEST ECONOMIC RELATIONS AND ESTABLISHMENT OF A NEW MECHANISM

TOKYO 1779

28214

DTG: 140857Z DEC 82 PSN: 036492

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NLS F00-037/1#394

BY LOI 7/24/06

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WHITE HOUSE SITUATION ROOM

PAGE 01 TOKYO 1779 28214 DTG: 140857Z DEC 82 PSN: 036493  
SIT708 DATE 12/15/82 TOR: 348/1026Z

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EOB:

WHSR COMMENT: CY SENT TO KEMP FOR ACTION-----

MESSAGE ANNOTATIONS:

NO MESSAGE ANNOTATIONS

MESSAGE:

IMMEDIATE

DE RUEHKO #1779/02 3480900  
O 140857Z DEC 82  
FM AMEMBASSY TOKYO

TO SECSTATE WASHDC IMMEDIATE 7752

~~S E C R E T~~ SECTION 02 OF 02 TOKYO 21779

NODIS

FOR SUPERVISING THE FOLLOW-UP PROCESS, WHICH ARE  
NEW PROPOSALS, WE WOULD LIKE TO EXAMINE THESE IDEAS  
CAREFULLY AFTER HAVING FURTHER DETAILS OF THE IDEA.

- SINCERELY,  
- SHINTARO ABE

END TEXT.

MANSFIELD

~~SECRET~~

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# WHITE HOUSE SITUATION ROOM

PAGE 01 OF 02 TOKYO 1779  
SIT101 DATE 02/20/83

36274 DTG: 140857Z DEC 82 PSN: 036492  
TOR: 348/1026Z

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EOB: COMMASSIST/ST  
WHSR COMMENT: NODIS/CHECKLISTTE PRESIDENT... PASSED TO VICE PRESIDENT

MESSAGE ANNOTATIONS:

NO MESSAGE ANNOTATIONS

MESSAGE:

IMMEDIATE  
DE RUEHKO #1779/01 3480859  
O 140857Z DEC 82  
FM AMEMBASSY TOKYO

TO SECSTATE WASHDC IMMEDIATE 7751

~~SECRET~~ SECTION 01 OF 02 TOKYO 21779  
NODIS  
E.O. 12356: DECL: OADR  
TAGS: EEWT EFIN UR  
SUBJ: MESSAGE TO SECRETARY SHULTZ FROM JAPANESE  
- FOREIGN MINISTER ABE  
REF STATE 337176

1. ~~(S)~~ - ENTIRE TEXT)

2. FOLLOWING IS TEXT OF LETTER TO SECRETARY SHULTZ FROM JAPANESE FOREIGN MINISTER ON EAST-WEST ECONOMIC RELATIONS. IT REPLIES TO SECRETARY'S LETTER OF DEC 4. WHEN HANDING COPY TO EMIN. MOFA DEP DIRECTOR GENERAL TANAKA SAID GOJ DESIRED A MEETING OF THE SEVEN AMBASSADORS IN WASHINGTON BUT DID NOT THEREBY WISH TO PRECLUDE IN ANY WAY USE OF NATO, OECD, OR COCOM MECHANISMS AS APPROPRIATE FOR DEALING WITH THESE ISSUES.

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DECLASSIFIED  
NLS 800-037/1 #395  
BY 605 7/24/06

~~SECRET~~



~~SECRET~~

# WHITE HOUSE SITUATION ROOM

PAGE 02 OF 02 TOKYO 1779

36274 DTG: 140857Z DEC 82 PSN: 036492

- ON COCOM, WE CONSIDER IT IMPORTANT TO WORK OUT A SYSTEM WHICH IS POSSIBLE FOR THE WESTERN COUNTRIES TO IMPLEMENT. AS FOR YOUR PROPOSAL (INCLUDING FEBRUARY MEETING), WE INTEND TO COOPERATE ON THE BASIS OF THE WORK ALREADY DONE IN THE PAST IN COCOM, IF THE OTHER COUNTRIES AGREE.

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MESSAGE (CONTINUED):

A FORUM FOR SUCH REVIEW) AND HARMONIZATION OF EXPORT CREDIT POLICIES, ON CONDITION THAT THE SUMMIT SEVEN COULD ACT IN CONCERT.

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TOKYO 1779

36274

DTG: 140857Z DEC 82 PSN: 036492

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# WHITE HOUSE SITUATION ROOM

PAGE 01 TOKYO 1779 36274 DTG: 140857Z DEC 82 PSN: 036493  
SIT100 DATE 02/20/83 TOR: 348/1026Z

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WHSR COMMENT: NODISCKLISTLISTTE PRESIDENT... PASSED TO VICE PRESIDENT

MESSAGE ANNOTATIONS:

NO MESSAGE ANNOTATIONS

MESSAGE:

IMMEDIATE  
DE RUEHKO #1779/02 3480900  
O 140857Z DEC 82  
FM AMEMBASSY TOKYO

TO SECSTATE WASHDC IMMEDIATE 7752

~~S E C R E T~~ SECTION 02 OF 02 TOKYO 21779  
NODIS

FOR SUPERVISING THE FOLLOW-UP PROCESS, WHICH ARE  
NEW PROPOSALS, WE WOULD LIKE TO EXAMINE THESE IDEAS  
CAREFULLY AFTER HAVING FURTHER DETAILS OF THE IDEA.

- SINCERELY,  
- SHINTARO ABE

END TEXT.  
MANSFIELD

~~SECRET~~

~~SECRET~~

# WHITE HOUSE SITUATION ROOM

PAGE 01 OF 02 TOKYO 2086  
SIT099 DATE 02/20/83

36274

DTG: 171212Z DEC 82 PSN: 042217  
TOR: 351/2325Z

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WHSR COMMENT: NODISCKLISTLISTTE PRESIDENT... PASSED TO VICE PRESIDENT

MESSAGE ANNOTATIONS:

NO MESSAGE ANNOTATIONS

MESSAGE:

IMMEDIATE  
DE RUEHKO #2086/01 3511213  
O 171212Z DEC 82 ZFF4  
FM AMEMBASSY TOKYO

TO SECSTATE WASHDC NIACT IMMEDIATE 7922

~~S E C R E T~~ SECTION 01 OF 02 TOKYO 22086  
NODIS  
FOR ACTING SECRETARY DAM FROM AMBASSADOR MANSFIELD  
E.O. 12356: DECL: OADR  
TAGS: PEPR, JA, US  
SUBJECT: JAPANESE FY 83 DEFENSE BUDGET: MY SECOND  
CONVERSATION WITH FORMER FINANCE MINISTER WATANABE  
REF: TOKYO 21963

1. ~~(S-ENTIRE~~ TEXT)
2. WATANABE AND I SPEND OVER AN HOUR TODAY DISCUSSING JAPANESE DEFENSE SPENDING IN THE NEXT FISCAL YEAR. I MADE CLEAR TO HIM THAT AFTER READING MY REPORT OF YESTERDAY'S CONVERSATION (REFTEL) YOU HAD AGREED WITH MY ANALYSIS OF THE PROBABLE REACTION IN WASHINGTON TO A FY 83 JAPANESE DEFENSE APPROPRIATION FALLING BELOW 7.3 PERCENT. I EXPLAINED THAT, WHILE THE ADMINISTRATION WOULD CONTINUE TO GO OUT OF ITS WAY TO PHRASE CAREFULLY ITS PUBLIC COMMENTS ON JAPAN'S DEFENSE SPENDING, THERE WAS NO WAY IN WHICH IT COULD CONTROL AN ADVERSE CONGRESSIONAL REACTION WHICH WAS BOUND TO BE BOTH VOCIFEROUS AND EMOTIONAL.
3. WATANABE REPEATED HIS ARGUMENTS OF YESTERDAY THAT A DEFENSE INCREASE OF 5-6 PERCENT WOULD REPRESENT

MESSAGE (CONTINUED):

A) A REAL INCREASE AT LEAST EQUAL TO THE NATO GUIDELINE, AND B) AN INCREASE IN THE PROPORTION OF DEFENSE SPENDING TO GNP. HE THEN SAID CATEGORICALLY IT WAS ABSOLUTELY IMPOSSIBLE POLITICALLY FOR THE PRIME MINISTER TO APPROVE AN INCREASE EQUIVALENT TO THE 7.3 PERCENT CEILING SET IN JULY. HE WARNED THAT SINCE BUDGETARY APPROPRIATIONS, PARTICULARLY THOSE RELATED TO DEFENSE, WERE REGARDED AS ATTRIBUTES OF SOVEREIGNTY, THERE COULD BE A DANGEROUS ANTI-AMERICAN OUTBURST HERE IF THE PRIME MINISTER WERE TO TREAT ONLY DEFENSE AS A "SACRED COW" AND THE PUBLIC CAME TO BELIEVE THAT U.S. PRESSURE WAS RESPONSIBLE FOR HIS INABILITY TO CUT BACK DEFENSE ALONG WITH ALL OTHER CATEGORIES OF SPENDING. HE ALSO WARNED THAT IF THE GOJ INCREASED DEFENSE SPENDING TOO RAPIDLY, THERE COULD BE A TREMENDOUS EMOTIONAL REACTION AGAINST JDA AND THE

DECLASSIFIED  
NLS Foo-037/1 #396  
BY WJ M. O. V. 7/24/06

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## WHITE HOUSE SITUATION ROOM

PAGE 02 OF 02 TOKYO 2086

36274 DTG: 171212Z DEC 82 PSN: 042217

DEFENSE ESTABLISHMENT, UNDOING ALL THAT HAD BEEN DONE TO BUILD UP JAPANESE DEFENSE CONSCIOUSNESS IN THE LAST FEW YEARS AND REVIVING THE FORTUNES OF THOSE OPPOSITION PARTIES WHO OPPOSED THE SECURITY TREATY WITH THE US AND CHALLENGED THE CONSTITUTIONALITY OF THE SELF-DEFENSE FORCES.

-

4. I ASSURED WATANABE THAT WE FULLY RECOGNIZED JAPAN'S SOVEREIGN RIGHT TO DETERMINE ITS OWN DEFENSE BUDGET, BUT THAT WE FELT IT IMPORTANT TO MAKE ABSOLUTELY CLEAR TO HIM HOW A REDUCTION IN THE RATE OF INCREASE WOULD BE PERCEIVED IN WASHINGTON. I EXPRESSED THE HOPE THAT THE PRESIDENT AND THE PRIME MINISTER COULD FIND WAYS TO BRING THE TWO NATIONS' DIFFERING PERCEPTIONS ON DEFENSE SPENDING CLOSER TOGETHER WHEN THEY MEET IN JANUARY.

5. WATANABE SAID THAT WHILE HE WAS KEEPING OPEN THE OPTION OF TRAVELING TO THE US, HE WAS PERSONALLY INCLINED NOT TO DO SO SINCE HE WOULD HAVE NOTHING TO ADD TO WHAT HE HAD TOLD ME, AND SINCE IT WOULD ATTRACT VERY UNHELPFUL MEDIA ATTENTION.

6. WE HAD A VERY BRIEF EXCHANGE ON THE TRADE ISSUE. WATANABE REFERRED TO HIS RECENT MEETING WITH DEPUTY USTR MACDONALD AND HE RECALLED HIS ADVICE TO MACDONALD THAT, IF THE US AGREED TO A COMPROMISE RATHER THAN

MESSAGE (CONTINUED):

INSISTING ON "ALL OR NOTHING," A SOLUTION ON SUCH ITEMS AS BEEF AND TOBACCO WAS POSSIBLE. WATANABE ADDED THAT THE PRIME MINISTER'S RANGE OF OPTIONS WAS LIMITED AND THAT HE COULD NOT POSSIBLY SATISFY ALL THE REQUESTS COMING FROM VARIOUS AMERICAN CONGRESSMEN.

7. COMMENT: AS WATANABE WAS ACCOMPANIED TODAY AS YESTERDAY BY ONE FORMER AND ONE CURRENT FINANCE MINISTRY OFFICIAL, I AM INCREASINGLY OF THE IMPRESSION THAT THE MINISTRY OF FINANCE, PROBABLY WITH THE PRIME MINISTER'S ASSENT, HAS ASKED HIM TO PROBE OUR "BOTTOM LINE" ON DEFENSE SPENDING. MY IMPRESSION WAS STRENGTHENED WHEN, JUST BEFORE LEAVING, WATANABE, IN A DELIBERATELY OFF-HAND MANNER INDICATED THAT "IT MIGHT BE POSSIBLE TO ADD SOMETHING TO THE 5 PERCENT-PLUS FIGURE." IN TURN, I DID MY BEST TO MAKE IT CLEAR TO WATANABE THAT HIS ARGUMENTS, HOWEVER LOGICAL THEY MAY BE, HAD NOT WON "JAPANESE STYLE UNDERSTANDING" (I. E., ACQUIESCENCE) FROM WASHINGTON. I EXPECT THESE PROBES TO INCREASE IN INTENSITY IN THE

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WHITE HOUSE SITUATION ROOM

PAGE 01 TOKYO 2086 36274 DTG: 171212Z DEC 82 PSN: 042218  
SIT098 DATE 02/20/83 TOR: 351/2325Z

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SIT: MCF WHLR JP VP SIT EOB SITNLAUX  
EOB: /COMMASSIST/ST  
WHSR COMMENT: CHECKLISTLISTTE PRESIDENT... PASSED TO VICE PRESIDENT

MESSAGE ANNOTATIONS:

NO MESSAGE ANNOTATIONS

MESSAGE:

IMMEDIATE  
DE RUEHKO #2086/02 3511215  
O 171212Z DEC 82 ZFF4  
FM AMEMBASSY TOKYO

TO SECSTATE WASHDC NIACT IMMEDIATE 7923

~~SECRET~~ SECTION 02 OF 02 TOKYO 22086  
NODIS  
FOR ACTING SECRETARY DAM FROM AMBASSADOR MANSFIELD  
E. O. 12356: DECL: OADR  
TAGS: PEPR, JA, US  
SUBJECT: JAPANESE FY 83 DEFENSE BUDGET: MY SECOND  
NEXT FEW DAYS. MANSFIELD

~~SECRET~~

~~CONFIDENTIAL~~  
WHITE HOUSE SITUATION ROOM

PAGE 01 TOKYO 2455 8 DTG: 270542Z DEC 82 PSN: 053111  
SIT760 DATE 12/27/82 TOR: 361/05592

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WHTS ASSIGNED DISTRIBUTION:

SIT: CKLS KEMPHLR JP VP EOB SIT BLAR  
EOB:  
WHSR COMMENT: REDTAGCHECKLIST

MESSAGE ANNOTATIONS:

NO MESSAGE ANNOTATIONS

MESSAGE:

IMMEDIATE  
DE RUEHKO #2455/01 3610544  
O 270542Z DEC 82  
FM AMEMBASSY TOKYO

TO SECSTATE WASHDC IMMEDIATE 8097

~~C O N F I D E N T I A L~~ SECTION 01 OF 02 TOKYO 22455  
E.O. 12356: DECL 12/27/88  
TAGS: ETRD JA US  
SUBJ: TARIFF CUTS

1. ~~(b)~~ - ENTIRE TEXT)

2. AMBASSADOR MANSFIELD MET WITH FOREIGN MINISTER ABE ON DECEMBER 27 FOR BRIEFING ON LDP AND GOJ DECISIONS ON TARIFF CUTS. INTERNAL WRANGLING OVER CHRISTMAS WEEKEND WAS INTENSE AND FINAL STEPS WERE NOT COMPLETE UNTIL LATE ON CHRISTMAS DAY.

3. IN THE MEETING ABE DESCRIBED THE DIFFICULTIES ENCOUNTERED BY LDP LEADERS IN OVERCOMING OBJECTIONS AND THE INDISPENSABLE PERSONAL LEADERSHIP OF PRIME MINISTER NAKASONE. HE SAID A MAXIMUM EFFORT WAS MADE TO EXPAND THE CUTS BEYOND THOSE IN THE MAY 28 PACKAGE AND TO MAKE REDUCTIONS DEEP. ABE SAID INCREASES IN SIX AGRICULTURAL QUOTA CATEGORIES WOULD PROCEED, AND THAT OTHER MEASURES ON STANDARDS, IMPORT PROCEDURES, AND QUOTAS WERE BEING CONSIDERED FOR PRESENTATION TO A CABINET ECONOMIC COUNCIL MEETING ON JAN 13. ABE URGED THAT TARIFF ACTIONS BE ACCEPTED AS POSITIVE MEASURES TAKEN INDEPENDENTLY BY JAPAN FOR SAKE OF FREE TRADE SYSTEM.

MESSAGE (CONTINUED):

4. AMBASSADOR MANSFIELD EXPRESSED HIS APPRECIATION FOR EFFORTS OF ABE AND LDP LEADERS, ADDING THAT HE WELL UNDERSTOOD THE POLITICAL COST TO THEM. HE NOTED THAT WE LOOK FORWARD TO FURTHER MEASURES FOR CONSIDERATION ON JAN 13.

5. DIRECTOR GENERAL MATSUO (MOF, CUSTOMS AND TARIFF BUREAU) AND DIRECTOR GENERAL MURATA (MOFA) PROVIDED EMIN WITH FURTHER DETAILS IN SEPARATE DISCUSSIONS ON DEC 24. MATSUO, WHO MORE THAN ANY OTHER GOJ OFFICIAL HAS BORNE THE BURDEN OF MANAGING THIS TARIFF REDUCTION EFFORT, EXPRESSED GREAT CONCERN ABOUT U.S. REACTION, EMPHASIZING HEAVY INVESTMENT OF GOVT AND LDP LEADERS IN GETTING TARIFF CUTS,

AND STATED HIS URGENT NEED FOR POSITIVE U.S. REACTION. MATSUO SAID A STATEMENT ABOUT "HELPPFUL STEPS IN THE RIGHT DIRECTION" WOULD NOT/NOT BE SATISFACTORY. HE SAID LDP LEADERS HAD BEEN UP ALL NIGHT ON DEC 23-24, AND DECISIONS HAD ONLY BEEN MADE ON INSISTENCE OF TOP LDP LEADERS AFTER LONG AND HARD DEBATE. EMIN SAID HE COULD NOT FORECAST U.S. REACTION BUT EXPECTED ANY POSITIVE RESPONSE TO COVER NO MORE GROUND THAN DID THE TARIFF MEASURES THEMSELVES, THAT MUCH WOULD DEPEND ON OTHER MEASURES STILL PENDING, AND THAT WE HAD CONFIDENCE THAT GOJ COULD FULLY PROVIDE FOR THE INTERESTS OF JAPANESE TOBACCO FARMERS AND OTHERS AFFECTED. MATSUO AND HIS STAFF REACTED SHARPLY TO THIS IMPLIED DOWN-PLAYING OF SIGNIFICANCE OF TARIFF CUTS, INTERRUPTING TO SAY THAT SYMBOLISM WAS THE KEY, NOT JUST A COLD ANALYSIS OF COSTS AND BENEFITS. ALTHOUGH MOF OFFICIALS SELDOM ARE REALLY RELAXED, TENSION OF MATSUO AND HIS STAFF WAS EVIDENT. THERE IS NO DOUBT THAT THEY WOULD DREAD HAVING AT SOME FUTURE TIME TO EXPLAIN TO POLITICAL OPPONENTS THAT APPEASEMENT OF U.S. DEMANDS DID NOT WORK.

6. MURATA'S MESSAGE TO EMIN WAS CONSISTENT WITH MATSUO'S, BUT NOWHERE NEAR SO TENSE. HE DESCRIBED THE TARIFF MEASURES AS COVERING ALL

MESSAGE (CONTINUED):

THE ITEMS IN THE MAY 28 PACKAGE, PLUS SEVERAL AGRICULTURAL ITEMS OF INTEREST TO THE U.S., 18 NEW INDUSTRIAL ITEMS, TOBACCO (8 LINE ITEMS), CHDCHOLATE, AND BISCUITS. HE DESCRIBED DOMESTIC OPPOSITION AS SEVERE, AND REQUIRING "COMPENSATION" TO DOMESTIC ECONOMIC INTERESTS AFFECTED. AN EXAMPLE OF "COMPENSATION" IS A LOWERING OF THE INTERNAL TAX ON SUGAR. HE SAID KRAFT PAPER AND KRAFT LINER DUTIES WOULD BE CUT ABOUT 20 PERCENT, BUT VENEER WOULD NOT BE CHANGED. FULL LISTING FOLLOWS IN SEPTEL.

7. COMMENT: GOJ EFFORTS ON TARIFF CUTS HAVE BEEN ALL OUT, AND FOCUS THIS TIME HAS BEEN ON ITEMS U.S. AND OTHER COUNTRIES HAVE IDENTIFIED AS OF INTEREST. WE HAVE TOLD GOJ TO EXPECT NO RESPONSE BEFORE TUESDAY TOKYO TIME. WE HOPE THAT YOU CAN, FOR POLITICAL AS WELL AS OTHER REASDNS, MAKE STATEMENT WELCOMING POSITIVE ELEMENTS OF GOJ DECISIONS, AND OMITTING NEGATIVES FOR NOW. PROPOSE YOU STATE THAT: 1) GOJ HAS MADE EXTENSIVE AND WELCOME EFFORT TO RESPOND FAVORABLY TO TARIFF REQUESTS FROM U.S. AND OTHER COUNTRIES, 2) THIS ACTION IS IN SPIRIT OF

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NLS FOO-0371 #397

BY HIT 7/24/06

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PAGE 01 TOKYO 2455 8 DTG: 270542Z DEC 82 PSN: 053108  
SIT759 DATE 12/27/82 TOR: 361/0557Z

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EOB:  
WHSR COMMENT: REDTAGCHECKLIST

MESSAGE ANNOTATIONS:

NO MESSAGE ANNOTATIONS

MESSAGE:

IMMEDIATE  
DE RUEHKO #2455/02 3610546  
O 270542Z DEC 82  
FM AMEMBASSY TOKYO

TO SECSTATE WASHDC IMMEDIATE 8098

~~C O N F I D E N T I A L~~ SECTION 02 OF 02 TOKYO 22455  
U. S. AND JAPANESE COMMITMENT TO OPEN MARKET  
PRINCIPLES, 3) IT FOLLOWS UP ON COMMON POSITIONS  
TAKEN BY U. S. , JAPAN, AND OTHERS AT GATT  
MINISTERIAL IN DEFENSE OF FREE TRADE, 4) WE HAVE  
NOT DETERMINED VALUE OF THESE CUTS IN TRADE  
TERMS, BUT HOPE THEY WILL RESULT IN SIGNIFICANTLY  
IMPROVED OPPORTUNITIES, 5) WE FULLY UNDERSTAND  
THE HEAVY POLITICAL INVESTMENT THESE UNILATERAL  
ACTIONS REPRESENT FOR JAPAN. AND 6) WE LOOK  
FORWARD TO WORKING COOPERATIVELY WITH GOJ TO  
ELIMINATE OR MINIMIZE REMAINING TRADE ISSUES.  
MANSFIELD

~~CONFIDENTIAL~~

SECRET

WHITE HOUSE SITUATION ROOM

PAGE 01 TOKYO 2645 8 DTG:290820Z DEC 82 PSN: 056115  
SIT941 DATE 01/03/83 TOR: 363/1404Z

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SIT: CKLS EOBWHLR JP VP EOB SIT KEMP  
EOB:  
WHSR COMMENT: NODIS/CHECKLISTER DISSEMINATION--

MESSAGE ANNOTATIONS:

NO MESSAGE ANNOTATIONS

MESSAGE:

IMMEDIATE  
DE RUEHKO #2645 3630821  
O 290820Z DEC 82  
FM AMEMBASSY TOKYO

TO SECSTATE WASHDC IMMEDIATE 8220

SECRET TOKYO 22645  
NODIS - FOR ACTING SECRETARY DAM FROM THE AMBASSADOR  
E.O.12356: DGR: OADR  
TAGS: EFIN, MARR, PEPR, JA, US  
SUBJECT: JAPANESE FY 83 DEFENSE BUDGET  
-  
REFS: (A) TOKYO 21963, (B) TOKYO 22086  
-

1. ~~S~~-ENTIRE TEXT)

2. I RECEIVED A TOTALLY UNEXPECTED TELEPHONE CALL THIS MORNING FROM FINANCE MINISTER TAKESHITA WHO, REFERRING TO THE PREVIOUS MEETINGS (REFTELS) I HAD WITH FORMER FINANCE MINISTER WATANABE, SAID HE WANTED TO FILL ME IN ON THE LAST-MINUTE INTER-MINISTERIAL NEGOTIATIONS ON THE DEFENSE PORTION OF THE FY 83 BUDGET.

3. TAKESHITA NOTED THAT THE INITIAL FINANCE MINISTRY DRAFT FOR NEXT YEAR, RELEASED CHRISTMAS DAY, CALLED FOR A 2,718 BILLION YEN (OR \$12.35 BILLION AT \$1 EQUALS 220 YEN) OR 5.1 PERCENT INCREASE IN DEFENSE SPENDING. TAKESHITA EXPLAINED THAT SINCE EXPENDITURES FOR OTHER MAJOR SPENDING CATEGORIES HAD BEEN SEVERELY CUT BACK IN ORDER TO ESTABLISH A GENERAL "ZERO LEVEL" GROWTH IN GENERAL EXPENDITURES, THE INITIAL DEFENSE FIGURE HAD MET WITH A CHORUS OF

MESSAGE (CONTINUED):

CRITICISM FROM OPPOSITION PARTIES AND THE MEDIA. TAKESHITA THEN SAID THAT THE PRIME MINISTER NEVERTHELESS HAD INSTRUCTED HIM TO MAKE A FURTHER EFFORT TO INCREASE DEFENSE SPENDING FOR NEXT YEAR IN ORDER TO PERMIT JAPAN TO IMPROVE ITS DEFENSE CAPABILITIES IN ACCORDANCE WITH ITS OBLIGATIONS UNDER THE MUTUAL SECURITY TREATY. TAKESHITA THEN TOLD ME THAT IN ACCORDANCE WITH THESE INSTRUCTIONS HE WAS MAKING A MAXIMUM EFFORT TO COME UP WITH A 6 PERCENT INCREASE FOR NEXT YEAR.

4. TAKESHITA ASKED FOR OUR "SYMPATHETIC UNDERSTANDING" OF THE GOJ'S EFFORTS, ESPECIALLY IN VIEW OF THE EXTRAORDINARY FISCAL CONSTRAINTS UNDER WHICH IT WAS NOW OPERATING. I EXPRESSED APPRECIATION TO TAKESHITA FOR HIS CALL AND TOLD HIM THAT I WAS PLEASED AT

HIS EFFORTS TO INCREASE SPENDING ABOVE THE INITIAL 5 PERCENT FIGURE. HOWEVER, I CAUTIONED HIM THAT, IN SPITE OF THESE EFFORTS, A FINAL FY 83 DEFENSE BUDGET INCREASE FIGURE OF 6 PERCENT WOULD STILL PROVOKE A NEGATIVE REACTION AT HOME, PARTICULARLY IN THE CONGRESS, BECAUSE OF THE PRESUMPTION THAT THERE HAD BEEN A CUTBACK. I EXPLAINED THAT, RIGHTLY OR WRONGLY, MANY AMERICAN POLITICIANS HAD ASSUMED THAT THE JULY 7.346 CEILING ON THE FY 83 RATE OF INCREASE IN SPENDING WAS THE ABSOLUTE MINIMUM POSSIBLE. TAKESHITA AT THAT POINT AGAIN URGED ME TO DO MY BEST TO OBTAIN USG "UNDERSTANDING."

5. COMMENT: WHILE WE DO NOT EXPECT TO HEAR UNTIL TOMORROW MORNING FROM EITHER JDA OR THE FOREIGN MINISTRY ON THE FINAL DEFENSE BUDGET FIGURE, I TAKE TODAY'S CALL AS THE LAST WORD--JUST ABOUT 6 PERCENT. I AM CONVINCED THAT TAKESHITA HIMSELF, A BRILLIANT POLITICIAN WITH AN EXCELLENT UNDERSTANDING OF OUR POLITICAL DYNAMICS, HAS MADE A TREMENDOUS EFFORT. I ALSO BELIEVE THAT WITH THE OPPOSITION PARTY LEADERS PRACTICALLY CAMPING OUT AT HIS DOOR TO EXPRESS THEIR DISAPPROVAL OF HIKES IN DEFENSE SPENDING WHILE SOCIAL PROGRAMS ARE AXED, PRIME MINISTER NAKASONE HAS PUT HIS PERSONAL PRESTIGE ON THE LINE. THERE IS UNDOUBTEDLY MORE TO THIS STORY SINCE WATANABE HAS JUST CALLED TO ASK THAT OUR POLITICAL COUNSELOR VISIT HIM EARLY

MESSAGE (CONTINUED):

THIS EVENING FOR A MORE COMPLETE READOUT ON WHAT WILL BE IN THE DEFENSE BUDGET. I DO HOPE THAT WE CAN TEMPER OFFICIAL REACTION AT HOME SO AS NOT TO CAST TOO DARK A CLOUD OVER THE PRIME MINISTER'S UPCOMING VISIT. MANSFIELD

TOKYO 2645 8 DTG:290820Z DEC 82 PSN: 056115

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BY LOT 7/24/06

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UNCLASSIFIED UPON REMOVAL OF CLASSIFIED ENCLOSURE(S)

RECEIVED 03 JAN 83 11

*mjn 1/26/04*

DOCDATE 30 DEC 82

TO CLARK

FROM SIGUR

KEYWORDS: JAPAN

ECONOMICS

INTL TRADE

DEFENSE POLICY

PRESIDENTIAL TRAVELS

SUBJECT: US - JAPANESE RELATIONS

ACTION: FOR DECISION

DUE: 05 JAN 82 STATUS X FILES

FOR ACTION

FOR CONCURRENCE

FOR INFO

CLARK

COMMENTS

REF# LOG NSCIFID ( N / )

ACTION OFFICER (S)	ASSIGNED	ACTION REQUIRED	DUE	COPIES TO
<del>X</del>	JAN 05 1983	<i>Clark noted</i>		<i>SC</i>
<i>Sigin</i>	<i>x 12/05</i>	<i>joint action</i>		
	<i>a 1/6</i>	<i>action completed, P.S.</i>		<i>Su</i>

482

National Security Council  
The White House

Package # 8923

30 P 4: 42

	SEQUENCE TO	HAS SEEN	ACTION
John Poindexter	_____	_____	_____
Bud McFarlane	<u>1</u>	<u>M</u>	<u>A</u>
Jacque Hill	_____	_____	_____
Judge Clark	_____	_____	_____
John Poindexter	_____	_____	_____
Staff Secretary	_____	_____	_____
Sit Room	<u>2</u>	_____	<u>DACOM to Judge Clark.</u>

I-Information   A-Action   R-Retain   D-Dispatch   N-No further Action

DISTRIBUTION

cc: VP   Meese   Baker   Deaver   Other \_\_\_\_\_

COMMENTS

1/4  
Judge Clark met with  
Sigue and Tyson.  
memo to be revised per  
meeting. JBill

Cy in folder for we & Lem

THE WHITE HOUSE  
WASHINGTON

December 30, 1982

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NLS FOO-037/1#399

Judge Clark

BY LOI NARA, DATE 7/24/06

Subject: Nakasone Visit

It seems to me that you also deserve a memo on what we want to get out of the Nakasone visit.

With respect to the quids we would give Nakasone, the added breakfast or a second meeting are reasonable things to add in light of how the first meeting goes but not to commit to in advance.

On the idea of agreeing to a visit, I am much less sanguine than Gaston that we can avoid damage in China if we leave them out of an Asian trip. I don't recommend a trip to anywhere in Asia. It is possible that we can finesse it for this year on the "them first" grounds. As for next year ('84) we may be able to get by on "too many trips it can't be done" since we will have an economic summit somewhere in 84 plus the possibility of a Middle East trip if things go right.

On the mechanics of how to consult with the Japanese before the visit, I have no problem with an emissary. It should be someone from within the government--not an outsider. And while someone from the White House lends special standing it

(OV

may of course create problems with State.  
It seems to me that we could handle  
the advance work through our Ambassador  
or Paul Wolfowitz or Larry.

Bud

*Bud*

~~SECRET~~

8923

MEMORANDUM

NATIONAL SECURITY COUNCIL

~~SECRET~~

December 30, 1982

ACTION

MEMORANDUM FOR WILLIAM P. CLARK

FROM: GASTON J. SIGUR *Gast*

SUBJECT: US-Japanese Relations

WPC HAS SEEN  
WPC HAS SEEN

During the conversation that Chuck Tyson and I had with you in your office on December 23 regarding US-Japanese relations and the visit of Prime Minister Nakasone, you asked that I write a memorandum to you putting down on paper some of our thoughts on these issues.

First of all, let me state an indisputable fact. The US-Japan alliance is central to peace and security in the Asian-Pacific region. Because of Japan's great economic power, this increasingly pertains to the global scene as well.

Chuck and I are convinced that the handling of the Japanese relationship is critical to the perceptions in our country of success or failure of the Reagan Administration in the area of foreign policy. If we fail to establish a modus operandi with the Japanese which appears to be and, in fact, is beneficial to us, this Administration will come under increasing attack from Congress and, in particular from the Democrats as being unable to appropriately sustain the most important single allied relationship that we have. The President, himself, will not be immune from this abuse and we can expect it to increase as the election of 1984 approaches. This will, in part, manifest itself in efforts to portray the Administration as unable to cope with the Japanese economic policies which make our unemployment problem more difficult. Additionally, we can anticipate a rise in protectionist sentiment in Congress which will militate against the free trade policies of the President. Lyn Nofziger and Bill Timmons agree strongly with the political liabilities facing the President and they have personally been asked for their advice from Nakasone with respect to these issues. Neither represent or work for the Japanese government.

What can be done to achieve success with Japan?

The new Japanese Prime Minister, Yasuhiro Nakasone, has placed great emphasis upon US-Japanese relations. He has pledged that he will make every effort to improve these relations and to ameliorate the present strains within them. If he does not succeed in this then his own political future is very much in doubt.

The first major test for Nakasone will come during his visit to Washington on January 17, 18 and 19. This visit will set the

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BY H21 7/24/06

tone, not only for the future personal ties between the President and Nakasone, but also for the future bilateral relations between our two countries. Both the atmospherics surrounding the Prime Minister's stay in Washington and the substantive decisions taken by him and the President will determine how the media and others evaluate the results.

We have already moved to create our aura of good feeling around the trip with the arrangements that have been made for Nakasone and, also importantly, for Mrs. Nakasone. These will be played up favorably by the Japanese press.

In the substantive area, it is imperative that we let the Prime Minister know what is expected of him. (We will shortly have papers from Doug McMinn and Bill Martin that spell out what the U.S. side would like to see done.) This must be conveyed to the Prime Minister directly, if it is to be most effective, and it must be clear to Nakasone that it comes straight from the President. The message should be delivered a few days prior to January 13 when a Cabinet meeting takes place to put the final touches on Nakasone's "gifts" to the U.S. during his Washington stay.

We must get the message across that: 1) US-Japan relations are too important to be jeopardized by disagreements, no matter how major, over defense spending and trade problems; 2) the President knows that many of the steps the Prime Minister is committed to take to assuage the disagreements that exist will be unpopular in Japan; 3) consequently, the President is prepared to do what he can to make things easier for the Prime Minister.

For us to be successful in our negotiations with Nakasone we must give him something in return. One "assist" to Nakasone would be for the President to announce after his meeting and luncheon with Nakasone on January 18 that the talks were going well, so well, in fact, that he has invited Nakasone to breakfast with him the following day, January 19, to continue discussions. This would be a big plus for the Prime Minister with the Japanese public.

But the most important Presidential "assist" to Nakasone would be an acceptance by the President of an official invitation to visit Japan. Such a visit would serve to bolster the Prime Minister's image as a man who knows how to get along with the leader of the Free World.

From our point of view, the President would benefit from all of this by indicating to Democratic critics and to the public at large just how important he considers the US-Japan relationship and to show how he is able to negotiate the trade and defense issues which will result in more jobs for Americans and a better strategic alliance.

While Japan would be the centerpiece of a Presidential trip, the President could at the same time stop off in Korea and Australia. This would mean that he would visit three of our most important Asian and Pacific allies and would lend support to the three leaders of these countries who need such support now. I have already

explained why a Presidential visit would be helpful to Nakasone. Prime Minister Fraser, as you know, is in political trouble and will go into an election later this year. The Korean President always can use a public show of confidence from the U.S. President.

While there might be some ruffled feathers in China and Southeast Asia about the President not visiting in their countries, we can explain that a China trip is not possible until after a major leader of China visits Washington (Premier Zhao will probably come in summer or fall) and that stops in Southeast Asia would be too exhaustive for the President during this trip.

There are several options open to you for getting a direct message to Prime Minister Nakasone regarding what quids or concessions we expect from Japan which will ensure a successful visit. These are:

1) A personal, unpublicized visit by you to Tokyo on or about January 10 or 11, which will allow you to speak directly to the Prime Minister. This would be the most forceful way to get across to the Japanese side the determination of the President to move to improve relations with one of our closest allies.

Agree \_\_\_\_\_ Disagree \_\_\_\_\_

2) A personal, unpublicized visit by me and Chuck Tyson, representing you and the President, with the same objective in mind as that in Option 1. My friendship with Nakasone, going back several years, makes this option an attractive one. If word would leak out that we were in Tokyo, Chuck and I could say that we were there to finalize certain mechanics of the Nakasone visit.

Agree \_\_\_\_\_ Disagree \_\_\_\_\_

3) A visit by either Bill Timmons or Lyn Nofziger to the Prime Minister with the "wish list" message. This has the advantage of being less official and will be less embarrassing to the Prime Minister if he cannot go along with most of what we want.

Agree \_\_\_\_\_ Disagree \_\_\_\_\_

4) No visit at all to the Prime Minister, but seek to get our message to him through emissaries that will be representing him in Washington. Former Ambassador Kase will arrive in Washington on January 10 and will stay through the Prime Minister's visit. He is a close confidant of Nakasone and could be used by us to send personal messages to Tokyo. However, we should realize that this will not carry the weight of a personal representative of the President actually traveling to Japan to call on the Prime Minister and deliver a Presidential message.

Agree \_\_\_\_\_ Disagree \_\_\_\_\_

Regarding a Presidential visit to Japan, we could quietly let the Japanese know that the President is prepared to accept an invitation, assuming we can get the appropriate forward movement by him on trade, defense and transfer of technology issues.

Agree \_\_\_\_\_

Disagree \_\_\_\_\_

Chuck Tyson concurs.



CENTRAL INTELLIGENCE AGENCY

OFFICE OF THE DIRECTOR

5 January 1983

TO: The Honorable William P. Clark  
Assistant to the President  
for National Security Affairs

Mr. Casey requested that you receive  
the attached NIE and Research Paper.



FOIA(b) (3)

Executive Secretary

Attachments:

- 1 - NIE 41-2-82: Some Consequences  
of Changing US-Japanese Trade  
Relations
- 2 - Research Paper EA 82-10103  
Japan: Aims and Instruments of  
Industrial Policy

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By LOJ, NARA, Date 7/24/06

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MESSAGE:

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~~C O N F I D E N T I A L~~ TOKYO 00149  
EXDIS

E.O. 12356: DECL: 1/4/89

TAGS: EAID, EFIN, YO, JA

SUBJECT: YUGOSLAVIA-DEBT AND ECONOMIC ASSISTANCE FROM  
- JAPAN: PRELIMINARY RESPONSE TO THE SECRETARY'S  
- LETTER  
REF: STATE 000023

1. (~~C~~ENTIRE TEXT).

2. ON JANUARY 4, 1983, ENBOFF MET WITH MOFA OFFICIALS TO DELIVER TEXT OF SECRETARY SHULTZ' LETTER TO FOREIGN MINISTER ABE ENCOURAGING AID TO YUGOSLAVIA. OFFICIALS SHOWED INTEREST IN THE CONTENTS OF THE LETTER, AND SAID THEY WOULD REVIEW IT WITH AGENCIES CONCERNED. THEY STATED AND RE-EMPHASIZED THE IMPORTANCE GOJ ASCRIBES TO YUGOSLAVIA, NOT ONLY RE ECONOMIC RELATIONS BUT POLITICALLY ALSO. IN LINE WITH THIS VIEW, AND PURSUANT TO THE DECEMBER 17 PARIS DONORS MEETING, THEY STATED THEY WILL MAKE A CONTRIBUTION TO THE AID PACKAGE. IT WOULD, HOWEVER, BE MUCH SMALLER THAN THE

MESSAGE (CONTINUED):

\$100 MILLION SUGGESTED IN THE SECRETARY'S LETTER. THEY WOULD NOT STATE WHAT AMOUNT THEY WOULD OFFER, BUT CONFIRMED THAT THEIR DELEGATE WOULD ANNOUNCE A FIGURE AT THE DONORS MEETING LATER THIS WEEK.

3. MOFA OFFICIALS ALSO EXPRESSED MILD DISTRESS THAT ON TWO RECENT OCCASIONS WESTERN DONORS HAD GATHERED INFORMALLY FOR PRELIMINARY DISCUSSIONS ON YUGOSLAV AID WITHOUT NOTIFYING OR INVITING THE JAPANESE TO PARTICIPATE (OF THE FIRST SUCH MEETING, HELD PRIOR TO THE DECEMBER 17 PARIS DONORS MEETING, MOFA WAS INFORMED BY THEIR BERN EMBASSY, AND OF THE SECOND, APPARENTLY HELD LATE LAST MONTH, BY THEIR MISSION IN BELGRADE).

4. THE OFFICIALS ALSO COMPLAINED ABOUT BEING ASKED

TO COMMIT SUBSTANTIAL ASSISTANCE FUNDS ON VERY SHORT NOTICE. THEY SHOWED SURPRISE AT THE SIZE OF THE PLEDGE SUGGESTED FOR JAPAN, STATING THE RANGE OF AID DISCUSSED AT THE DECEMBER 17 GATHERING FOR JAPAN WAS MUCH SMALLER. WITH THE NEXT DONORS MEETING SCHEDULED FOR JANUARY 6, THEY WERE NOT READY TO ACCEDE, IN THEIR WORDS, TO A REQUEST FOR \$100 MILLION DOLLARS ON TWO DAYS NOTICE. IN THIS REGARD THEY MENTIONED THAT MOFA CAN ONLY TRY TO PRESENT A GOOD CASE FOR EXTENDING AID BUT THAT THE FINANCE MINISTRY MUST APPROVE THE FUNDING. THE GOJ PLEDGE WILL BE BASED ON AN AGREEMENT REACHED WITH MOF PRIOR TO THE EXTENDED NEW YEAR'S HOLIDAY. THEY WILL, HOWEVER, GIVE FUTURE CONSIDERATION TO ADDITIONAL ASSISTANCE AT A LATER DATE BASED ON THE SECRETARY'S LETTER.

5. COMMENT. FROM THESE DISCUSSIONS IT IS APPARENT THE U.S. AND OTHER WESTERN DONORS SHOULD MAKE A GREATER EFFORT TO INCLUDE THE JAPANESE IN INFORMAL DONOR SESSIONS AS WELL AS REGULAR MEETINGS. THIS WILL HELP AVOID RUFFLED FEATHERS AND AT THE SAME TIME PROVIDE MOFA WITH ADDITIONAL LEAD TIME TO COORDINATE WITH OTHER GOJ AGENCIES WHOSE APPROVAL IS NEEDED FOR AID FUNDING. END COMMENT.  
MANSFIELD

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