THE SECRETARY OF STATE WASHINGTON

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MEMORANDUM FOR: THE PRESIDENT

From: Henry A. Kissinger

Subject: Your Visit To Japan



Setting

Your visit to Japan, the first in history by an incumbent American President, will be an event of major symbolic significance to the Japanese. The fact that it was the first foreign visit announced after you took office has received wide publicity in Japan and has served to underline the importance which we attach to our relationship with Japan. In addition to providing a forum for discussions of major global and regional issues, the visit will serve to dramatize to both the Japanese and American publics the mutual interdependence of our two countries. The joint communique will highlight the principles of US-Japan cooperation in a global setting. This document and the spirit of goodwill fostered through your public appearances will set the tone of US-Japan relations in the coming years.

Neither the current controversy over the nuclear weapons transit issue nor the shaky position of the Tanaka government should significantly detract from our basic objectives.

-- The emergence of the nuclear weapons issue has made it certain that there will be noisy but non-violent-demonstrations by minority parties and groups while you are in Japan. Nevertheless, you will still be warmly welcomed by an over-whelming majority of the Japanese people. However, the nuclear weapons issue will have to be addressed in some form during the visit. Both we and the GOJ hope to create an atmosphere in which a long-term solution to the problem will be possible.

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E.O. 12958 (as amended) SEC 3.3

State Dept Guidelines

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CONFIDENTIAL

- 2 -

-- Prime Minister Tanaka's political future is uncertain. His position has been shaken by revelations of major financial improprieties; there is widespread speculation in Japan that he may be forced to resign shortly after your visit. Even if this should occur, however, I would not expect it to have a substantial impact on US interests because all plausible successors to Tanaka come from the mainstream of the Liberal Democratic Party, are committed to the party's basic policy of according primacy in its foreign policy to close ties with the US, and can be expected to abide by GOJ positions as stated to you by Tanaka.

Our Objectives

Your visit will aim broadly at strengthening the emotional and psychological underpinning of our friendly relations with Japan while continuing the process of reorienting our relationship away from a preoccupation with bilateral trade and security issues and toward harmonizing our approaches to multilateral issues affecting the industrialized and underdeveloped worlds. We wish to recognize clearly Japan's importance as a major power and to enlist Japan's active support on behalf of our regional and global policies, particularly the creation of a new international framework for dealing with pressing global economic problems.

Our Specific Aims are:

- -- To affirm clearly our commitment to the US-Japan alliance not only as an instrument for contributing to Japan's security, but also as a basis for promoting detente in Asia and facilitating our cooperation on bilateral and multilateral issues of common concern.
- -- To provide reassurances to the Japanese regarding the continuity of our policies in Asia.
- -- To ofter specific assurances of our dependability as a supplier of foodstuffs, raw materials and enriched uranium.

CONFIDENTIAL

- -- To harmonize further our approaches to key multilateral issues and to secure Japanese support for our approaches for dealing with them.
- -- To offset and defuse the nuclear transit issue to the extent possible as a focus of public criticism toward the US-Japan relationship.
- -- To acknowledge Japan's unique contributions--both traditional and contemporary-to world culture.

Style and Approach

For the Japanese, the style and feeling of a relationship are highly important elements of any negotiating situation. They prefer to establish harmonious personal relations before proceeding with serious bargaining. It is important for our long-term relationship that this first Presidential visit be relaxed and relatively lowkeyed. While you should be firm and forthright in stating our views and desires to Japanese leaders, you should avoid leaving any public impression that we are putting pressure on Japan. You should not expect on-the-spot commitments from Tanaka. Japan's consensus system, firm policy decisions can be made only after your discussions have been considered by the Cabinet and Tanaka's personal advisers. In discussing global issues, you should seek to convince the Japanese that we are taking their interests, vulnerabilities, and concerns fully into account in tormulating our policies, and that we believe their immense economic power and impressive achievements impose responsibilities for helping to devise new international guidelines for managing new problems in the fields of energy, trade, food, and monetary stability.

Their Objectives

The basic Japanese objective is fulfilled by your presence in Japan which will provide a public demonstration of our commitment to maintain close ties with Japan and support the GOJ's desire to dispel public concern that the US takes Japan lightly. Tanaka obviously hopes that your visit will help him bolster his flagging political fortunes. The GOJ shares our objectives of harmonizing our relations in a global perspective and can be expected to probe your thinking on a number of key subjects, including:

- -- Long-range US policy and strategy in Asia and their implications for the US-Japan security relationship.
- -- Your coming meeting with Brezhnev. and the prospects for further strategic arms limitations and US-Soviet relations.
- -- Progress in and prospects for our mediation efforts in the Middle East.
- -- Combating world-wide inflation without causing a severe recession.

Principal Issues

1. International Economy

We have no differences with Japan regarding the seriousness of current international economic problems. However, the Japanese perception of how best to deal with these problems is strongly colored by their sense of economic vulnerability stemming in large part from their extraordinary dependence on imports of energy supplies and materials and their strong tendency to accommodate to external problems rather than seeking to take initiatives to determine the framework for dealing with them. Through a clear exposition of our strategy and aims, we hope to further involve the Japanese in the efforts we have undertaken in concert with other advanced industrial democracies to enhance solidarity among oil consuming nations, liberalize world trading rules, reform international monetary arrangements and create new approaches to tood and raw materials problems.

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2. Oil Price and Supply

The success of our efforts to improve the bargaining position of oil consuming countries vis-a-vis OPEC and to encourage some reduction in oil prices depends on Japanese cooperation. The Japanese played a constructive, if low-key role at the Washington energy conference last February, and we have continued to create a pattern of substantial interdependence with them in the energy field. At present we are seeking to follow-up on the establishment of the International Energy Agency and on the agreement to share oil supplies among its members in an emergency with additional consumer cooperative measures on oil conservation and coordinated financial measures to avoid further disruption of the international payments system. We outlined our ideas for further consumer solidarity measures on November 6 in Tokyo. Your discussions with Tanaka offer a further opportunity to underscore the importance we attach to them.

3. US Food and Raw Materials

The Japanese are uneasy about the extent of their dependence on us for the supply of essential commodities, particularly foodstuffs and enriched uranium, and will want your reassurances that we will remain a reliable supplier. We, in turn, want liberalized access to Japan's markets for agricultural products and processed foods and want the Japanese to avoid purchasing practices which put great pressures on price levels and create market instability here during periods of short supplies. In addition we will want to enlist Japanese support for the initiatives we launched this week in Rome for expanded global food production, increased concessional food aid and an international grain reserve system.

4. Yakutsk Gas Project

Tanaka hopes to receive a definite response from you regarding the availability of US Ex-Im Bank credits for the exploratory phase of this proposed joint project. Due to Congressional opposition to energy loans to the USSR, and the uncertain state of our own energy development program, we should advise the Japanese that a decision on the proposed credits must await Congressional action on the Trade Bill and Ex-Im Bank renewal legislation. Our decision must also be consonant with our overall energy policy under Project Independence. You may indicate our lack of objection to Japan's going ahead with the exploratory phase pending our decision.

5. Fisheries

Our scientists believe that the Japanese have overfished North Pacific waters over our continental shelf and that Japan will have to cooperate with other nations in reducing the total catch if optimum yield is to be maintained. Japanese cooperation in solving this problem will also help prevent the passage of legislation in the US which would establish a 200 mile fishing zone off our shores. Your discussion of the seriousness and possible implications of this problem will set the stage for meaningful negotiations between our fisheries experts shortly after your visit. It is a delicate issue in Japan due to the importance of fish as a source of protein and strong recollections of the soybean episode last year. Consequently I would recommend that you handle this in a serious but low-key way and avoid giving it great prominence in your discussions with Tanaka.

6. Nuclear Non-Proliferation

Japan has been vocal in pressing for additional restraints on nuclear proliferation in the wake of the Indian test, stressing the need for further progress in nuclear arms control. As a major nuclear industrial state, Japan's participation is essential to the success of our efforts to strengthen restraints on proliferation and the physical security of nuclear

CONFIDENTIAL

- 7 -



materials through further concerted efforts by nuclear supplier nations. Japanese ratification of the NPT would help restore international confidence in the viability of the concept of nuclear non-proliferation.

The Japanese government has affirmed publicly its intent to secure ratification of the NPT during the next session of the Diet and is now seeking to develop a firm consensus within the governing party on the issue. While registering our interest in ratification I think we should avoid complicating the process with any heavy pressure, emphasizing rather our own plans to promote other multilateral efforts to arrest the spread of nuclear explosives capabilities.

7. Transit of Nuclear Weapons

The GOJ feels compelled by domestic political pressure to raise this issue in some manner during the visit, though not necessarily on your level. We have a separate paper on how best to deal with this extremely sensitive matter in a manner which meets both Japan's needs and our own.

8. Imperial Visit to the United States

There is a long-standing invitation from the previous Administration to the Emperor and Empress to visit the United States. Because of domestic Japanese political controversy over the "non-political" nature of the Emperor, he was unable to make this visit during the past year. The Japanese Government, at the behest of the Emperor himself, has expressed the desire that you formally renew this invitation on the occasion of your trip to Japan. During your meetings with the Emperor and later with the Prime Minister, you should extend again the invitation for an Imperial visit at a date to be decided later through diplomatic channels.

Points You Should Stress

-- That we remain firmly committed to our alliance with Japan and specifically the US-Japan Treaty

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of Mutual Cooperation and Security as an indispensable basis upon which to pursue detente in Asia and the world and as the framework for our cooperation on the full range of bilateral and multilateral issues.

- -- That, while the past year has proven the extent of our interdependence, it has also demonstrated the necessity for stronger international institutions for dealing with the problems confronting the community of industrialized democracies. Although we have had some initial success in devising forums for dealing with our energy problems, we have not found adequate means of concerting our separate efforts to curb world-wide inflation.
- -- That we remain committed to maximizing our production of agricultural commodities and to avoiding export controls on them. Even under the present voluntary reporting system, it is important to have Japanese cooperation in maintaining stable and orderly markets.
- -- That you understand Japan's position in the wake of the oil price increases but hope that Japan, along with other nations, will avoid trade measures which might impact unfavorably on the US and other trading partners.
- -- That the US is deeply concerned about nuclear proliferation. We are actively pursuing negotiations with the Soviets on strategic arms limitations. The Nuclear Non-proliferation Treaty is important to our diplomacy, and we are glad to note Japan's announced intention to ratify the Treaty. We want to work cooperatively with Japan and other nuclear supplier nations to strengthen safeguards and improve physical security measures.
- -- That your meeting with Brezhnev and my visit to the PRC will entail no major surprises for Japan. We will keep the Japanese well informed of the results of those meetings and hope to continue our close consultations on general developments in relations with those two countries.

CONFIDENTIAL

- 9 -

-- That we intend to continue our active efforts to build a climate of peace in the Middle East.

