

**SECRET ATTACHMENT**

7

NATIONAL SECURITY COUNCIL

November 1, 1961

Mac: *Don't read the attached.*

*16* - This represents on paper what I told you the other day. I have talked with Stahr and given him a copy, and I have given George Ball a copy although I haven't been able to talk with him. This does indicate where the Committee under my expert guidance will come out.

Carl Kaysen *CK*

Mr. McGeorge Bundy  
The White House

UNCLASSIFIED  
REMOVAL OF CLASSIFICATION  
*mtm* NARS, DATE *3/5/80*

**SECRET ATTACHMENT**

7a

~~SECRET~~

OKINAWA - PRELIMINARY CONCLUSIONS FROM TASK FORCE VISIT

1. Okinawa is our most important base in the Western Pacific. Its value reflects not only the installation and facilities contained therein, but the fact that our use of it is free of the restraints imposed by the existence of another political authority with a voice in its use. Yet, although we have administrative authority, our effective control is in fact conditioned both by the domestic political situation in Okinawa and by the reflection of that situation in Japan. There is at the moment no immediate crisis in our situation in Okinawa. However, several continuing factors point to the potentiality of a sharp deterioration and a consequent threat to our ability to make full and free use of the base. Prudence dictates that we do what is reasonable to minimize this possibility. We can view the costs of such activity as simply an insurance premium which we pay against risks of interference with the use of the base. As the detailed discussions that follow will show, the premium is small in relation to the value of the base.

In the first instance, our ability to continue to use the base freely depends on at least tacit cooperation from the Government of Japan. A Japanese Government which desired to make our tenure of the Ryukyus so uncomfortable as to cause us to abandon the base rather than maintain the degree of repression that would be necessary to continue to hold it could readily do so, except in circumstances of overt war in the Western Pacific.

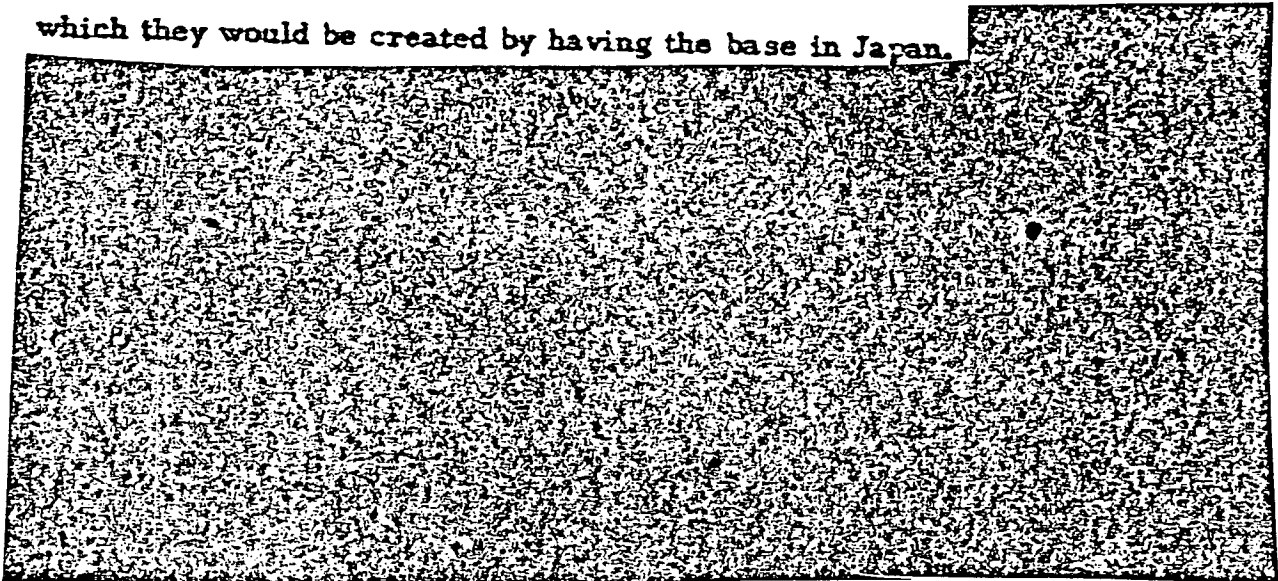
SANITIZED

~~SECRET~~

NMK-84-26

BY msm NARS, DATE 3/85

The present government has no such desire. Indeed, its views are quite the opposite. It welcomes the existence of an American base which contributes to its security, without at the same time posing the political problems for it, which they would be created by having the base in Japan.



There are two kinds of pressure which the Japanese Government feels with respect to the Ryukyus. The first is the pressure from the Socialists and the parties further left who are opposed to American military presence in any form. The second is the pressure which the Ryukyuan themselves transmit through various direct and indirect means for better treatment than they now receive. These claims are heard with sympathy by wide segments of the Japanese opinion, including the present ruling Liberal Democratic Party. It is really the second set of pressures on the government which we must and can affect. The first one is beyond our reach. Its influence has been declining in Japan; but should it increase greatly, we would find ourselves in so difficult a position in Okinawa that what we did with

7a

~~SECRET~~

respect to the second set of pressures would be irrelevant. This, however, does not appear likely in the foreseeable future, and therefore we can focus our attention on the manageable part of the problem.

2. The source of our present and potential problems in the Ryukyus lies in the fact that the population feels itself to be Japanese, that basically, with the exception of a small group of businessmen who benefit substantially from our presence, there is a widespread but not intense desire to return to Japanese administration, and a widespread and much stronger tendency to compare the present situation of the Ryukyus with what it would be under Japanese administration. These comparisons contain, of course, many speculative elements, and in terms of general well-being, it is probably difficult to conclude whether or not the Ryukyus would be better off if they had remained part of Japan and there had been no American bases there. To be sure, the comparison which is most often present in the minds of articulate Ryukyuan is one which assumes that the American bases remain, with the economic benefits that now they bring, and in addition the area once again enjoys whatever benefits would accrue to it as a Japanese prefecture. Even here the comparison is necessarily speculative. However, with respect to certain easily quantifiable items in the government sector such as education, health and welfare, and pensions, there are obvious shortcomings which redound severely to our disadvantage. A minimum requirement for improving the acceptability of our continued administration is the immediate narrowing and eventual elimination of these differences.

~~SECRET~~

3. In recent years, the political significance of the real and fancied economic disadvantages which American administration has imposed on the Ryukyans has been magnified by the public offers of assistance that have been made by the Government of Japan. While we have accepted some assistance, we have rejected much more than we have accepted.

The offers of assistance to the Ryukyus made by the Government of Japan are themselves responsive to a number of pressures. First, they testify to the governing party's concern for the Ryukyans in response to popular sentiment, as well as to take the edge off the criticisms of the left-wing opposition. Second, they are responsive to the pressure of requests generated by the Government of the Ryukyu Islands and transmitted through various informal channels to Japan. The fact that the ruling party in the GRI, the Okinawa Liberal Democratic Party, views itself as a branch of the Liberal Democratic Party in Japan, reinforces the effect of these requests. Our refusal of a large part of the proffered assistance has probably had the effect of stimulating the GRI to lengthen its list of informal requests and stimulating the Japanese Government to increase its offer since it feels relatively confident that it will not have to make good on the totality of them. The result has been a kind of competition in promises between the Government of Japan and ourselves, a competition which we are clearly unable to win in the way the contest is presently organized. A second condition for improvement

of our situation is therefore to organize an agreed system of cooperation which will raise standards in the Ryukyus. Such an agreement would serve the political needs of the Japanese Government by making it clear that the joint statement of their Prime Minister and President Kennedy on cooperation in the Ryukyus was being put into effect. It would minimize the necessity for the GRI to press the Japanese through informal channels for assistance; and at the same time it would put the High Commissioner in a much better position to restrain such pressures than he is in now. Finally, within the framework of such an agreement, it would be possible to accept a much larger volume of aid from the Japanese than has seemed politically tolerable to the High Commissioner in the past. This is especially the case if the nature of the agreement is such that it recognizes and endorses the need for continuing American administration in the Ryukyus. It is the judgment of our Embassy in Japan, reinforced by our own observation there, that the Japanese Government is willing to enter into such an agreement now. The conclusion of such an agreement is a second minimum condition for substantial improvement of our position in the Ryukyus.

4. Together, the two steps recommended above would go far, but unless combined with moves in still a different direction, they would in our estimation not go far enough to do more than make a very short-term gain, i. e., one lasting two to three years. The third dimension in which it appears desirable to move is the internal political one. As was observed

7a

~~SECRET~~

above, American administration in the Ryukyus is an alien one, and as such inevitably creates resentments and frictions. Nothing we do so long as we remain in control of the Islands can eliminate these entirely. Further, the fact of our bases and the sizable population of troops and dependents they entail, all concentrated in a relatively small area of Okinawa, would constitute a source of friction even under Japanese administration of the Islands. Nonetheless, the degree of detail with which we exercise our control has a relation to the magnitude and intensity of this problem. It is our judgment that a stage of evolution in the relations between the Government of the Ryukyus and the U.S. Civil Administration has been reached in which it would be desirable and possible to permit a considerable increase in the degree of autonomy for the GRI in both form and substance. The GRI, and articulate Ryukyans outside the government, feel deeply the present detail of control as an invasion of their liberties. It goes almost without saying that ultimate American control must be maintained and that to this extent some invasion of Okinawan liberties will continue so long as we maintain the base. It is further clear that there will always be a sharp difference of opinion between Ryukyans and Americans on the spot as to how much is necessary, but, in our judgment a considerable diminution in the detail of control could be achieved without raising a threat to our freedom of action in the military sphere. Some change in the area, together

7a

~~SECRET~~

with the changes suggested above seem to us to promise a sufficient improvement in Ryukyuan attitudes to make considerably easier our task in maintaining a useful base in Okinawa for some time to come, and doing it in a way which does not prejudice our good relations with the Government of Japan.

5. The problems which we have considered above are all short-run problems. In addition to these, we face in Okinawa a difficult problem of long-run economic development, and our responsibility for assisting the Ryukyuan people to achieve more rapid economic growth. The underlying situation of the Ryukyuan economy is not a favorable one. The most important industry is now the American base which provides directly and indirectly about 40% of the Ryukyuan income. Were we to withdraw the base, the Ryukyuan people would face a desperate crisis. Aside from the sale of services to the base, the two largest exports--sugar and pineapples--are both crops which the Ryukyuan people sell in a heavily protected and subsidized Japanese market. It would seem desirable in terms of our responsibility to the Ryukyuan people which our position as governing power impose on us, to do something to develop economic strength apart from the industries catering to the base and to reduce the dependence of Ryukyuan agriculture on two subsidized crops.

6. These are the broad conclusions that arise from our visit and preceding actions of study in Washington. The specific content of



7a

~~SECRET~~

recommendations consistent with them might vary widely; the attached detailed discussions [to be provided] of particular problems indicates the range of possible specific actions, as well as selecting particular ones for recommendation.

The money cost to the United States of these recommendations will vary, of course, with the particular list selected. Broadly, it will fall somewhere in the range from \$10 to \$15 million in addition to our present level of expenditure of about \$5 million. This large increase reflects our judgment that we are simply not meeting our minimum security needs at our present levels of expenditure on administration and economic development.

Carl Kaysen  
10/31/61