

The original documents are located in Box 21, folder “October 19-23, 1975 - People's Republic of China - Briefing Book for Tokyo Meetings (1)” of Trip Briefing Books and Cables of Henry Kissinger at the Gerald R. Ford Presidential Library.

Copyright Notice

The copyright law of the United States (Title 17, United States Code) governs the making of photocopies or other reproductions of copyrighted material. Gerald R. Ford donated to the United States of America his copyrights in all of his unpublished writings in National Archives collections. Works prepared by U.S. Government employees as part of their official duties are in the public domain. The copyrights to materials written by other individuals or organizations are presumed to remain with them. If you think any of the information displayed in the PDF is subject to a valid copyright claim, please contact the Gerald R. Ford Presidential Library.



DEPARTMENT OF STATE

Washington, D.C. 20520

VISIT OF SECRETARY KISSINGER TO TOKYO

October 1975

MEMORANDUM FOR THE SECRETARY

1. Meeting with Foreign Minister Miyazawa, October 19
2. Meeting with Prime Minister Miki, October 24
3. Second Meeting with Foreign Minister Miyazawa, October 24
4. Meeting with Deputy Prime Minister Fukuda, October 24
5. Meeting with Finance Minister Ohira, October 24

PUBLIC STATEMENTS

1. Arrival Statement
2. Departure Statement
3. Toasts

SCHEDULES

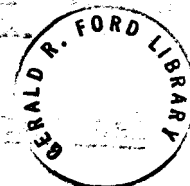
BIOGRAPHIC SKETCHES

DECLASSIFIED
EO 12958-1

HR

7/21/10

~~SECRET~~
XGDS-3







DEPARTMENT OF STATE
BRIEFING MEMORANDUM

7520570

S/S

October 15, 1975

~~CONFIDENTIAL~~

To: The Secretary

From: EA - Philip C. Habib

Your Visits to Japan

You will be seeing four of the most senior Japanese officials during your stopovers enroute to and returning from Peking (October 18-19 and October 23-25). The Japanese are intensely interested in developments in the US-China relationship and their possible bearing on Japan's own relations with the PRC, and will be anxious to hear anything you can tell them with respect to your conversations in Peking. While China may be the focus of your discussions with the Japanese, the Tokyo stopovers also afford an opportunity to reinforce points you and the President have previously made on several bilateral and multilateral issues. Although your recent meetings with the Japanese (i.e. Miki in August, Miyazawa in late September) covered most matters currently of interest, you will have a somewhat broader audience this time in Tokyo--including Deputy Prime Minister Fukuda and Finance Minister Ohira in addition to Miki and Miyazawa--and we therefore recommend that you reiterate our concerns on the several issues listed below.

CHECKLIST

-- China - Describe your conversations in Peking, and your expectations with respect to the President's trip to China.

-- Korean Question in the UN - (Depending on the tactical situation in New York.) - Stress that we continue to expect a tough struggle in New York, that we should continue to discourage efforts at compromise at this time, and that vigorous lobbying efforts by both Japan and the US as well as other friendly cosponsors are essential if we are to win. Note the unhelpful effect of continuing press speculation in Tokyo, attributed to GOJ officials, concerning US contacts with North Korea.

DECLASSIFIED

EO. 12318 (as amended) 8/10/02

State Dept. Classification

By NR JARA DOD 7/21/10

State Review 12/9/03

~~CONFIDENTIAL~~
XGDS-3



~~CONFIDENTIAL~~

- 2 -

-- Food Issues - Describe the nature and status of our negotiations with the Soviets on long-term grain sales, noting that the arrangement will prove beneficial to Japan by stabilizing Soviet access to our supplies. Reiterate the need for early establishment of an international grain reserves system.

-- Consumer/Producer Dialogue - Note the importance of close consumer country coordination as we move toward the ministerial conference where the substantive issues of the dialogue will be addressed.

BACKGROUND AND SETTING

Current Political Scene. Your visits to Tokyo take place during a period of heightened political activity. Prime Minister Miki convened an extraordinary Diet session in September, scheduled to run through November, for the purpose of seeking passage of a supplementary budget and several measures designed to increase government revenues and ease Japan's fiscal squeeze. However, those measures would also increase consumer costs and clearly are not popular among the Japanese electorate. The opposition parties have mounted strong attacks on the government, keyed to these bread-and-butter issues, but also going beyond them to criticize government policies in other areas (e.g. the Prime Minister's alleged acquiescence during his Washington visit to US pressures for stronger Japanese support of the ROK--offset to some extent by public indications that he is contemplating moves toward North Korea.) The government should be able to weather this confrontation, secure passage of its basic legislative package, and avoid a dissolution of the Diet. We would not rule out, however, a moderate cabinet reshuffle in November or December, to defuse any lingering election mood, with general elections then postponed until sometime next year.

Miki's Performance. In the ten months of his tenure, Miki has compiled a fairly creditable record of accomplishment. Refusing to play the "caretaker" role envisaged for him by his LDP peers who put him in power as a compromise candidate, Miki has propounded a substantial program of domestic reform and embarked on a policy of consultation and conciliation with the opposition which is unusual for LDP leaders. While causing noticeable disgruntlement within the leadership of the LDP, this activism and unorthodoxy

~~CONFIDENTIAL~~



~~CONFIDENTIAL~~

- 3 -

may have enhanced somewhat Miki's standing among the populace at large (although opinion polls continue to show him in a weak position) and could redound to the party's benefit when the next elections come around. But it is the internal dynamics of the LDP, rather than any voter appeal Miki's political approach may have engendered, which continue to keep him in power. The factional strength of the two major rivals for the premiership, Fukuda and Ohira, remains in precarious balance; until one or the other of these long-time aspirants feels sufficiently confident of his chances to move overtly for the premiership, Miki will probably retain his position.

Domestic Economic Questions. One of the major achievements of the Miki cabinet, perhaps attributable primarily to Deputy Prime Minister Fukuda's energetic leadership, has been its success in meeting new economic challenges. The GOJ has coped effectively with balance of payments difficulties caused by OPEC price increases, with problems of unemployment accompanying recession, and most notably, with inflationary pressures. From an annual rate approaching 25 percent when Miki took office, Japan's inflation has dropped to an annual rate of about 10 percent. Having contained inflationary pressures, the GOJ has more recently turned its attention to stimulatory measures designed to maintain and perhaps accelerate the economy's gradual recovery from recession. On September 16 Miki announced a \$6.7 billion program, including expanded public works expenditures and an easing of credit which the GOJ hopes will be sufficient to sustain recovery without setting off a new round of inflation. Although it clearly gives priority to economic recovery over dampening inflation, this latest program reflects continued GOJ caution, and has been criticized as inadequate by some business leaders. Embassy Tokyo's analysis is that the new program will suffice to prevent government sector spending from declining and becoming a fiscal drag on the economy, but will not provide a significant stimulus.

Foreign Policy Concerns. Japanese perceptions of their security, political and economic interests are undergoing a continuing reappraisal as a result of recent international developments--most notably the collapse of our own policies in Indochina, the energy crisis, and the crystallization of North-South issues. A re-examination of old premises is underway, and



~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

- 4 -

although no fundamental departures are likely to result, some new policy nuances are beginning to appear. You have recently discussed with Japanese leaders the major contours of GOJ policy thinking, in East Asia and globally--viz., their review of Japan's security posture in the context of post-Vietnam Asia, and their inclination to discuss security concerns more candidly with us; their preoccupation with the need to constantly adjust and modulate Japan's policies toward the major communist powers, attempting to maintain some balance in relations with Moscow and Peking, and thereby to enhance the stability of the major power equilibrium in Northeast Asia; and their efforts to fashion positions on multilateral economic issues which reflect Japan's continued dependence on its economic relationship with the United States as well as its need to diversify economic ties with other advanced and developing countries.

Specific recent examples of the foreign policy positions stemming from this process of review and reappraisal include, inter alia:

-- The GOJ's success in nailing down diplomatic relations with the DRV, and overtures toward Cambodia to achieve the same end. With the recession of American influence from Indochina, the GOJ has accepted an uncharacteristically "out-front" role.

-- Ambivalence on policy toward Korea; an emphasis on the need to stimulate by diplomatic means North-South accommodation, if necessary (by implication) moving somewhat away from our established positions of the past, particularly concerning the question of Japanese and US direct dealings with Pyongyang. This has been reflected in Japan's less than forceful efforts in behalf of the friendly resolution in the UN, and by continued rumors, sparked by Foreign Office leaks, of impending US-DPRK contacts.

-- A cautious line in its approach to the "anti-hegemony" issue which has prevented conclusion of the Japan-PRC Peace and Friendship Treaty. The GOJ appears confident that its relations with the PRC can continue to progress in the absence of a treaty, and while it would like to overcome the "anti-hegemony" impasse, is inclined to let the dust settle.

~~CONFIDENTIAL~~



~~CONFIDENTIAL~~

- 5 -

-- Reluctance to embrace certain specific proposals we have put forward on multilateral economic issues (notably establishment of a grain reserves system). But while there are occasional differences in approach, which by and large are simply logical reflections of Japan's quite different economic circumstances, the GOJ continues to give us important support in international economic forums.

Despite this ongoing process of re-examination, and the likelihood that traditional Japanese responses to international issues may increasingly be challenged, the Japanese continue to regard close ties with the United States as the essential pillar of their foreign policy, and they will continue to seek reaffirmation from us of the importance we attach to the bilateral relationship. The frequent access to US decision-makers which Japanese leaders have recently enjoyed has been helpful in this regard.

KEY ISSUES AND TALKING POINTS

A. China. (You should be as forthcoming with the Japanese as you think advisable concerning your conversations in Peking and your resultant expectations with respect to the President's trip to China. In particular, the Japanese will be interested in any discussion of the hegemony issue with the Chinese, and in any indications you can provide as to how that issue will be dealt with in the President's visit.)

B. Korea in the UN. Debate on the Korea question in the UN is scheduled to begin October 21, and should run for a week. Despite professed support for our common position and resolution on Korea, the Japanese have not lobbied effectively for votes against the North Korean resolution. They remain pessimistic about the outcome of the debate on Korea and appear to be trying to avoid too close a commitment to our position. While acknowledging that there are no signs on the part of North Korea or the PRC of compromise, the Japanese continue to hope that somehow a confrontation can be avoided. A recent spate of "leaks" sourced to GOJ officials that there soon may be direct US-DPRK contacts has been dis-

CONFIDENTIAL



~~CONFIDENTIAL~~

- 6 -

tinctly unhelpful.

We now estimate, and the Japanese Mission to the UN agrees, that both friendly and hostile resolutions have sufficient support to pass by close margins. Procedural votes or substantive initiatives by third parties could easily determine the outcome of the Korean question. In this situation it is essential that we have the fullest Japanese support, particularly in lining up votes to defeat the hostile resolution, and in securing votes for maintaining the priority of our resolution.

Your Talking Points (Subject to change in light of the tactical situation in New York.)

-- It remains our estimate that we will have a tough struggle in New York on the Korea question.

-- However, if we are able to firm up support for our position, as well as attract some of the fence-sitters on the hostile resolution into our camp, we should be able to win.

-- While we do not rule out the possibility of tactical change in the course of debate on Korea, it remains our view that we should lobby strenuously for our resolution and for opposition to the hostile resolution. We should also discourage efforts at compromise at this time. We consider particularly important the retention of procedural priority for our resolution.

-- This will require an all-out effort on the part of the Government of Japan, the US and other cosponsors of our resolution.

-- We regret speculation--frequently sourced to the Japanese Government--about direct contacts between the US and North Korea.

C. Grain Reserves System. The Japanese have repeatedly expressed concern that a grain reserves system would increase LDC pressure on Japan to provide more food aid. This concern reflects not only an official GOJ position, but also the strongly-held personal view of Foreign Minister Miyazawa, who was the chief Japanese delegate to the Kennedy Round when the principle of a food aid commitment was adopted. At that time, Miyazawa

~~CONFIDENTIAL~~



~~CONFIDENTIAL~~

- 7 -

was strongly criticized in Japan for having succumbed to alleged pressures to accept an expensive obligation. Apparently, Miyazawa is wary that GOJ adherence to a grain reserves agreement could rekindle similar criticism.

Your Talking Points

-- Our proposal is intended to improve global food security by creating reserve stocks and spreading the responsibility for holding them. Its purpose is not to increase the levels of food aid commitments.

-- We see a need for some special treatment for LDC's within the scope of a reserves arrangement. The reserve obligations of the smaller LDC's could be absorbed by exporting countries (i.e. not including Japan). The larger LDC importers (India, Pakistan, Bangladesh, Egypt) would probably require financial assistance in meeting their obligations, though the burden this would impose on individual developed countries would be small. We calculate, for example, that the reserve obligation for all of South Asia would be only about 2 million tons under a 30 million ton food grain reserve system.

-- The U.S. proposal provides for reserves to be drawn down only when worldwide production falls short of the historic trend. Thus, the LDCs' claim on reserves would be carefully circumscribed.

D. Consumer/Producer Dialogue. (Note: Further talking points on this issue are attached.) A strong advocate of the consumer/producer dialogue, Japan has welcomed US initiatives for a resumption of the dialogue, while adhering firmly to the common IEA position. Because of her heavy dependence on OPEC oil, Japan wants cooperation with the producers, but is worried about the "price" the producers may try to exact--e.g., special treatment for raw materials, commodity indexation and monetary reform. Japan will be present at the 27 nation ministerial conference as well as on the four commissions to be established (energy, raw materials, development, and related financial issues). GOJ leaders were angered by the recent OPEC decision to raise prices 10 percent, and it was publicly criticized by ITI Minister Komoto.

~~CONFIDENTIAL~~



~~CONFIDENTIAL~~

- 8 -

Your Talking Points

-- We are pleased that agreement has been reached on resuming the dialogue with the producers.

-- As we move toward the ministerial conference where the substantive issues of dialogue will be addressed, the US considers it extremely important to coordinate consumer country positions in the IEA and OECD, and within the new commissions.

-- We view the progress of the commissions as a vital test in determining whether the oil producers and LDC's are committed to a realistic, constructive approach to the critical economic issues before us.

E. US-USSR Grain Negotiations. In August Agriculture Minister Abe was assured by Secretary Butz during talks in Washington that the USG fully intends to meet the grain needs of Japan and other traditional customers. (Butz informally indicated our intention to meet projected Japanese needs for approximately 42 million tons of wheat, corn, and soybeans over the next three years.) A special advisor to Abe will be in Washington October 20-21 for follow-up talks with Secretary Butz, to include the topic of USSR grain negotiations. (If agreement is reached before your Tokyo consultations, the terms of the accord, including base and optional supply commitments, will be inserted.)

The Japanese are worried that they will be disadvantaged by the proposed U.S.-Soviet grains trade agreement. They are concerned that the agreement will give the USSR priority claims on U.S. corn or wheat, ahead of Japan, at times of U.S. production shortfalls in either crop. They eventually may explore the possibility of obtaining more formal assurances than the Butz-Abe "gentlemen's understanding", perhaps asking for a firm supply-purchase agreement.

We have stressed that the U.S.-Soviet agreement, if concluded, would be in Japan's interest as well as ours. It is designed to encourage increased U.S. wheat and corn production and to reduce price instability caused by Soviet purchases. It would curb Soviet purchases of U.S. grains in times of U.S. shortage, providing for orderly reductions below even the

~~CONFIDENTIAL~~



~~CONFIDENTIAL~~

- 9 -

base quantity when we faced a very low grain supply outlook. The USSR is unique in the world grain trade because of its radical swings in demand; our response is a unique arrangement.

Your Talking Points

-- We intend to safeguard the interests of our regular, major customers such as Japan, as we have in the past. If situations arise during the operation of the US-USSR grains agreement which might cause problems for Japan, we will be ready to consult and try to resolve them.

-- The proposed U.S.-Soviet grains agreement would be in Japan's interest. It would encourage increased U.S. wheat and corn planting. It would encourage the USSR to build up stocks by requiring the Soviets to buy a base quantity of U.S. grains in both good and bad Soviet crop years. It would tend to stabilize world grain market prices.

-- The proposed agreement would establish agreed US Government controls on Soviet grain purchases in the US market. If we faced a very low grain supply outlook, we could reduce or totally prohibit sales to the USSR of even the base quantities of wheat and corn.

-- This proposed agreement is unique. It responds to the unique role of the USSR in causing radical swings in world grain trade and prices.

-- We do not seek similar firm agreements with other countries. Such an agreement with Japan, which does not pose a problem of irregular entry into world grain markets, would expose us to demands for similar agreements with other countries. Proliferation of such bilateral agreements would create supply-allocation rigidities which could be harmful to Japan and our other steady customers.

F. Bilateral Trade: Autos and Steel. On August 8 the Treasury Department announced an anti-dumping investigation of automobiles imported from Japan, Canada and six European countries. The International Trade Commission (ITC) determined September 8 that it could not exclude the possibility of injury to U.S. industry. Consequently the Treasury investigation of sales at less than fair value continues.

~~CONFIDENTIAL~~



~~CONFIDENTIAL~~

- 10 -

Treasury has a further four months for the investigation, and if it finds sales at less than fair value the case will be referred back to the ITC for a three month inquiry into injury.

American steelmakers have filed a complaint under Section 201 of the Trade Act alleging serious injury from increased stainless and specialty steel imports. Japan is one of the countries affected by the complaint. A decision by the ITC that stainless and specialty steel imports are a substantial cause of injury to the domestic industry would be reviewed by the President before he decided what action, if any, to take.

The Japanese protested the initiation of the automobile investigation but did not react as strongly to the ITC decision as did the Europeans. Japanese steelmakers have established a committee to fight the steel complaint.

Your Talking Points (IF ASKED)

-- We understand Japanese concerns, but procedures in both cases offer full opportunity for Japanese interests to present their views, and provide ample safeguards against unwarranted protectionist action.

-- The GOJ should not interpret import relief actions taken by private US interests as evidence of official USG policy. Our traditional policy of support for free trade remains unchanged.

G. Economic Summit. Last summer French President Giscard d'Estaing proposed a conference of key industrialized countries at the Summit level to discuss monetary issues. We resisted the concept of a meeting concentrating on monetary reform, as did the Germans and others. Recently, however, the French got agreement on a Summit meeting to take up a wide variety of international economic issues.

~~CONFIDENTIAL~~



~~CONFIDENTIAL~~

- 11 -

The French have invited the U.S., the U.K., Germany, Italy, and Japan to participate in such a meeting in mid-November. Strongly supported by Japan, we feel that this grouping overrepresents the EC. We are therefore pushing actively for inclusion of Canada, the remaining member of the "Big Seven" economic powers.

Your Talking Points

-- From a political standpoint, the Summit is largely a confidence building exercise for all the countries involved. We should use it to reinforce an image of key industrialized countries working together to meet common economic problems.

-- It should also be a useful forum for coordinating approaches to the producer/consumer dialogue and relations with developing nations.

-- We would not expect that monetary reform would be touched on at all extensively. At the time of the Summit, we will be in the middle of bilateral negotiations with the French on the exchange rate issue, which is the one remaining obstacle to adoption of an interim monetary reform package. Other countries seem content to see this question settled in a Franco-American framework.

-- The U.S. and Japan should continue to insist that Canada be present. Otherwise, EC representation will be too lopsided.

~~CONFIDENTIAL~~



Japan and the IEA Long-Term Package

Background

We are currently pressing hard in the IEA to complete agreement on a long-term cooperative package by December 1. The Japanese continue to resist a firm commitment to a minimum safeguard price for imported oil (MSP) which we consider an essential element of any serious long term program. Japan's concern over the MSP stems from (1) a fear that it will be strongly attacked in the Diet on the grounds that Japan will remain a major importer of oil and thus would be disadvantaged by the MSP; and (2) a lingering worry that the MSP will take on confrontationalist overtones vis a vis OPEC.

However, with the producer-consumer dialogue now underway, there are signs that the Japanese are prepared to go along with the MSP in the name of consumer solidarity, provided it can be made as politically palatable as possible. In this regard, they will continue to press for commitments from the US and other IEA energy producers on access to our domestic energy production as a guide for their agreement on the MSP.

We are attempting to satisfy the Japanese on this point by negotiating a set of guiding principles in the overall agreement under which on a project-by-project basis we would agree to guarantee offtake provisions in return for substantial investment.

The Japanese are pragmatic in their approach to this issue and have not insisted on a general legal commitment to non-discriminatory access, being aware of political sensitivities and legal barriers which exist in some energy rich IEA countries.

Talking Points

- The adoption of the long term cooperative agreement by December 1 is essential to maintain credibility in the IEA as the major forum for consumer solidarity particularly in view of the upcoming producer-consumer dialogue.



- We consider the minimum safeguard price (MSP) as an essential part of the long term package.
- We are optimistic that the problem of access can be overcome by a flexible and pragmatic approach to project-by-project cooperation in the development of alternative energy sources with guaranteed offtake provisions.



Drafted: EB/ORF/FSE:DHickey/SWBosworth:mep
10/16/75 X28988

Approved: EB/ORF/FSE:SWBosworth

Concurrence: EA/J - DFSmith



5

1



6

DEPARTMENT OF STATE
BRIEFING PAPER

Your Breakfast Hosted by Japanese
Foreign Minister Miyazawa,
9:00 A.M., October 19

PARTICIPANTS

US

The Secretary
Ambassador Hodgson
Assistant Secretary Habib
Mr. Winston Lord
Mr. William Gleysteen

JAPAN

Foreign Minister Miyazawa

LANGUAGE: English

CHECKLIST

-- China - Discuss with Miyazawa your expectations with respect to your upcoming conversations in Peking.

-- Korean Question in the UN - (Depending on the tactical situation in New York.) Emphasize the necessity for urgent and all-out efforts to secure passage of our resolution and defeat of the hostile resolution. Note that we consider highly damaging press leaks in Tokyo concerning alleged impending US contacts with North Korea.

-- Food Issues - Describe the status of our negotiations with the Soviets on long term grain sales, noting that the arrangement should prove beneficial to Japan. Reiterate the need for early establishment of an international grain reserves system.

DECLASSIFIED
E.O. 13526 (as amended) 1/20/00
DATE 07/21/10
BY HR

~~CONFIDENTIAL~~
GDS





8

DEPARTMENT OF STATE
BRIEFING PAPER

Your Meeting with Prime Minister Miki
Morning October 24

PARTICIPANTS

US

The Secretary
Ambassador Hodgson
Assistant Secretary Habib

JAPAN

Prime Minister Miki

LANGUAGE: Japanese/English

CHECKLIST

-- China - Discuss with Miki the results of your conversations in Peking and your current expectations with respect to the President's trip to China.

-- Economic Summit - Note that from a political standpoint, the summit is largely a confidence-building exercise, reinforcing the image of close coordination among the industrial nations; stress that the US and Japan should continue to press for Canada's inclusion, to avoid lopsided EC representation.

-- US-USSR Grain Negotiations (if raised with Miyazawa on 19th) - Describe the status of our negotiations with the Soviets and the nature of the arrangement, noting that it should prove beneficial to Japan.

-- Grain Reserves - (if raised with Miyazawa on 19th) - Reiterate the need for early establishment of an international grain reserves system.

-- Domestic Political Scene - Ask Miki's assessment of current Diet situation and his thinking re general elections.

DECLASSIFIED
E.O. 12958 (as amended) SEC 3.3
State Dept Guidelines
By HR 7/21/10

~~CONFIDENTIAL~~
GDS





10

DEPARTMENT OF STATE
BRIEFING PAPER

Your Meeting with Foreign Minister Miyazawa
Morning October 24

PARTICIPANTS

US

The Secretary
Ambassador Hodgson
Assistant Secretary Habib

JAPAN

Foreign Minister Miyazawa

LANGUAGE: English

CHECKLIST

- China - Discuss with Miyazawa the results of your conversations in Peking and your current expectations with respect to the President's trip to China.
- Economic Summit - Note that from a political standpoint, the summit is largely a confidence-building exercise, reinforcing the image of close coordination among the industrial nations; stress that the US and Japan should continue to press for Canada's inclusion, to avoid lopsided EC representation.

DECLASSIFIED

EO. 12958 (as amended) SEC 3.2

State Dept Guidelines

By HR NADA 7/21/10

~~CONFIDENTIAL~~
GDS





12

DEPARTMENT OF STATE
BRIEFING PAPER

Your Meeting with Deputy Prime Minister Fukuda
Afternoon October 24

PARTICIPANTS

US

The Secretary
Ambassador Hodgson
Assistant Secretary Habib

JAPAN

Deputy Prime Minister Fukuda

LANGUAGE: Japanese/English

Background on the FUKUDA-OHIRA Rivalry:

The irreconcilable confrontation between Deputy Prime Minister Fukuda and Finance Minister Ohira, which brought Miki to office as a compromise candidate, continues. Both still hope to succeed Miki, but neither has yet seen an opportunity which could be exploited to unseat him; nor has either left the cabinet--the normal first step in challenging the incumbent Prime Minister. Miki has been careful not to disturb the political balance between them and has thus far avoided political errors which would open him to a concerted attack from either quarter, but his position remains unstable. Within the cabinet, Fukuda and Ohira are the two key figures in the area of economic policy making. While they have jockeyed for position, their political rivalry has not significantly hampered the economic policy formation process. Nakasone, the third major aspirant for the premiership (with whom you will not be having a formal meeting) favors the continuation of Miki's leadership. Support for Miki won Nakasone the much coveted position of LDP Secretary-General, and relative LDP success in the next general elections would strengthen his reputation with the LDP. For the moment, Nakasone apparently believes that his best strategy for obtaining the premiership is to support Miki for some time to come in hopes that when Miki resigns both Ohira (64) and Fukuda (70) might be considered too old.

CHECKLIST

-- China - Discuss the results of your conversations in Peking and your expectations with respect to the

~~CONFIDENTIAL~~
GDS

DECLASSIFIED
EO 12958 (as amended) SEC 2.3
State Dept Guidelines
By HR NARA Date 7/21/10



~~CONFIDENTIAL~~

- 2 -

President's trip to China.

-- Economic Summit - Note that from a political standpoint the summit is largely a confidence-building exercise, useful in reinforcing an image of industrial countries working closely together; add that the US and Japan should press for Canada's inclusion, to prevent lopsided EC representation.

-- Consumer/Producer Dialogue - Note the importance of close consumer country coordination as we move toward the ministerial conference where the substantive issues of the dialogue will be addressed.

-- US-USSR Grain Negotiations - Describe the status of our negotiations with the Soviets and the nature of the arrangement, noting that it should prove beneficial to Japan.

-- Grain Reserves - Reiterate the need for early establishment of an international grain reserves system.

-- Domestic Economic Policy - Ask Fukuda's assessment of the prospects for continued economic recovery in Japan, including the possible inflationary impact of recent stimulatory measures.

-- Trade Issues (if asked) - Note that we understand Japanese concerns, that in both cases (autos and steel) there are adequate safeguards against unwarranted action, and that these actions by private US interests do not signify any change in the US government's traditional support of free trade.

~~CONFIDENTIAL~~





14

DEPARTMENT OF STATE
BRIEFING PAPER

Your Meeting with Finance Minister Ohira
Afternoon October 24

PARTICIPANTS

US

The Secretary
Ambassador Hodgson
Assistant Secretary Habib

JAPAN

Finance Minister Ohira

LANGUAGE: Japanese/English

Background on the FUKUDA-OHIRA Rivalry:

The irreconcilable confrontation between Deputy Prime Minister Fukuda and Finance Minister Ohira, which brought Miki to office as a compromise candidate, continues. Both still hope to succeed Miki, but neither has yet seen an opportunity which could be exploited to unseat him; nor has either left the cabinet--the normal first step in challenging the incumbent Prime Minister. Miki has been careful not to disturb the political balance between them and has thus far avoided political errors which would open him to a concerted attack from either quarter, but his position remains unstable. Within the cabinet, Fukuda and Ohira are the two key figures in the area of economic policy making. While they have jockeyed for position, their political rivalry has not significantly hampered the economic policy formation process. Nakasone, the third major aspirant for the premiership (with whom you will not be having a formal meeting) favors the continuation of Miki's leadership. Support for Miki won Nakasone the much coveted position of LDP Secretary-General, and relative LDP success in the next general elections would strengthen his reputation with the LDP. For the moment, Nakasone apparently believes that his best strategy for obtaining the premiership is to support Miki for some time to come in hopes that when Miki resigns both Ohira (64) and Fukuda (70) might be considered too old.

CHECKLIST

-- China - Discuss the results of your conversations in Peking and your expectations with respect to the

~~CONFIDENTIAL~~

GDS

DECLASSIFIED

EO 12958 (as amended) SEC 3.3

State Dept Guidelines

By HR NARA Date 7/21/10



CONFIDENTIAL

- 2 -

President's trip to China.

-- Economic Summit - Note that from a political standpoint the summit is largely a confidence-building exercise, useful in reinforcing an image of industrial countries working closely together; add that the US and Japan should press for Canada's inclusion, to prevent lopsided EC representation.

-- Consumer/Producer Dialogue - Note the importance of close consumer country coordination as we move toward the ministerial conference where the substantive issues of the dialogue will be addressed.

-- US-USSR Grain Negotiations - Describe the status of our negotiations with the Soviets and the nature of the arrangement, noting that it should prove beneficial to Japan.

-- Grain Reserves - Reiterate the need for early establishment of an international grain reserves system.

-- Domestic Economic Policy - Ask Ohira's assessment of the prospects for continued economic recovery in Japan, including the possible inflationary impact of recent stimulatory measures.

-- Trade Issues (if asked) - Note that we understand Japanese concerns, that in both cases (autos and steel) there are adequate safeguards against unwarranted action, and that these actions by private US interests do not signify any change in the US government's traditional support of free trade.

~~CONFIDENTIAL~~







11

DEPARTMENT OF STATE
BRIEFING PAPER

Secretary's Arrival Statement
Tokyo, October 18

It is a great pleasure for me to be in Japan once again. During the eleven months since my last visit here the already close ties between Japan and the United States have been further strengthened by meetings between our leaders. The visit of the Prime Minister in July for discussions with President Ford provided the occasion for a wide-ranging and most useful exchange of views, and reflected an obvious personal rapport. The recently completed visit to the United States of Their Majesties, the Emperor and Empress, was received by the American people with great enthusiasm and added a new dimension to the friendship between our peoples.

I have come to Tokyo on this occasion to consult with Japanese government leaders on a variety of issues. As you know I will continue on to Peking tomorrow. On my return I will once again stop here to report to our Japanese allies on my discussions with Chinese leaders. I very much look forward to my meeting tomorrow with the Foreign Minister and to discussions with the Prime Minister and other Japanese leaders following my trip to China. I regard my visits to Tokyo and my conversations with Japanese officials as a continuation of the close and regular consultations which characterize relations between our two governments, and which are of central importance to my country.



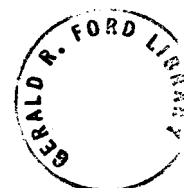


19

DEPARTMENT OF STATE
BRIEFING PAPER

Secretary's Departure Statement October 25

It has been a great pleasure for Mrs. Kissinger and me to be in Japan again. I regret that our two stops on this trip have been so brief. Despite our limited time here I have had the opportunity for extensive and useful conversations with Japanese Government leaders. I particularly want to thank Prime Minister Miki for receiving me. I also benefited greatly from my conversations with Foreign Minister Miyazawa and my meetings with other Japanese leaders. These conversations are part of an ongoing pattern of consultations on matters of mutual interest in the Asian area which have become an integral and necessary part of our great trans-Pacific alliance. I look forward to continued frequent discussions of this nature in the future with Japanese leaders.





Secretary's Toast October 23, 1975

Mr. Foreign Minister, and honored guests, it is a pleasure for me to be back again so soon among close professional colleagues and staunch friends of the United States. We welcome this opportunity to share with you the results of our discussions with Chinese leaders and to exchange views on other questions of mutual concern.

In Peking we made some progress in improving relations with the Peoples Republic of China consistent with the principles of the Shanghai Communique. At the same time we were very much aware of the special character of our relationship with Japan. That relationship is built upon more than the intersection of strategic, political, and economic interests; it reflects our shared commitment to individual liberty, democratic procedures, a market economy, and the free movement of people and ideas.

Despite the turbulent changes that have swept through Asia--and America--in recent years, we have come to recognize with increasing clarity several abiding truths:

-- Our efforts to protect our national interests and to encourage ordered change and progress in this region depend fundamentally upon the preservation of close and cordial ties between our two governments.



-- The value of our political and security relationship depends significantly upon its contribution to the evolution of a more stable and durable equilibrium in the Pacific.

-- While order and security are indispensable to us both, they are not enough. Our stake in promoting international peace and an expanding world economy compel us to concert our efforts to resolve outstanding regional issues, manage our domestic economies, and devise more equitable relationships with the developing countries.

-- Despite the differences between our languages, our culture, and our historic experiences, we increasingly share the problems of post-industrial societies. This is providing us with a common vocabulary of experience. And is generating new requirements for joint endeavors. It is in working intimately together that we come to know one another best.

As I look back over the past several years. I believe our two governments can take some pride in having put a number of bilateral difficulties behind us. We have fashioned more effective channels of consultation. We have recognized a higher standard of mutual concern than normally obtains between states -- accepting a greater responsibility to harmonize domestic and external policies that impinge on the interests of



the other. Equally important, we have continued to fashion wider bonds of friendship between our two peoples. We applaud the efforts you have made through the creation of the Japan Foundation. And we welcome the new support which the Japan-U.S. Friendship Fund recently signed by the President will bring to our cultural relations.

(In the event the President does not sign, the previous sentence should read, "We look forward eagerly to the establishment on our part of a Japan-U.S. Friendship Fund which will contribute substantially to our cultural relations.")

Gentlemen, I ask you to rise and join me in a toast to the further strengthening of those close ties that bind our two governments and to the further deepening of bonds between our two peoples.





SCHEDULEFriday, October 17

2:00 pm Depart from Andrews AFB
4:20 pm Arrive Elmendorf AFB for refueling
5:50 pm Depart Elmendorf for Tokyo

Saturday, October 18

7:05 pm Party Arrives Tokyo International Airport and
proceeds to Okura Hotel
Evening Nothing scheduled

Sunday, October 19

9:00 am Foreign Minister Miyazawa hosts breakfast for
Secretary at Iikura House.
12:00 Noon Motorcade departs Okura Hotel en route Haneda
International Airport
12:30 pm Wheels up for Peking





NATIONAL ARCHIVES AND RECORDS ADMINISTRATION
Presidential Libraries Withdrawal Sheet

WITHDRAWAL ID 031229

REASON FOR WITHDRAWAL ÇNational security restriction
TYPE OF MATERIAL ÇBiography

DESCRIPTION BIOGRAPHICAL SKETCHES
CREATION DATE 10/14/1975
VOLUME 24 pages
COLLECTION/SERIES/FOLDER ID . 035900300
COLLECTION TITLE NATIONAL SECURITY ADVISER. TRIP
BRIEFING BOOKS AND CABLES OF HENRY
KISSINGER
BOX NUMBER 21
FOLDER TITLE October 19-23, 1975 - People's Republic
of China - Briefing Book for China -
Third Country Issues (1)

DATE WITHDRAWN 09/07/2010
WITHDRAWING ARCHIVIST CCG

50

James D. Hodgson

US Ambassador to Japan

James Day Hodgson was sworn in as US Ambassador to Japan on June 26, 1974. A former Secretary of Labor, from 1970 through 1973, he had previously served as a Senior Vice President of the Lockheed Aircraft Corporation since February 1973.



Mr. Hodgson was born in Dawson, Minnesota on December 3, 1915. He received an A.B. degree in 1938 from the University of Minnesota, and was a graduate student at the University in 1940 and at UCLA (1947-1950) in industrial relations. He served as a Lieutenant on active duty in the U.S. Naval Air Corps in 1943 through 1946.

In May 1970, Mr. Hodgson received the University of Minnesota's Distinguished Achievement Award. He received honorary LL.D. degrees from Temple University and the University of Cincinnati.

Ambassador Hodgson considers his outlook to be "people oriented". He is intensely interested in interpersonal relations, a skill which serves him well in his present post.

Ambassador Hodgson is married to the former Maria Denend. They have a daughter (Mrs. Nancy Nachman) and a son (Frederick), a UCLA student.



51a

NSC Copy
Please insert at Tab 14 of the Bilateral
Issues Book for Peking.

51b

DEPARTMENT OF STATE
BRIEFING PAPER

U.S.-PRC BILATERAL RELATIONS: AN OVERVIEW

BACKGROUND PAPER

Although the day-to-day bilateral relationship has developed moderately well over the last few years, there are some significant problems, asymmetries, and limitations. How we handle these matters will help to set the pattern of the future; our dealings with the Chinese are already in the process of becoming institutionalized at a time when our political relations are still not fully normalized. Over time, this could make it more difficult to handle both political and practical problems with the Chinese in a manner that gives substance to the principles of "equality and mutual benefit." These problems result from a number of factors:

-- The Chinese want some aspects of the relationship to reflect the fact that our relations are not fully normalized.

-- Our society is open, theirs is closed. This gives them far more ways to manipulate the relationship and control its content and pace. In general, Americans--whether the USG or other--propose, and they dispose.

-- There is a certain arrogant prickliness in the Chinese "style" and in their tactics: a tendency to escalate matters to a non-negotiable point of "principle," a refusal to concede that our freedom of action is limited by the nature of our society and our laws, and an insistence that a foreign mission in Peking has few "inalienable" rights.

20 There is no way we can bring about a sudden and meaningful change in this situation, partly because some of the asymmetries are either inherent or are not unique to the U.S.-PRC relationship. Some of the specific problems can be handled only on a case-by-case basis. Nevertheless, we are concerned that

DECLASSIFIED
EO. 12958 (as amended) SEC 3.3
State Dept Guidelines

CONFIDENTIAL
GDS

By HR

NAPA, DND

7/21/42



the problems resulting from these Chinese attitudes and tactics can over time impact on our overall relationship in at least two ways:

-- The more the Chinese come to feel that it is they who can call the shots in our day-to-day bilateral dealings, the more likely they are to believe that they can benefit from a roughly similar approach in our overall relationship.

-- While it is healthy that the post-Nixon visit euphoria in this country about China is wearing off, there is a growing risk that some important opinion-makers--the press, scholars, businessmen and some members of Congress--will increasingly ask, "What will we gain from normalization of relations?"

We are not suggesting that you tackle this problem frontally or in a major way in Peking, but you may find it appropriate at some point to let the Chinese know in general terms that we are concerned by the general problem as well as by its specific manifestations. We would like the Chinese to recognize that while we do not expect precise reciprocity, we do feel that they should be more willing to take into account our legitimate concerns on a wide range of practical matters instead of insisting arbitrarily on doing things the Chinese way. We have recommended elsewhere that you also mention our concern about the Chinese tendency to inject a political element into the exchange program.

Examples of Problems and Asymmetries

The following is intended to illustrate the problems and the asymmetries.

-- The Chinese have complete access to American society, whether through contacts with Americans, travel or distribution of materials. We have never rejected a PRCLC travel request; USLO's requests are turned down with some frequency. VOA broadcasts are the only foreign broadcasts which the Chinese jam, and the PRC is the only country which jams VOA. (There is a separate briefing paper on VOA jamming.)

-- Refusing to concede that we cannot control all matters as easily as they do, they have charged us with "connivance" when we have mentioned the risk of attach-



~~CONFIDENTIAL~~

-3-

ment of Chinese aircraft, when we alerted PRCLLO about a demonstration, and when we said we had no way to close the Office of Tibet. They also do not hesitate to charge us with violating the spirit or principles of the Shanghai Communique.

-- The PRC has put its blessing on the U.S.-China People's Friendship Association, which is partly controlled behind the scenes by a pro-Maoist revolutionary group in the U.S. The easiest way for many Americans to get to China is to join one of the tour groups sponsored by the Association; by not charging the Association for all of the in-China expenses of these groups, the Chinese indirectly subsidize the Association. Teng Hsiao-p'ing several days ago received William Hinton, one of the Association's leaders.

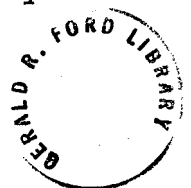
-- PRCLLO has expanded to a staff of over 80. Even allowing for the Chinese practice of assigning support staff such as cooks and chauffeurs to their Liaison Office, this represents a substantial imbalance over the 28 staff members we have assigned to USLO. While the Chinese have not said that we could not expand, their failure to provide more office space has the effect of putting a ceiling on USLO staffing.

-- Access to USLO is strictly controlled by the PLA guards. That they would exercise such control over Chinese is understandable, but they have also prevented or delayed Americans, as well as third country nationals, from entering the USLO compound. A recent flagrant example occurred when they refused to admit, for over half an hour, one of our officers from Hong Kong who was in Peking for consultations, despite the personal intervention of George Bush.

-- The PRC has refused to let us have access to Chinese who have a claim to American citizenship, and the Foreign Ministry recently informed us that we would not be permitted to interview the few Chinese who want a visa to visit relatives in the U.S. and who have been successful in obtaining a PRC exit permit.

-- We promptly agree to requests by PRCLLO officers for appointments; similar requests by USLO officers for appointments to discuss specific matters are occasionally rejected and more frequently granted only after a delay.

CONFIDENTIAL



~~CONFIDENTIAL~~

-4-

-- The Chinese continue to refuse some of our requests for visas for officers in Hong Kong to visit the PRC for such purposes as participating with USLO officers in assisting American businessmen at the Canton fair, for official consultations with USLO, or to escort one of the agreed exchange delegations.

-- As mentioned above, the Chinese have in several instances injected a political element into the exchange program; having created an issue, they often refuse to help find a solution.

-- The Chinese are not willing to discuss meaningful reciprocity in the exchange program. They select what they want from our list, and insist that we take everything from their list. They will not discuss in advance the details of the visit by an American delegation, but they frequently specify in detail what a Chinese delegation wants to do.

-- On a different level from the above examples, the Chinese feel free to criticize the U.S. on its world role and on the nature of American society, but would probably take offense if we responded in kind.

Certainly we do not want to let this part of our relationship deteriorate to a tit-for-tat situation (although the Chinese, at times, seem quite prepared to go this route). Nevertheless, depending on the outcome of your visit (and that of the President), we may wish to employ some of the levers which are available to us. We believe that a policy of firmness when our position is justified is essential if we are to make our day-to-day relationship come close to one of "equality and mutual benefit."

Department of State
October 1975

~~CONFIDENTIAL~~



NSC CORRESPONDENCE PROFILE

DOC		RECD		LOG NBR		INITIAL ACTION O
MO	DA	MO	DA	HR		
10/16	10/16/19				750694	

SOURCE / CLASS / DESCRIPTION

TO: PRES _____ FROM: KISSINGER, H _____
KISSINGER _____ COLBY, W _____
SCOWCROFT X _____ SCHLESINGER, J _____
DAVIS _____ ST EX SEC X _____

REFERENCE: 7520706
S/S _____
OTHER _____

CIRCLE AS APPROPRIATE
UNCLAS LOG IN/OUT
LOU NO FORN NODIS
C EYES ONLY EXDIS
S CODEWORD
TS SENSITIVE

SUBJECT:

Briefing Books for HAK visit to Tokyo
Japan

DISTRIBUTION/INITIAL ACTION ASGMT

INTERNAL ROUTING AND DISTRIBUTION

ADVANCE CYS TO HAK/SCOWCROFT

STAFF SECRETARY

FAR EAST Solomon

SUB-SAHARAN AFRICA

MID EAST / NO. AFRICA / SO. ASIA

EUROPE / CANADA

LATIN AMERICA

UNITED NATIONS

ECONOMIC

SCIENTIFIC

PROGRAM ANALYSIS

NSC PLANNING

CONGRESSIONAL

OCEANS POLICY

INTELLIGENCE Rockman
McFarlane

ACTION

INFO

REC
CY
FOR

ACTION REQUIRED

MEMO FOR HAK _____

MEMO FOR PRES _____

REPLY FOR _____

APPROPRIATE ACTION _____

MEMO _____ TO _____

RECOMMENDATIONS _____

JOINT MEMO _____

REFER TO _____ FOR: _____

ANY ACTION NECESSARY? _____

CONCURRENCE _____

DUE DATE:

COMMENTS: (INCLUDING SPECIAL INSTRUCTIONS)

Recd 4 up of briefing
book

SUBSEQUENT ROUTING/ACTIONS

DATE

FROM

TO

S

SUBSEQUENT ACTION REQUIRED (OR TAKEN):

CY TO

10/16C for record purposes

NSC/S DISP INSTR

DISPATCH _____

CY RQMTS: SEE ABOVE PLUS: _____

NOTIFY _____ & DATE _____ BY _____

SPECIAL DISPOSITION: _____

CROSS REF W/ _____

SUSPENSE CY ATTACHED: yes FOLDER: _____

MICROFILM & FILE RQMTS:

OCT 21 1975 BY GAG

CRT ID: _____

OPEN MA

CLOSE _____

SA SF

HP NS

WH EP

PA DY

(NSC 75-22
575-600)

6941 53



DEPARTMENT OF STATE

Washington, D.C. 20520

7520706

October 16, 1975

UNCLASSIFIED
(WITH ~~SECRET~~ ATTACHMENTS)

MEMORANDUM FOR LIEUTENANT GENERAL BRENT SCOWCROFT
THE WHITE HOUSE

Subject: Briefing Books for Secretary
Kissinger's Visit to Tokyo

Transmitted herewith are four copies of
the briefing book for Secretary Kissinger's
visit to Tokyo for the following:

1. Mr. Solomon
2. Mr. McFarlane
3. Mr. Rodman
4. NSC - Washington

for *Baron Chetkin*
George S. Springsteen
Executive Secretary

Attachments:

As stated.

UNCLASSIFIED
(WITH ~~SECRET~~ ATTACHMENTS)

