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WITHDRAWAL SHEET

Ronald Reagan Library

Collection: Executive Secretariat, NSC
Country File

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File Folder: Japan (6/11/82 – 9/3/82)

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

DOCUMENT NO. & TYPE	SUBJECT/TITLE	DATE	RESTRICTION
1. Memo	Roger Robinson to Robert McFarlane re Meeting with Chikara Higashi, 3p <i>R 7/24/06 F00-037/1 # 334</i>	6/11/82	B1
2. Report	4p <i>D " " #335</i>	6/10/82	B1, <i>B3</i>
3. Report	(annotated), 4p <i>D " " #336</i>	6/10/82	B1, <i>B3</i>
4. Cable	180635Z JUN 82, 1p <i>R " " #337</i>	6/18/82	B1
5. Cable	190548Z JUN 81, 1p <i>R " " #338</i>	6/19/82	B1
6. Memo	Robinson to William Clark re Sakhalin Project, 1p <i>PART. " " #339</i>	7/1/82	B1
7. Report	3p <i>D " " #340</i>	6/25/82	B1, <i>B3</i>
8. Cable	032025Z JUL 82, 2p <i>R " " #341</i>	7/3/82	B1
9. Cable	080747Z JUL 82, 1p <i>R " " #342</i>	7/8/82	B1
10. Cable	080837Z SEP 82, 1p <i>R " " #343</i>	9/8/82	B1
11. Cable	030842Z SEP 82, 4p <i>R " " #344</i>	9/3/82	B1

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].
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- 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 (06/11/1982-09/03/1982)

FOIA

F00-037 (F1539)

Box Number

ID	Doc Type	Document Description	No of Pages	Doc Date
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4	CABLE	180635Z JUN 82 (F00-037/1#337)	1	6/18/1982 ^{mvw} 5/21/05
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TO MCFARLANE

FROM ROBINSON

m7n
11/26/04

DOCDATE 11 JUN 82

KEYWORDS: JAPAN

EXPORT CONTROLS

HIGASHI, CHIKARI

OIL

SUBJECT: MTG W/ HIGASHI RE SAKHALIN PROJECT

ACTION: FOR INFORMATION

DUE:

STATUS IX FILES

FOR ACTION

FOR CONCURRENCE

FOR INFO

CLARK

BAILEY

PIPES

GREGG

NAU

COMMENTS

REF#

LOG

NSCIFID

(M /)

ACTION OFFICER (S) ASSIGNED ACTION REQUIRED DUE COPIES TO

C 4/18 Noted by McFarlane RO

DISPATCH

W/ATTCH

FILE

(C)

~~CONFIDENTIAL~~

4101

MEMORANDUM

NATIONAL SECURITY COUNCIL

June 11, 1982

~~CONFIDENTIAL~~ with
~~SECRET ATTACHMENTS~~
INFORMATION

Roger W. Robinson
move
Bill

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM:

ROGER W. ROBINSON *RWR*

SUBJECT:

Meeting with Chikari Higashi of the Japanese
Finance Ministry on the Sakhalin Project

Pursuant to your request, Henry Nau and I met with Mr. Higashi who continued to express high-level Japanese concerns regarding Sakhalin. Over the past several weeks, Norman Bailey and I have participated in several such meetings with common and overlapping themes. The central points communicated by Mr. Higashi in the one and a half hour meeting included:

-- Japanese "disappointment" concerning the outcome of the Summit meeting between the President and Prime Minister Suzuki. (Comment: We clarified the President's position in the meeting as requiring both significant improvement in the Polish situation and further substantial progress on credits as preconditions to any "flexibility" on Sakhalin licenses.)

-- Inconsistency of our grain sales juxtaposed to delaying gas compensation transactions. (Comment: Highlighted cash dimension of grain sales and cost of our previous one-year embargo to farmers with little burden-sharing elsewhere.)

-- Cited eight-year-old nature of Sakhalin project in an effort to differentiate Sakhalin from newer Siberian pipeline project. (Comment: Cited the completed Orenburg gas pipeline -- 1978 -- as an example of U.S. companies being constrained from oil and gas sales to older projects as well.)

-- Highashi mentioned \$40-46,000 per day charge for holding drill rig in awaiting a USG decision. (Comment: We countered that the USG position on this matter has been communicated consistently since late-May with no indication of a positive shift in our posture. In addition, mentioned some \$500-600 million in foregone U.S. commercial sales to the Siberian pipeline to demonstrate burden-sharing.)

~~CONFIDENTIAL~~ with
~~SECRET ATTACHMENTS~~
Review June 11, 1988

DECLASSIFIED

NLS FOO-037/1#334

~~CONFIDENTIAL~~

BY WOT DATE 7/24/06

-- He confided that although Finance Minister Watanabe had distanced himself from this issue, MITI Minister Abe had put himself out on a limb. Abe reportedly held a press conference in Anchorage on his way to Versailles and expressed confidence that U.S. licenses would be granted at the Summit due to Japan's "in principle" willingness to cooperate on credit restraints. (Comment: We were sympathetic but again made clear that these expectations were not fostered by the Administration.)

-- He again mentioned rigid deadline, and \$500 million Japanese investment potentially lost due to Soviet abrogation. (Comment: Politely countered with our understanding that the project had already been postponed by some 15 months due to LNG oversupply situation and Odoptu exploratory work extended to 1983 to offset missed timetable in 1982. In addition, corrected the investment figure downward to \$170 million with the remainder being potentially foregone profits over the 20 year life of the project.)

-- Throughout the meeting, we emphasized the President's sensitivity and understanding on the Sakhalin matter but again repeatedly indicated the broader and complex circumstances in which such a decision must be framed (i.e. Poland, integrity of December 30 sanctions, Soviet incentive to exploit U.S. inconsistency, etc.). We pointed out that, fortunately, our decision would reportedly not interrupt the important production phase of the project or result in any material financial losses. We also cited the positive related effort by the USG to reappraise our policy of possibly permitting Japan to stockpile strategic reserves of Alaskan crude in the U.S.

-- Turning to a more strategic view of Sakhalin, I commented that both the Siberian pipeline and Sakhalin had necessarily become, to some degree, politically vulnerable as together they would eventually provide the Soviets with approximately \$10 billion in annual hard currency earnings. In the spirit of friendship, Mr. Higashi was requested to recognize that the USG could not forego critical non-military policy tools toward the USSR nor could it conduct "business as usual" at a time of exceedingly aggressive geopolitical behavior now or in the future. It was mentioned that Japan, who is already pressured by an overabundance of LNG supply alternatives, might keep these facts in mind prior to committing the planned \$2.5-3 billion investment for the development phase of the project in late 1983 or 1984. Mr. Higashi appeared to reflect on this remark.

-- The meeting ended with agreement that we fully understood and respected the others' position and that it was regrettable that the circumstances in force did not permit an accommodation

at this time. In a subsequent brief meeting with Don Gregg, Mr. Higashi reportedly seemed to have adjusted his view due to the comprehensive nature of our discussion and, apparently resigned to a negative response, asked that we communicate a "no" decision as early as possible to facilitate the release of the leased drill rig.

Attached are cables received today on Sakhalin which further corroborate one position on this somewhat exaggerated bilateral issue (Tabs A and B). We will discuss whether it is indicated to again communicate a negative decision to GOJ "at this time" by June 16 and inform you accordingly.

Henry Nau^{HN} and Don Gregg concur.

Attachments

Tab A	TDFIR DB-315/12380-82
Tab B	TDFIR DB-315/12379-82

cc: Norman Bailey
Richard Pipes
Don Gregg
Henry Nau

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National Security Council
The White House

214

RECEIVED

Package #

4101

22 JUN 14 P 2: 07

	SEQUENCE TO	HAS SEEN	ACTION
John Poindexter	<u>1</u>	<u>[initials]</u>	<u></u>
Bud McFarlane	<u>2</u>	<u>[initials]</u>	<u>I</u>
Jacque Hill	<u></u>	<u></u>	<u></u>
Judge Clark	<u></u>	<u></u>	<u></u>
John Poindexter	<u></u>	<u></u>	<u></u>
Staff Secretary	<u></u>	<u></u>	<u></u>
Sit Room	<u></u>	<u></u>	<u></u>
<u></u>	<u></u>	<u></u>	<u></u>

I-Information A-Action R-Retain D-Dispatch

DISTRIBUTION

cc: VP Meese Baker Deaver

Other

COMMENTS

RCM — SAKHALIN is second subject
80 1:15 NSC met on Friday

~~CONFIDENTIAL~~
WHITE HOUSE SITUATION ROOM

PAGE 01 TOKYO 0253 DTG:180635Z JUN 82 PSN: 024171
1 1074 DATE 11 24 82 TOP: 115 2252

THAT THE GOVERNMENT OF JAPAN (TOP SECRET) AND HIS
LEADING MINISTERS HAVE MADE THE JAPANESE POSITION
UNMISTAKABLY CLEAR. I STRONGLY RECOMMEND A POSITIVE
U.S. RESPONSE.
HAROLD ELD

DISTRIBUTION: REPT 1001

WHTS ASSIGNED DISTRIBUTION:

SIT: CKLC CHIL EOB

EOB:

WHSR COMMENT: CHECKLIST

TOKYO 0253

DTG:180635Z JUN 82 PSN: 024171

MESSAGE ANNOTATIONS:

NO MESSAGE ANNOTATIONS

MESSAGE:

IMMEDIATE

DE RUEHKO #0253 180636

O 180635Z JUN 82 3FFA

FM AMEMBASSY TOKYO

TO SECSTATE WASHDC NIACT IMMEDIATE 2172

1806C WASHDC NIACT IMMEDIATE

SECDEF WASHDC NIACT IMMEDIATE

WHITE HOUSE WASHDC NIACT IMMEDIATE

BT

~~CONFIDENTIAL~~ TOKYO 10253
FROM AMBASSADOR MANSFIELD FOR SECSTATE HAIG, SECDEF
BALDRIDGE, SECDEF WEINBERGER, NSC CLARK
WHITE HOUSE PASS NSC CLARK
E.O. 12065: GDS 6/18/88 (ANGELINE, CHARLES) OR-E
TAGS: EENT, ESTC, JA
SUBJECT: SAKHALIN EXPORT LICENSES
REFS: (A) STATE 187964; (B) TOKYO 10254

1. (ENTIRE TEXT).

2. IN RARE DEPARTURE FROM USUAL GOJ CUSTOM,
INTERNATIONAL TRADE AND INDUSTRY MINISTER
SHINTARO ABE CALLED ON ME JUNE 18 TO STRESS
THE IMPORTANCE TO THE OVERALL US-JAPANESE
RELATIONSHIP OF A FAVORABLE DECISION ON THE
SAKHALIN EXPORT LICENSES BY THE NSC AT ITS
JUNE 18 MEETING.

3. THE QUESTION HAD BEEN THE SUBJECT OF A NUMBER
OF DISCUSSIONS AT HIGH GOVERNMENT LEVELS, MOST
NOTABLY THE PRE-SUMMIT MEETING OF PRESIDENT REAGAN
AND PRIME MINISTER SUZUKI. THE POINTS STRESSED BY

MESSAGE (CONTINUED):

ABE WERE THAT THE SAKHALIN PROJECT IS AN ONGOING
PROJECT, BEGUN WELL BEFORE THE SANCTIONS PROBLEM
AROSE AND THAT THE JAPANESE GOVERNMENT HAS A DIRECT
STAKE IN THE PROJECT, AND THAT AN ADVERSE DECISION
WOULD HAVE UNFAVORABLE DOMESTIC REPERCUSSIONS. ABE
SAID THAT GOJ HAS NO FURTHER ABILITY TO DEFER
DECISION ON CURRENT SEASON'S DRILLING PROGRAM.

4. I HAVE PREVIOUSLY EXPRESSED MY VIEW ON THE
IMPORTANCE TO U.S.-JAPAN RELATIONS OF A FAVORABLE
DECISION ON THE SAKHALIN PROJECT. I MUST NOW
EMPHASIZE THAT THE ISSUE HAS REACHED A CRITICAL
POINT. IF THE JUNE 18 MEETING IS UNABLE TO APPROVE
THE REQUIRED EXPORT LICENSES, THE JAPANESE REACTION
WILL BE NEGATIVE AND WE WILL HAVE GREATER DIFFICULTY
IN OBTAINING JAPANESE SUPPORT FOR OUR ECONOMIC POLICIES

DECLASSIFIED

NLS FOO-037/1#337

BY LOS N/A DATE 7/24/06

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~
WHITE HOUSE SITUATION ROOM

PAGE 01 SECSTATE WASHDC 0004 DTG: 190548Z JUN 82 PSN: 015973
017216 DATE 16 JUN 82 FOR: SECSTATE

DISTR BUT ON: REPT /001

WHIS ASSIGNED DISTRIBUTION:

SIT: CKLS

EOB:

WPCR COMMENT: CHECKLIST

MESSAGE ANNOTATIONS:

NO MESSAGE ANNOTATIONS

MESSAGE:

IMMEDIATE

DE FLEHC #0004 1700644

O 190548Z JUN 82 ZEX

FM SECSTATE WASHDC

TO AMEMBASSY TOKYO IMMEDIATE 7527

INFO ALL OECD CAPITALS IMMEDIATE

AMEMBASSY MOSCOW IMMEDIATE 5331

AMEMBASSY WARSAW IMMEDIATE 4621

USMISSION USNATO IMMEDIATE 0622

~~CONFIDENTIAL~~ STATE 170004

CANERRA FASO AMBASSADOR FOLDRIDGE

E.O. 12065: GDS 6/18/82 (SELIGMANN, A.)

TAGS: EWWT, ESTC, JA

SUBJECT: NSC DECISION ON SAKHALIN L CENCING

PR, SEELS ALSO FOR USEC IMMEDIATE, PARIS ALSO FOR OECD IMM.

REF: TOKYO 10293

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

2. UNDERSECRETARY EAGLEBURGER CALLED IN AMBASSADOR OKAWARA (ACCOMPANIED BY MINISTER HATANO AND COUNSELOR WATANABE) AT 4:25 P.M., JUNE 18 TO CONVEY THE DECISION AT THE NSC MEETING EARLIER IN THE DAY AFFECTING LICENSES FOR THE SAKHALIN PROJECT (DAS SHOESMITH, EA/DIRECTOR SELIGMANN AND SPECIAL ASSISTANT DARRYL JOHNSON SAT IN).

3. THE UNDERSECRETARY SAID THAT THE PRESIDENT HAD DECIDED AFTER REVIEW OF THE SANCTIONS IMPOSED AT THE END OF

MESSAGE (CONTINUED):

DECEMBER 1981 TO EXTEND THOSE SANCTIONS TO INCLUDE EQUIPMENT PRODUCED BY SUBSIDIARIES OF US COMPANIES ABROAD AS WELL AS EQUIPMENT PRODUCED ABROAD UNDER JS LICENSES. THE US OBJECTIVE HAD BEEN AND WOULD CONTINUE TO BE TO ADVANCE RECONCILIATION IN POLAND. SINCE DECEMBER THERE HAD BEEN LITTLE CHANGE IN THE SITUATION IN POLAND, AND WE NEEDED MORE EVIDENCE THAT THE SITUATION WAS PROGRESSING. WE WOULD CONTINUE TO ENCOURAGE ALLIES PARTICI-

PATING IN GAS AND OIL PIPELINE PROJECTS TO PURSUE NON-SOVIET SOURCES. THE UNDERSECRETARY SAID THAT AS A RESULT OF THIS DECISION, WE WOULD NOT BE ISSUING THE LICENSES FOR THE SAKHALIN PROJECT.

4. THE UNDERSECRETARY WENT ON TO EXPLAIN THAT 120 GE ROTORS WERE COVERED BY OUR SANCTIONS, OF WHICH 21

HAD BEEN SHIPPED PRIOR TO THE IMPOSITION OF SANCTIONS. SOME OF THE EUROPEANS HAD ARGUED THAT THOSE SHIPPED WERE NOT COVERED BY THE SANCTIONS, BUT UNDER THIS DECISION THEY WOULD BE. DIFFICULT AS THE DECISION WAS FOR JAPAN, IT WAS MORE DIFFICULT FOR THE UK, FRANCE, ITALY AND GERMANY.

5. AMBASSADOR OKAWARA ASKED ABOUT SPECULATION THAT THE US WOULD HAVE NO LEVERAGE IF THE EUROPEANS WENT AHEAD ANYWAY, BUT THE UNDERSECRETARY SAID THAT OUR ANALYSIS INDICATED THE STEPC WE HAD TAKEN WOULD DELAY THE PROJECT BY ABOUT TWO YEARS, EVEN THOUGH THERE MIGHT BE MAJOR LEGAL PROBLEMS IN ENFORCING IT. OKAWARA SAID IT APPEARED THAT COMPARED WITH THE YAMAL PIPELINE, THE EFFECT ON JAPAN WOULD BE IMMEDIATE AND DIRECT. EAGLEBURGER POINTED OUT, HOWEVER, THAT THE BRITISH FIRM JOHN BROWN WAS MEETING THAT DAY WITH THE SOVIETS, AND THAT THE DECISION WOULD COST THEM SEVERAL MILLION DOLLARS. GERMANY, ITALY AND FRANCE WOULD ALSO SUFFER MAJOR LOSSES, AND GE STOOD TO LOSE 175-200 MILLION DOLLARS. THERE WAS NO QUESTION BUT THAT THE DECISION WAS PAINFUL FOR JAPAN, BUT IT WAS ALSO PAINFUL FOR OTHERS. MOREOVER, SPEAKING FRANKLY, WE WERE NOT CONVINCED THAT THE SOVIETS WOULD CANCEL THE CONTRACT WITH JAPAN.

SECSTATE WASHDC 0004 DTG: 190548Z JUN 82 PSN: 015973
MESSAGE (CONTINUED):

6. AMBASSADOR OKAWARA SAID THAT THE SOVIETS MIGHT OR MIGHT NOT CANCEL, BUT THE POINT WAS THAT THE US DECISION WOULD BE REGARDED IN JAPAN AS PENALIZING JAPAN RATHER THAN THE SOVIETS, AND THAT THERE WOULD BE A BAD REACTION, INASMUCH AS IT WOULD SEEM THAT WE WERE PUNISHING A COUNTRY THAT HAD COOPERATED IN OUR SANCTION POLICIES. PICKING UP THE UNDERSECRETARY'S COMMENT ABOUT ALTERNATIVE ENERGY SOURCES, OKAWARA SAID IT WOULD HELP SOFTEN REACTION IF AN ANNOUNCEMENT COULD BE MADE THAT THE ADMINISTRATION INTENDED TO CONSIDER THE POSSIBILITY OF MAKING ALASKAN OIL AVAILABLE TO JAPAN. EAGLEBURGER SAID HE WOULD LOOK INTO THE IDEA.

7. ASKED WHETHER THE US HAD CONSIDERED A GRAIN EMBARGO, AND WHETHER THE EUROPEANS WOULD NOT SEE AN INCONSISTENCY IF WE CONTINUED TO SHIP GRAIN, EAGLEBURGER SAID WE HAD NOT CONSIDERED AN EMBARGO, ALTHOUGH WE WERE REVIEWING

OUR LONG-TERM GRAIN AGREEMENT. IT WAS IMPORTANT, HOWEVER, TO NOTE THE MAJOR DIFFERENCE BETWEEN A PROJECT THAT WOULD EARN TENS OF BILLIONS OF DOLLARS FOR THE SOVIETS AND THE PROVISION OF FOOD TO THE SOVIETS WHICH COSTS THEM BILLIONS IN HARD CURRENCY. MOREOVER, THE EUROPEANS WOULD BE MUCH UPSET IF WE ADOPTED SUCH A CONFRONTATIONAL MEASURE. IT SHOULD BE NOTED THAT THE DENIAL OF ROTORS WOULD RESULT IN A LOSS OF 2,000 US JOBS, AS WELL AS THE LOSS OF BUSINESS TO GE. BY REFUSING EXPORT CREDITS TO THE SOVIETS SINCE 1974, WE WERE LOSING ABOUT 75 BILLION DOLLARS OVER THE DECADE.

8. ASKED WHETHER WE WOULD CONTINUE OUR DIALOGUE WITH THE SOVIETS, THE UNDERSECRETARY SAID THE SECRETARY AND GROMYKO WERE MEETING THAT DAY IN NEW YORK.

EAGLEBURGER

SECSTATE WASHDC 0004 DTG: 190548Z JUN 82 PSN: 015973

~~CONFIDENTIAL~~

BY 101 7/24/86
F00-03714338
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NSC/S PROFILE

~~SECRET~~

ID 8204582

UNCLASSIFIED UPON
CLASSIFIED ENCLOSURE

(S)

AL OF

11/21/04

RECEIVED 01 JUL 82 12

DOCDATE 01 JUL 82

TO CLARK

FROM ROBINSON

KEYWORDS: EXPORT CONTROLS

JAPAN

USSR

OIL

GAS

INTELLIGENCE

SUBJECT: UPDATE ON SAKHALIN PROJECT

ACTION: FOR INFORMATION

DUE:

STATUS IX FILES

FOR ACTION

FOR CONCURRENCE

FOR INFO

CLARK

BAILEY

MCGAFFIGAN

GREGG

CHILDRESS

PIPES

Myer
Nau

COMMENTS

REF#

LOG 8202436

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ACTION OFFICER (S) ASSIGNED ACTION REQUIRED DUE COPIES TO

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Clark noted

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W/ATTCH FILE PA (C) 1/21/04

~~SECRET~~

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MEMORANDUM

4582

NATIONAL SECURITY COUNCIL

July 1, 1982

SECRET

INFORMATION

MEMORANDUM FOR WILLIAM P. CLARK

FROM: ROGER W. ROBINSON *WR*

SUBJECT: Sakhalin Project

FOIA(b) (1)

Attached (Tab I) is a comprehensive [REDACTED] report which is consistent with information provided by my own Japanese sources. It further substantiates a number of our claims made in the NSC review of GOJ and SODECO representations on this subject.

(1) SODECO had already received assurances in late May that Japan's participation in the project would be unaffected by the U.S. not granting an exemption from the sanctions and that the Soviets never believed it could mobilize the necessary financing or technical capability to proceed independently.

(2) SODECO officials withheld receipt of these assurances given by the Chairman of the Soviet State Planning Committee (Baybakov) from the GOJ due to their concern that MITI and other GOJ officials would be "less forceful" in pressing the USG, including the President, for an exception were they aware of the Soviet assurances.

(3) This is the second documented instance of SODECO withholding key information from GOJ. The other incident involved the misuse of some \$15 million in SODECO funds by the Soviets to purchase three electronic surveillance ships from a Norwegian manufacturer which was never reported in SODECO's annual report to MITI for fear of GOJ action against them.

Regrettably, these cynical and deceptive practices by SODECO unnecessarily caused considerable anxiety and divisiveness among responsible officials of our Administration, many of whom legitimately expressed deep concern over the impact of the President's decision on our bilateral relationship. These practices also severely compromised several senior GOJ officials

SECRET

Review June 25, 2002
Derivative Classification by CIA

DECLASSIFIED IN PART

NLS F00-037/1#339

Rv WJS, NARA, Date 7/24/06

~~SECRET~~

~~SECRET~~

2

including Prime Minister Suzuki, who obviously went too far out on a limb with the Japanese public and the USG in supporting SODECO's claims.

Attachment
Tab I

FOIA(b) (1)

cc: Norman Bailey
Dick Pipes
Don Gregg
Dick Childress
Henry Nau
Al Myer
Ed McGaffigan

~~SECRET~~

RONALD W. REAGAN LIBRARY

THIS FORM MARKS THE FILE LOCATION OF ITEM NUMBER 7 LISTED ON THE
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**National Security Council
The White House**

244

Package # 4582

RECEIVED

82 JUL 1 P 2:20

	SEQUENCE TO	HAS SEEN	ACTION
John Poindexter	<u>1</u>	<u>[initials]</u>	
Bud McFarlane	<u>2</u>	<u>m</u>	<u>I</u>
Jacque Hill			
Judge Clark			
John Poindexter			
Staff Secretary	<u>4</u>		
Sit Room	<u>3</u>		<u>DACOM</u>

RCM HAS SEEN

I-Information

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

DISTRIBUTION

cc: VP Meese Baker Deaver Other _____

COMMENTS

DEUNA

~~11~~ 5

48

NZ

#

0217/87 July 82

#

RCM HAS SEEN

JACQUE HILL FOR JUDGE CLARK/ SANTA BARBARA

TOR 0219272

1.

2.

ATTACHED;

UNCLASSIFIED UPON REMOVAL OF
CLASSIFIED ENCLOSURE(S)

11/26/04

~~SECRET~~

CLASSIFICATION

82 JUL 2 P 4: 00

PROBLEM SITUATIONS

~~CONFIDENTIAL~~
WHITE HOUSE SITUATION ROOM

PAGE 01 OF 02 SECSTATE WASHDC 5226
SITS17 DATE 07/06/82

DTG: 032025Z JUL 82 PSN: 046180
TOR: 184/13022

DISTRIBUTION: REPT /001

WHTS ASSIGNED DISTRIBUTION:

SIT: WPC MCF WHLR JP VP SIT EOB

EOB:

WHSR COMMENT: CHECKLIST

MESSAGE ANNOTATIONS:

NO MESSAGE ANNOTATIONS

MESSAGE:

IMMEDIATE
DE RUEHC #5226 1842020
O 032025Z JUL 82
FM SECSTATE WASHDC

TO AMEMBASSY TOKYO IMMEDIATE 0000

~~CONFIDENTIAL~~ STATE 185226

EXDIS

E.O. 12065: RDS-1 7/3/02 (STOESSEL, WALTER J.)

TAGS: PPDC, PSDC, PEPR, PBOR, JA, US, XF

SUBJECT: JAPANESE AMBASSADOR DELIVERS PRIME MINISTER'S
LETTER ON LEBANON TO ACTING SECRETARY

REF: TOKYO 11237

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

2. SUMMARY: AMBASSADOR OKAWARA JULY 2 DELIVERED TO THE ACTING SECRETARY A COPY OF A JUNE 30 LETTER FROM PRIME MINISTER SUZUKI TO THE PRESIDENT ON LEBANON. THE AMBASSADOR EXPRESSED GOJ CONCERN OVER THE SITUATION IN LEBANON AND ISRAEL'S "UNJUSTIFIABLE INVASION." HE HOPED THE USG WOULD USE ITS INFLUENCE WITH ISRAEL TO PREVENT ITS FORCEFUL ENTRY INTO WEST BEIRUT. ANY NEW LEBANESE GOVERNMENT, HE SAID, SHOULD REFLECT THE WISHES OF THE LEBANESE PEOPLE AND NOT APPEAR TO BE MADE IN ISRAEL. HE ALSO COMMENTED WITH CONCERN ON US ISOLATION AT THE UN. THE ACTING SECRETARY, IN RESPONSE, SAID THAT THE MAIN ISSUE NOW WAS TO ARRANGE FOR THE DEPARTURE OF THE PLO. WE WERE INVOLVED IN DELICATE NEGOTIATIONS TO ACHIEVE THAT END AND WERE WORKING CLOSELY WITH THE LEBANESE TO PROMOTE A GOVERNMENT ABLE TO

MESSAGE (CONTINUED):

CONTROL ITS BORDERS, COUNTRY AND ARMY. WE WERE HOPEFUL, THAT IF LEBANON COULD BE STRENGTHENED AND THE PLO WITHDREW,

INCREASED ISRAELI CONFIDENCE WOULD IMPROVE THE PROSPECTS FOR THE AUTONOMY TALKS. END SUMMARY

3. PARALLELING DEMARCHE IN TOKYO (REFTEL), AMBASSADOR OKAWARA JULY 2 DELIVERED A COPY OF A JUNE 30 LETTER FROM PRIME MINISTER SUZUKI TO THE PRESIDENT ON LEBANON (TEXT SEPTL) TO ACTING SECRETARY STOESSEL (DAS SHOESMITH, EA/J DIRECTOR SELIGMANN AND COUNSELOR WATANABE ALSO PRESENT). AMBASSADOR OKAWARA SAID THAT HE HAD BEEN INSTRUCTED TO CONVEY TO THE PRESIDENT MOST URGENTLY GOJ CONCERNS AND HAD THUS TAKEN THE LIBERTY TO DELIVER THE ORIGINAL MESSAGE TO THE WHITE HOUSE. AS THE ACTING SECRETARY PROBABLY HAD LEARNED, DIRECTOR-GENERAL MURATA HAD

RECENTLY RAISED GOJ CONCERNS WITH DCM CLARK IN TOKYO AS WELL. THE GOJ'S IMMEDIATE CONCERN WAS THAT ISRAEL NOT MAKE FORCEFUL ENTRY INTO WEST BEIRUT WHICH WOULD CAUSE EMBARRASSMENT FOR THE US WITH ITS WESTERN ALLIES AND MODERATE ARAB STATES. IT WAS THE GOJ VIEW THAT THE US WAS THE ONLY NATION WITH SUFFICIENT INFLUENCE WITH ISRAEL TO PREVENT SUCH A DEVELOPMENT.

4. OKAWARA SAID THAT ISRAEL MAY HAVE HAD ITS OWN REASONS FOR THE INVASION OF LEBANON, BUT IT COULD NOT BE JUSTIFIED BY ANY CRITERIA. ALTHOUGH ISRAEL HAD SAID IT HAD BEEN FORCED TO ENTER LEBANON DUE TO THE PRESENCE OF SYRIAN AND PLO FORCES, PROMPT ISRAELI WITHDRAWAL WAS REQUIRED.

5. THE AMBASSADOR UNDERSTOOD THAT THERE SEEMED TO BE MOVEMENT IN LEBANON TO RECONSTITUTE A LEBANESE GOVERNMENT AND THAT IT MIGHT BE POSSIBLE TO CREATE A GOVERNMENT FRIENDLY TO ISRAEL. IT WAS, HOWEVER, IMPORTANT THAT THE NEW GOVERNMENT REFLECT THE WISHES OF THE LEBANESE PEOPLE AND NOT APPEAR TO HAVE BEEN "MADE IN ISRAEL."

6. THE AMBASSADOR VIEWED THE ISOLATION OF THE US AT THE UN ON THIS ISSUE AS POTENTIALLY HARMFUL TO US RELATIONS WITH MODERATE ARAB STATES AND THE WESTERN ALLIES, AND SAID

SECSTATE WASHDC 5226 DTG: 032025Z JUL 82 PSN: 046180
MESSAGE (CONTINUED):

THAT SOME CONSIDERED THE US TO BE IN COLLUSION WITH ISRAEL. HE UNDERSTOOD THAT THE US HAD TO DECIDE ITS VOTING IN THE UN INDEPENDENTLY, BUT HOPED THE US WOULD INFLUENCE ISRAEL, SO THAT THE FRIENDS OF THE US WOULD NOT SEE THE US ISOLATED AT THE UN.

7. OKAWARA SAID THE WEST BANK AND GAZA DID NOT SEEM TO BE PART OF CURRENT US CALCULATIONS. IF SOME WAY COULD BE FOUND TO TAKE THIS ELEMENT INTO CONSIDERATION, IT WOULD BE WELCOMED BY FRIENDS OF THE US AND IMPROVE THE IMAGE OF ALL NATIONS CONCERNED.

8. IN CONCLUSION, THE AMBASSADOR MENTIONED JAPAN'S RECENT DONATION OF \$1 MILLION TO THE INTERNATIONAL RED CROSS FOR REFUGEE RELIEF IN LEBANON AND SAID JAPAN WOULD CONTINUE TO MAKE ITS UTMOST EFFORT IN THIS REGARD. HE HOPED THAT THE US AND JAPAN COULD COOPERATE IN THIS AREA. THE LEBANESE AMBASSADOR IN TOKYO HAD DELIVERED A MESSAGE ASKING FOR JAPANESE AID AND PRIME MINISTER SUZUKI HAD REPLIED HE WAS PREPARED TO COOPERATE. HE ADDED HIS THANKS FOR US AID IN THE EVACUATION OF JAPANESE EMBASSY PERSONNEL FROM BEIRUT AND HOPED THAT IN FUTURE SIMILAR SITUATIONS THE US COULD BE RELIED ON FOR ASSISTANCE.

9. ACTING SECRETARY STOESSEL THANKED THE AMBASSADOR FOR HIS REMARKS AND THE COPY OF PRIME MINISTER SUZUKI'S LETTER TO THE PRESIDENT AND ASSURED THE AMBASSADOR THAT WE WOULD CONSIDER HIS COMMENTS CAREFULLY AND REPORT THIS CONVERSATION TO THE PRESIDENT. THE SITUATION IN LEBANON WAS OUR CENTRAL CONCERN AT THIS TIME AND WE WERE WORKING INTENSIVELY TOWARD A RESOLUTION. THE NEGOTIATIONS IN WHICH AMBASSADOR HABIB WAS INVOLVED WERE EXTREMELY DELICATE AND THE SITUATION WAS CHANGING MOMENT TO MOMENT. WE HOPED THAT AN INVASION OF WEST BEIRUT COULD BE AVOIDED AND WERE WORKING CLOSELY WITH THE LEBANESE TO THIS END. WE WERE NOT "IN COLLUSION" WITH THE ISRAELIS, AND AS THE PRESIDENT HAD SAID RECENTLY IN A PRESS CONFERENCE, THE USG HAD HAD NO PRIOR WARNING OF ISRAEL'S INTENTION TO INVADE LEBANON. WE

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WHITE HOUSE SITUATION ROOM

PAGE 02 OF 02 SECSTATE WASHDC 5226 DTG: 032025Z JUL 82 PSN: 046180

HAD ON MANY OCCASIONS COUNSELED THE ISRAELIS NOT TO RECOURSE TO FORCE. THE REASON FOR THE INVASION WENT BACK MANY YEARS, AND ALTHOUGH WE DEPLORED RECENT ISRAELI ACTIONS, WE

MESSAGE (CONTINUED):

UNDERSTOOD THEIR MOTIVATION. NOT ONLY ISRAEL SHOULD BE CRITICIZED; THE PLO AS WELL BORE RESPONSIBILITY FOR CURRENT DEVELOPMENTS.

10. AMBASSADOR STOESSEL SAID THE PLO HAD BECOME A KIND OF STATE WITHIN A STATE OVER WHICH THE LEBANESE GOVERNMENT HAD NO CONTROL. OUR INTENTION NOW WAS TO WORK TO STRENGTHEN GOL AUTHORITY SO THAT IT MIGHT CONTROL ITS BORDERS, COUNTRY, AND ARMY. THIS WOULD REQUIRE THE WITHDRAWAL OF ALL FOREIGN FORCES -- ISRAELI, PLO, AND SYRIAN -- AND THE DISARMING OF ALL MILITIA GROUPS WITHIN LEBANON. THESE GOALS WERE BASED UPON LEBANESE DESIRES, AND WE WOULD CONTINUE TO WORK CLOSELY WITH THE LEBANESE TO ACHIEVE THEM. THERE WAS SOME BASIS FOR HOPE THAT THE ARMED FORCES OF THE PLO WOULD LEAVE LEBANON, ALTHOUGH SOME PALESTINIAN REFUGEES WOULD REMAIN.

11. AMBASSADOR STOESSEL AGREED THAT US ISOLATION IN THE UN WAS UNFORTUNATE BUT THE RESOLUTIONS PRESENTED ON LEBANON HAD BEEN UNBALANCED AND INADEQUATE. IN THE CASE

OF THE FRENCH RESOLUTION WE HAD MADE SUGGESTIONS FOR CHANGES IN THE DRAFT, AS HAD THE LEBANESE, BUT THEY WERE DISREGARDED AND WE FINALLY VETOED THE RESOLUTION. THE ACTING SECRETARY EXPRESSED HIS BELIEF THAT IF LEBANON COULD BE STRENGTHENED AND THE PLO WITHDREW, ISRAELI CONFIDENCE WOULD BE IMPROVED AND THE AUTONOMY TALKS INCLUDING TALKS ON GAZA AND THE WEST BANK, WOULD HAVE A BETTER CHANCE OF SUCCESS.

13. AMBASSADOR STOESSEL CONCLUDED HIS DESCRIPTION OF THE CURRENT SITUATION WITH THANKS FOR JAPAN'S FINANCIAL ASSISTANCE TO LEBANON AND IN THE CONTEXT OF US-JAPAN COOPERATION SUGGESTED THAT AMBASSADOR OKAWARA SEE AID ADMINISTRATOR MCPHERSON, WHO WOULD BE HEADING UP US EFFORTS FOR ASSISTANCE TO LEBANON.

14. AMBASSADOR OKAWARA ASKED IF AGREEMENT BETWEEN THE PARTIES WAS NEAR AT HAND AND IF REPORTS WERE TRUE THAT THE PLO WOULD BE ALLOWED TO LEAVE BEIRUT WITH THEIR SMALL

MESSAGE (CONTINUED):

ARMS. AMBASSADOR STOESSEL REPLIED THAT THE ISRAELIS HAD INDICATED THERE WAS A TIME LIMIT -- IF NOT A MATTER OF HOURS, NO MORE THAN A FEW DAYS. PRIME MINISTER BEGIN HAD SHOWN SOME FLEXIBILITY ON THE ISSUE OF THE PLO DEPARTING WITH THEIR LIGHT WEAPONS. IN RESPONSE TO AMBASSADOR OKAWARA'S QUESTION ABOUT THE PLO'S DESTINATION, SHOULD IT DECIDE TO LEAVE LEBANON, THE ACTING SECRETARY SAID IT WOULD BE BEST IF THE PLO FIGHTERS AND LEADERSHIP WENT TO A LARGE, MODERATE AND STABLE ARAB COUNTRY WHERE THEY COULD BE CONTROLLED. HE SUGGESTED THE POSSIBILITIES OF EGYPT AND ALGERIA OR, ALTERNATIVELY, LIBYA IF NO SUCH STATE WOULD ACCEPT THEM. THE USG WAS OPPOSED TO THE PLO TAKING REFUGE IN ONE OF THE GULF STATES, E.G., KUWAIT. THE MAIN TASK NOW WAS TO ARRANGE FOR THE PLO'S DEPARTURE FROM LEBANON AS SOON AS POSSIBLE.

15. AMBASSADOR OKAWARA REPORTED THAT THE CONCERN OF SOME WAS THE APPEARANCE OF US CONNIVANCE WITH ISRAEL AND ASKED ABOUT EGYPT'S REACTION. IN RESPONSE, AMBASSADOR STOESSEL SAID THAT THIS WAS EXACTLY WHAT THE SOVIETS WERE SAYING AND IT WAS NOT TRUE. AS FOR EGYPTIAN REACTION, THE ACTING SECRETARY SAID EGYPT WAS CONCERNED ABOUT ITS IMAGE WITH THE OTHER ARAB STATES BUT THAT EGYPT UNDERSTOOD ISRAEL'S PROBLEM WITH THE PLO AND WOULD WELCOME THE STRENGTHENING OF THE GOL. AMBASSADOR STOESSEL MENTIONED THAT WE HAD BEEN IN TOUCH WITH THE SAUDIS THROUGHOUT AND THEY ALSO WOULD LIKE A STRONGER GOL.

STOESSEL

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WHITE HOUSE SITUATION ROOM

PAGE 01 TOKYO 1560
SIT644 DATE 07/19/82

DTG: 080747Z JUL 82 PSN: 051838
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EOB:

WHSR COMMENT:

MESSAGE ANNOTATIONS:

NO MESSAGE ANNOTATIONS

MESSAGE:

IMMEDIATE
DE RUEHKO #1560 1890747
O 080747Z JUL 82
FM AMEMBASSY TOKYO

TO SECSTATE WASHDC IMMEDIATE 2784

~~SECRET~~ TOKYO 11560

NODIS

E.O. 12065: GDS 7/8/02 (CLARK, WILLIAM) OR-M

TAGS: PLOS, JA, US

SUBJECT: LOS-PRESIDENTIAL STATEMENT

REF: STATE 187614

1. ~~C~~ - ENTIRE TEXT

2. ON JULY 8 DCM CONVEYED TEXT OF PRESIDENTIAL STATEMENT TO MOFA TREATIES BUREAU DIRECTOR GENERAL KURIYAMA. KURIYAMA SAID THAT HE WOULD PASS THE STATEMENT TO THE FOREIGN MINISTER AND PRIME MINISTER IMMEDIATELY AND NOTED THE PM'S PERSONAL INTEREST IN LOS ISSUES.

3. KURIYAMA SAID THAT AFTER THE PRESIDENTIAL STATEMENT BECOMES PUBLIC AND THE GOJ HAS AN OPPORTUNITY TO STUDY OUR POSITION THE JAPANESE MIGHT GET BACK TO US WITH AN OFFICIAL STATEMENT OF THEIR VIEWS. KURIYAMA SAID, HOWEVER, HE WOULD LIKE TO OFFER HIS IMMEDIATE PERSONAL REACTION BASED UPON HIS PAST CONSULTATION WITH THE PRIME MINISTER, THE FOREIGN MINISTER AND OTHER MOFA OFFICIALS. HE SAID THAT JAPAN HAD NOT MADE UP ITS MIND OFFICIALLY ON THE POSITION IT WOULD TAKE ON THE LOS TREATY AND IN THIS RESPECT WOULD TAKE

MESSAGE (CONTINUED):

FULLY INTO ACCOUNT THE VIEW OF OTHER INDUSTRIALIZED COUNTRIES, INCLUDING THE US POSITION. NEVERTHELESS, KURIYAMA SAID, JAPAN HAD A DEEP INTEREST IN ESTABLISHING A NEW INTERNATIONAL LEGAL ORDER. ALTHOUGH THE LOS CONVENTION HAD SOME FLAWS WHICH THE US HAD NOTED, ON THE WHOLE THE GOJ BELIEVED THE LOS TREATY JUSTIFIED JAPANESE SUPPORT AND THE SUPPORT OF THE OTHER INDUSTRIALIZED STATES. ALTHOUGH THE US HAD MADE ITS DECISION, KURIYAMA SAID, JAPAN HOPED WE WOULD RECONSIDER IN THE FUTURE. KURIYAMA SAID THE TREATY CONTAINS MANY PROVISIONS WHICH ARE IN THE SECURITY INTERESTS OF THE US AND THE WEST AS A WHOLE, PARTICULARLY IN THE AREA OF NAVIGATION, AND HE EXPRESSED DISAPPOINTMENT THAT WE HAD DECIDED NOT TO SIGN THE TREATY.

4. THE DCM SAID THE US UNDERSTOOD THE IMPORTANCE THE GOJ ATTACHED TO THE LOS TREATY AND THE TIME AND ATTENTION IT HAD DEVOTED TO ITS NEGOTIATION. HE SAID THE US WOULD WISH TO CONTINUE ITS CLOSE CONSULTATIONS WITH THE GOJ.

KURIYAMA NOTED THAT OUR PARTICIPATION IN LOS DISCUSSIONS WOULD BE LIMITED TO THE TECHNICAL LEVEL AND HE ASKED IF THIS MEANT THAT AMBASSADOR MALONE WOULD NO LONGER BE INVOLVED. THE DCM RESPONDED THAT HE WAS NOT BRIEFED. HE ASSUMED, HOWEVER, THAT OUR REPRESENTATION WOULD BE AT A LOWER LEVEL.

5. KURIYAMA SAID THAT THE US AND JAPAN HAD ENJOYED CLOSE CONSULTATIONS ON SEABED ISSUES IN THE GROUP OF FIVE AND CG-5 AND HE WONDERED NOW THAT THE US HAD MADE A DECISION HOW WE WOULD COORDINATE AND HARMONIZE OUR PRACTICAL APPROACHES TO SEABED ISSUES. HE EMPHASIZED THE GOJ WOULD LIKE TO CONTINUE THESE DISCUSSIONS IN ONE FORM OR ANOTHER AND SUGGESTED THAT THE JAPANESE WOULD APPROACH US IN THE COMING WEEKS WITH SOME THOUGHTS ON HOW THIS MIGHT BE ACCOMPLISHED. DCM RESPONDED THAT WE WANTED TO CONTINUE A DIALOGUE WITH THE GOJ, NOT ONLY ON SEABED ISSUES BUT ALSO ON THE BROAD RANGE OF LOS ISSUES WITH RESPECT TO WHICH THE US-JAPAN SHARED MANY COMMON INTERESTS.

MESSAGE (CONTINUED):

6. COMMENT: THE GOJ IS CLEARLY DISAPPOINTED IN THE US DECISION, BUT THE JAPANESE HAVE SEEN IT COMING FOR SOME TIME. WE HOPE WE WILL BE IN A POSITION TO CONSULT WITH THE JAPANESE IN THE NEAR FUTURE ON HOW WE CAN WORK TOGETHER AND WITH OTHER INDUSTRIALIZED COUNTRIES TO HARMONIZE OUR LOS POLICIES IN THIS NEW ENVIRONMENT. END COMMENT.
MANSFIELD

TOKYO 1560

DTG: 080747Z JUL 82 PSN: 051838

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NLS F00-037/14342

BY LOI NADA DATE 7/24/06

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ISC/S PROFILE

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ID 8205965

RECEIVED 25 AUG 82 20

TO WHEELER

FROM FRY, M

DOCDATE 25 AUG 82

GREGG, D

25 AUG 82

KEYWORDS: JAPAN

AVP

TOGO

SUBJECT: VP MTG W/ FORMER JAPANESE AMB TOG 14 SEPT

ACTION: ANY ACTION NECESSARY

DUE: 30 AUG 82 STATUS S FILES

FOR ACTION

FOR CONCURRENCE

FOR INFO

SIGUR

CHILDRESS

MCGAFFIGAN

TYSON

COMMENTS

REF#

LOG

NSCIFID

(J /)

ACTION OFFICER (S)

ASSIGNED

ACTION REQUIRED

DUE

COPIES TO

<i>Secretary</i>	<i>C</i>	<i>8/26</i>	<i>no action necessary</i>	<i>- Sigur</i>

ISPATCH

W/ATTCH FILE

(24) *(14)*

INTERNAL NSC ROUTING

BAILEY	NAU
BLAIR	NORTH
BOVERIE	PIPES
CHILDRESS	RAYMOND
DEGRAFFENREID	REED
DOBRIANSKY	REGER
FONTAINE	RENTSCHLER
GOLD	ROBINSON
GUHIN	RUSSELL
HELM	RYE
KEMP	SAPIA-BOSCH
KIMMITT	SIGUR
KRAEMER	SIMS
LEVINE	SOMMER
LILAC	STEARMAN
LINHARD	TANTER
LORD	TEICHER
MARTIN	TYSON
MCGAFFIGAN	WEISS
MORRIS	WETTERING
MYER	WHEELER

  No action needed

5965

OFFICE OF THE VICE PRESIDENT
WASHINGTON, D.C.

25 Aug

Nike -

This is largely a social
call, and we didn't want to
bother you with it. But if
any of your folks want to add
something, we of course would
be delighted to have it.

Nike Day

Nothing -
JH



5965

OFFICE OF THE VICE PRESIDENT
WASHINGTON

August 25, 1982

MEMORANDUM FOR JERRY BREMER
Executive Secretary
Department of State

SUBJECT: Vice President and Mrs. Bush's Meeting
with Former Japanese Ambassador and
Mrs. Togo

The Vice President and Mrs. Bush will meet with former Japanese Ambassador and Mrs. Togo on Tuesday, September 14 at 4:30 p.m. for 15 minutes in the Vice President's White House West Wing office. May we please have recommended talking points and background papers by close of business, Friday, September 10.

Thanks.

Don Gregg
Don Gregg
Assistant to the
Vice President for
National Security Affairs

cc: NSC

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WHITE HOUSE SITUATION ROOM

PAGE 01 TOKYO 5447
SIT899 DATE 09/10/82

OTG: 080837Z SEP 82 PSN: 022822
TOR: 251/0854Z

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MESSAGE ANNOTATIONS:

NO MESSAGE ANNOTATIONS

MESSAGE:

IMMEDIATE
DE RUEHKO #5447/01 2520840
O 080837Z SEP 82
FM AMEMBASSY TOKYO

TO SECSTATE WASHDC IMMEDIATE 4684

INFO AMEMBASSY BONN 7174
AMEMBASSY BRUSSELS 6302
AMEMBASSY LONDON 9141
AMEMBASSY MOSCOW 6720
AMEMBASSY PARIS 1832
AMEMBASSY ROME 5871
AMEMBASSY THE HAGUE 2310
BT

~~CONFIDENTIAL~~ SECTION 01 OF 02 TOKYO 15447
USEC ALSO FOR EMBASSY
E.O. 12356: DECL: 9/8/88
TAGS: ETRD, EEW, JA
SUBJECT: JAPANESE FIRM SHIPS PIPELINE EQUIPMENT
TO USSR
REF: (A) TOKYO 15192

1. (U) SUMMARY: JAPAN STEELS WORKS (JSW), LTD
CONFIRMED TO EMBOFF THAT IN AUGUST THE COMPANY
SHIPPED PIPELINE VALVES WORTH SEVERAL HUNDRED
MILLION YEN TO THE USSR. JAPAN STEEL WORKS HAVE A
LICENSING AGREEMENT WITH THE U.S. FIRM GROVE VALVE
AND REGULATOR COMPANY (GVR) BUT COMPANY AND MITI
ARE OFFERING FAIRLY STRAINED REASONS FOR DENYING
THAT EXPORTS VIOLATE U.S. SANCTIONS POLICY. END
SUMMARY.

MESSAGE (CONTINUED):

2. (U) SHIPMENT OF PIPELINE VALVES TO THE
USSR BY JAPAN STEEL WORKS LTD HAS RECEIVED
CONSIDERABLE PRESS COVERAGE. IN RESPONSE TO
EMBASSY INQUIRY, JAPAN STEEL WORKS PUBLIC
RELATIONS SPOKESMAN SAID THAT THE VALUE OF
VALVES SHIPPED WAS "SEVERAL HUNDRED MILLION
YEN" (NEWSPAPERS SAY 500 - 600 MILLION YEN
ABOUT \$2-2.5 MILLION). THESE VALVES FALL
UNDER A CONTRACT CONCLUDED FOR FY 1981;
SEVERAL MORE SHIPMENTS WILL BE MADE TO COMPLETE
THE 1981 CONTRACT. JSW BEGAN SHIPPING VALVES
TO THE USSR IN 1972, BUT HAVE FAILED TO WIN
CONTRACTS EVERY YEAR DUE TO COMPETITION FROM
KOBE STEEL WORKS OF JAPAN AND WEST GERMAN AND
ITALIAN MANUFACTURERS. JSW DID NOT WIN A
CONTRACT IN FY 1982. THE SHIPMENTS HAVE

3. (U) JSW HAD A LICENSE AGREEMENT WITH GROVE
VALVE AND REGULATOR COMPANY OF OAKLAND CALIFORNIA,
WHICH ORIGINALLY COVERED THE PERIOD OCTOBER 1970
TO JANUARY 1979. ACCORDING TO JSW SPOKESMAN,
THE COMPANY DECIDED NOT TO RENEW THE LICENSING
AGREEMENT IN 1979 BECAUSE THE FIRM HAD ESTABLISHED
ITS OWN TECHNOLOGY. HOWEVER GVR STRONGLY URGED EXTENSION
OF THE AGREEMENT AND BECAUSE OF JSW'S
APPRECIATION FOR PAST LICENSING, JSW ACCEPTED
THE REQUEST FOR EXTENSION, BUT THE ROYALTY WAS
SUBSTANTIALLY LOWERED. COMMENT: IT IS CERTAINLY MOST
UNUSUAL FOR A JAPANESE COMPANY TO EXTEND A
LICENSING AGREEMENT SIMPLY FOR REASONS OF GOOD
WILL AND APPRECIATION. END COMMENT.

5. (U) THE JSW SPOKESMAN SAID THAT THIS
SHIPMENT AND SHIPMENTS TO BE MADE LATER THIS
YEAR SHOULD NOT VIOLATE US SANCTIONS POLICY.
THE REASONS ARE AS FOLLOWS: 1) MITI'S EXPORT
LICENSE HAD BEEN ISSUED BEFORE THE US
DECISION TO EXPAND SANCTIONS IN JUNE; AND 2)
JSW RECEIVED NO INSTRUCTIONS FROM THE GOJ,
USG OR GVR WHICH WOULD HAVE PROHIBITED SHIPMENTS.
COMMENT: AS NOTED REFTEL, GOJ OFFICIALS HAVE
BEEN PROVIDED WITH FULL DOCUMENTATION ON US
POLICY, INCLUDING STEPS TAKEN AGAINST EUROPEAN

MESSAGE (CONTINUED):

FIRMS IN VIOLATION OF US POLICY. WE BELIEVE
THAT JSW WOULD NOT HAVE EXPORTED VALVES WITHOUT
FULL CONSULTATION WITH MITI. THE FACT THAT
MITI IS APPARENTLY OPERATING UNDER A POLICY
OF "TACIT APPROVAL" INDICATES EITHER THAT THE
GOJ IS NOW WILLING TO CHALLENGE US POLICY
OPENLY, OR THAT GOJ OFFICIALS IN FACT BELIEVE
THAT THIS SHIPMENT IS NOT SUBJECT TO SANCTIONS.

6. (U) A MITI OFFICIAL IS QUOTED IN PRESS AS
SAYING THAT MITI HAD APPROVED THE CONTRACT
WELL BEFORE THE JUNE SANCTIONS DECISION. HE
SAID THAT THE MINISTRY WAS NOT REPEAT NOT
TRYING TO DEFY THE REAGAN SANCTIONS, BUT THAT
THEY BELIEVED JSW'S ASSURANCES THAT THE VALVES
WERE MADE WITH THEIR OWN TECHNOLOGY. HOWEVER
HE WENT ON TO SAY THAT EVEN IF IT BECAME CLEAR
THAT VALVES WERE MADE BY US TECHNOLOGY, MITI
WOULD NOT CONSIDER THAT THE COMPANY HAD ACTED
WRONGLY SINCE THE GOJ HAD INFORMED WASHINGTON
THAT IT DID NOT ACCEPT REAGAN'S SANCTIONS POLICY.
ANOTHER OFFICIAL IS QUOTED AS CONFIRMING A GOJ
POSTURE OF "TACIT APPROVAL". MITI OFFICIALS

TOKYO 5447

DTG: 080837Z SEP 82 PSN: 022822

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NLS Foo-037/1 #343

BY LBJ NARA, DATE 7/24/06

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PAGE 01 OF 03 TOKYO 5248
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DTG: 030842Z SEP 82 PSN: 016863
TOR: 246/0908Z

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O 030842Z SEP 82
FM AMEMBASSY TOKYO

TO SECSTATE WASHDC IMMEDIATE 4612

~~SECRET~~ SECTION 01 OF 02 TOKYO 15248

EXDIS
E.O. 12356: DECL: OADR
TAGS: PEPR, LE, US, JA, XF
SUBJECT: LETTER FROM THE SECRETARY ON US MIDDLE EAST
INITIATIVE -- PRELIMINARY JAPANESE REACTION
REF: STATE 246392

1. ~~S~~ - ENTIRE TEXT

2. TEXT OF LETTER, PER REFTTEL, FROM THE SECRETARY
TO THE JAPANESE FOREIGN MINISTER WAS DELIVERED TO
MOFA MORNING OF SEPTEMBER 2. LETTER WAS ADDRESSED
TO ACTING MINISTER OF FOREIGN AFFAIRS KIICHI
MIYAZAWA, IN THE ABSENCE OF FOREIGN MINISTER SAKURAUCHI.
EMBASSY REQUESTED TH
LETTER BE DELIVERED TO THE
ACTING FOREIGN MINISTER AND OTHER APPROPRIATE SENIOR
OFFICIALS WITHOUT DELAY.

3. EMBOFFS MET WITH DIRECTOR SHIBUYA OF THE FIRST
MIDDLE EAST DIVISION LATER IN THE DAY TO ELICIT

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NLS FOO-037/1#344

SECRET

BY

LNT

DATE

7/24/06

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DTG: 030842Z SEP 82 PSN: 016863

PRELIMINARY MOFA REACTION TO US MIDDLE EAST INITIATIVE
AS EXPRESSED BOTH IN SECRETARY'S LETTER AND IN
PRESIDENT'S SPEECH.

4. SHIBUYA EXPRESSED APPRECIATION FOR THE SECRETARY'S
LETTER BUT SAID HE COULD ONLY OFFER VERY PRELIMINARY
JAPANESE REACTION.

5. FIRST, HE SAID, THE JAPANESE GOVERNMENT GREATLY
WELCOMED A US PEACE INITIATIVE AT THIS TIME, SET
IN THE CONTEXT OF THE ISRAELI INVASION OF LEBANON,
THE CONTINUED INTERRUPTION OF THE AUTONOMY TALKS,
AND THE ONGOING ISRAELI EFFORTS TO STRENGTHEN THEIR
PRESENCE IN THE WEST BANK AND GAZA. HE PARTICULARLY
EMPHASIZED THE UTILITY OF A NEW PEACE INITIATIVE
BEING OFFERED BEFORE THE ARAB SUMMIT, BEFORE THE PLO
REGROUPS AND EMBARKS ON POLITICAL OFFENSIVES, AND
BEFORE ISRAEL CAN TAKE ANY FURTHER STEPS ON THE
WEST BANK. HE SINGLED OUT AS PARTICULARLY POSITIVE
ELEMENTS IN THE JAPANESE VIEW THE CALL FOR A FREEZE
ON FURTHER ISRAELI SETTLEMENTS AND THE DETERMINATION
TO WORK ACTIVELY TOWARD A FINAL RESOLUTION OF THE
PALESTINIAN PROBLEM. ON THIS LATTER POINT HE NOTED
THAT JAPANESE OFFICIAL STATEMENTS HAD PURPOSELY LAID
STRESS ON THE PALESTINIAN ISSUE BECAUSE OF CONCERN
THAT THE US MIGHT BE GIVING IT LESS EMPHASIS IN THE
AFTERMATH OF THE LEBANESE CRISIS.

6. ON THE FEASIBILITY OF ATTAINING THE FINAL
SOLUTION RECOMMENDED BY THE US INITIATIVE, SHIBUYA
WAS NOT OPTIMISTIC. THE ARAB REACTION TO THE
EXCLUSION OF AN INDEPENDENT PALESTINIAN STATE,
HE SAID, WOULD BE VERY HARSH. SUPPORT FROM THE ARAB
SUMMIT WOULD BE A PREREQUISITE FOR JORDANIAN WILLING-
NESS TO ACCEPT SOVEREIGNTY OVER THE WEST BANK, BUT
HE THOUGHT IT UNLIKELY TO BE FORTHCOMING. INSTEAD,

~~SECRET~~

WHITE HOUSE SITUATION ROOM

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HE THOUGHT THE ARABS GENERALLY WOULD FOCUS ONLY ON THAT SINGLE ELEMENT OF THE INITIATIVE THAT WOULD DENY AN INDEPENDENT STATE TO THE PALESTINIANS.

EX
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7. SHIBUYA WAS MORE OPTIMISTIC THAT THE IDEA OF A FEDERATION CENTERING ON JORDAN WOULD EVENTUALLY WIN ISRAELI SUPPORT, BUT HE DID NOT THINK A FAVORABLE RESPONSE WOULD COME QUICKLY. THE EGYPTIAN REACTION, IN HIS VIEW, WOULD FOCUS STRICTLY ON THE RIGHT TO AN INDEPENDENT STATE FOR THE PALESTINIANS, AND WOULD THEREFORE BE NEGATIVE. HE SUGGESTED THAT REAL PROSPECTS FOR A SETTLEMENT WOULD BE MUCH BRIGHTER IF A COMPROMISE COULD BE REACHED TO BRIDGE THE DIFFERENCES BETWEEN THE FAHD PLAN AND THE NEW REAGAN PLAN ON THE QUESTION OF AN INDEPENDENT PALESTINIAN STATE. AS FOR THE GOJ POSITION, SHIBUYA SAID JAPAN WAS NOT OPPOSED TO A FEDERATION OF THE WEST BANK AND JORDAN IF ALL PARTIES AGREED, BUT BELIEVED AS A MATTER OF PRINCIPLE THAT THE OPTION OF AN INDEPENDENT PALESTINIAN STATE SHOULD REMAIN ENTIRELY OPEN. IT WOULD ALSO CONTINUE TO BE THE JAPANESE POSITION THAT THE PLO SHOULD BE INCLUDED IN THE TALKS, HE SAID, AS HE NOTED WITH INTEREST THE STATEMENT IN THE LETTER CALLING FOR INVOLVING JORDAN AND THE PALESTINIANS IN EXPANDED NEGOTIATIONS. SHIBUYA ALSO SAID HE WELCOMED THE SHIFT IN THE FORMAL US STANCE ON THE CAMP DAVID PROCESS FROM THAT OF NEUTRAL INTERMEDIARY TO ACTIVE ADVOCATE FOR A PARTICULAR OUTCOME. THIS, HE THOUGHT, COULD ONLY HELP IN MOVING NEGOTIATIONS FORWARD.

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8. THE FORMAL JAPANESE REACTION, HE SAID, WOULD PROBABLY BE SET ONLY AFTER STUDYING THE RESULTS OF
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WHITE HOUSE SITUATION ROOM

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SIT573

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EXDIS

THE ARAB SUMMIT AND THE REACTIONS IN EUROPE AND
THROUGHOUT THE ARAB WORLD. IT HAD NOT YET BEEN
DECIDED, HE SAID, WHETHER THE JAPANESE GOVERNMENT
WOULD MAKE A PUBLIC STATEMENT IN RESPONSE TO THE
PRESIDENT'S PROPOSAL.

9. SHIBUYA STRESSED GOJ INTEREST IN REMAINING IN
INTENSIFIED CONTACT WITH THE USG ON THE MIDDLE EAST
PEACE PROCESS IN THE WEEKS AHEAD.

10. COMMENT: THE JAPANESE WERE CLEARLY UNPREPARED
FOR THE APPEARANCE OF SO EXTENSIVE A US INITIATIVE
ON THE MIDDLE EAST PEACE PROCESS SO QUICKLY ON THE
HEELS OF THE SUCCESSFUL RESOLUTION OF THE CURRENT
LEBANESE CRISIS. IT WILL TAKE TIME FOR THE GOJ TO
FORMULATE A FORMAL RESPONSE, BUT THE FACT OF THE
INITIATIVE IS WELCOMED AT MOFA, HOWEVER THEY
ULTIMATELY COME OUT ON THE SPECIFICS OF THE PROPOSAL.
END COMMENT.
MANSFIELD

~~SECRET~~