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MEMORANDUM

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NATIONAL SECURITY COUNCIL

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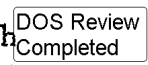
July 29, 1972

MEMORANDUM FOR: MR. KISSINGER  
FROM: JOHN H. HOLDRIDGE *JH/H* / *JRF*  
SUBJECT: Japan and PRC Appear to Reverse Roles  
in Pursuing Normalizing Relations

Vice Foreign Minister Hogen has given a description to Ambassador Ingersoll July 27 of Foreign Minister Ohira's meeting with PRC representatives on July 22 (see cable from Tokyo at Tab A). This meeting has provided the clearest indication yet that Peking is now taking a decidedly active interest in getting normalization talks with Japan underway at the earliest possible date. Hogen's explanation of Japan's strategy for the talks also clarifies Japan's intentions, particularly as regards its obligations under the Mutual Security Treaty, as well as on China policy generally.

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PRC Position on Normalization Talks

Hogen said that the PRC representatives, Deputy Secretary-General of the China-Japan Friendship Association SUN Ping-hua and Chief Representative of the Chinese Trade Office in Tokyo HSIAO Hsiang-ch  had made the following points to Ohira:

-- The PRC would welcome Prime Minister Tanaka and Foreign Minister Ohira's visiting Peking for normalization talks, and will insure that they are put in no embarrassing positions. (Ambassador Ushiba told Under Secretary of State Johnson on July 26 that Ohira had committed himself to respond to the PRC invitation by August 12, but told Sun that the Government first wanted to clear with the Liberal Democratic Party and check with Japan's allies. Ushiba's account of the Ohira-Sun-Hsiao meeting and of Japan's position squares with that of Hogen -- please see Tab B.)

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-- The PRC will not insist on the "three principles" as prerequisites to normalizing relations between the two countries, but sees them as basic elements that should "ultimately" be incorporated into the relationship.

-- Chou En-lai believes that discussions with Tanaka and Ohira can pave the way for the solution of difficult problems in the relationship. The PRC will not let formalities obstruct progress in the talks, does not believe that a Japanese apology for World War II is necessary, and welcomes Japan's broaching any "difficult situations or problems" for the PRC's consideration.

#### Japan's Strategy on Normalization

As regards Japan's strategy, Hogen, in the course of Ambassador Ingersoll's presentation of our response to Tokyo's earlier inquiry regarding our position on the basic problem, set out his government's approach:

-- Although the U. S. has been able to open a dialogue with the PRC without establishing diplomatic relations, Japan, lacking the power of the U. S. , will have to establish diplomatic relations in the early stages of normalizing relations. (Ambassador Ingersoll interjected that Japan should test the PRC on this point, rather than accept it as a foregone conclusion.)

-- Japan must pursue the twin objectives -- which are not incompatible -- of establishing a dialogue with Peking and of avoiding any change in its relationship with the U. S.

-- Specifically, the Japanese Government is determined to uphold and respect the U. S. -Japan Mutual Security Treaty relationship, and therefore will take no action which might weaken the U. S. position vis-a-vis the Republic of China.

-- Japan agrees that its problem in normalizing relations is not so much legal as political.

-- Japan will resist any PRC attempt to drive wedges between itself and the U. S.

Ushiba's account of Ohira's views was more explicit as regards the three principles:

-- Japan is willing to recognize the PRC as the only legitimate government of China.

-- Regarding the relationship of Taiwan to China, Japan will go no further than saying that it "understands and respects" Peking's view. Japan will never overtly and explicitly accept the PRC position.

-- Japan's Peace Treaty with the ROC will expire at the time of normalization, but Japan will not accept the PRC assertion that it has been null and void from the outset.

Ushiba said Ohira believes that if Peking accepts the Japanese position, Tanaka's visit would follow fairly rapidly, and that a declaration would result announcing the normalizing of relations and perhaps stating that Japan had withdrawn recognition from the ROC. Subsequent detailed negotiations would take up the problem of a peace treaty, the main objective having already been accomplished. If Peking could not accept Japan's position, Ohira will not recommend a Tanaka visit, negotiations will be protracted, and normalization delayed indefinitely.

With respect to post-normalization relations between Japan and Taiwan, Ushiba said Ohira wants to preserve the long-standing commercial and cultural relations, and to support continued stability on the Island. Direct Government loans to Taiwan would cease, but Exim Bank loans to Japanese firms trading with Taiwan and Japan will continue and Japan will support the ROC position in the IFI's.

Hogen and Ushiba's description of Japan's approach thus reinforces other recent indications that the Japanese Government has come to a better appreciation of its leverage vis-a-vis Peking, and that the Tanaka Government is proceeding with caution and reasonable deliberation although events are still moving quite rapidly. Tanaka is refusing to be stampeded into a hasty visit to Peking.

#### Reversal of Peking and Tokyo's Roles

Japan and the PRC have almost reversed their pre-Tanaka roles on the question of normalizing their relations. Peking now seems to be cast as the pursuer and Tokyo the pursued. The shift seems to have been considerably more on the Chinese than on the Japanese side -- the PRC's dropping the "three principles" as pre-conditions for commencing the talks, for instance, represents a major concession on Peking's part. Lacking much evidence as to the reasons why, we can at this point only suggest the following speculative explanation for the change:

-- The mistrusted Sato being out of the way, Peking now perceives Tanaka as a strong, popular leader with whom they are likely to have to deal with for some time. In addition, Peking is now probably better

aware of the limitations of its influence on Japan's China policy than it was last fall, when its strong pressure failed to tip the scales against Sato.

-- Peking may believe its advantage lies in getting to Tanaka early before he becomes too well steeped in the problem, while his China policy is in its formative stage, and before the liberal Miki's influence on him may decline

-- Peking probably wants to get normalization talks underway before the peace treaty negotiations with the Soviets, scheduled to begin in September, get too far along.

-- Mao, Chou, and other PRC leaders may be facing certain internal political problems that would make the early commencement of the talks, particularly useful to them.

-- Ushiba told Alex Johnson that Tokyo thought that a major reason for Peking's haste was its immediate need for Japan's technology and capital. The longer-range nature of this aspect of the problem would make this seem doubtful.

The movement in Japan's position, on the other hand, has since Tanaka took office been limited to Tanaka's expression of determination to move ahead expeditiously to get the talks underway. His tactics, however, have been marked by caution and calculation and, as Hogen made clear, Tanaka is keeping the balance of Japan's basic interests well in mind. On the substance of Japan's position, Tanaka has gone no further on the critical "three principles" than had Sato before him -- and now has no need to go further in order to begin the talks. At the same time, however, Tanaka has sweetened the pot somewhat by allowing Nakasone, as Minister of International Trade and Industry, to announce Japan's unilateral movement on an important specific -- the intention to extend long-term Exim Bank credits for the export of a vinylon plant to the PRC.

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