

# 琉球大学学術リポジトリ

米国管理下の南西諸島状況雑件 沖縄復帰準備委員会（代表代理会議）⑤（議事録第1回～140回）

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代理會議記錄正本 (第13140回)



CONFIDENTIAL IN NATURE  
Preparatory Commission  
THE PREPARATORY COMMISSION  
Naha, Okinawa

12 June 1970

OFFICIAL MINUTES

SUBJECT: First Meeting of PrepCom Alternates, 1020 hours, 17 April 1970

Participants:

Members: Mr. Schodt, U S Alternate Representative  
Mr. Senaga, Alternate Adviser  
Mr. Kaya, Acting GOJ Alternate Representative

Others: Mr. Murata, GOJ  
Mr. Sasaki, GOJ  
Mr. Walters, U S  
Mr. Billingsley, U S  
Mr. Harada, U S  
Mr. Kakinohana, GRI  
Mr. Zakimi, GRI  
Mr. Yafuso, GRI  
Miss Sata, Recorder

1. After opening the meeting, the U S Alternate raised for discussion the paper which concerns the organization and duties of the Joint Secretariat and the method of sharing the common expenses. He said the Alternates and the ad hoc administrative subcommittee had been working on those subjects on an ad hoc basis but that both papers were still under discussion and there was need to resolve some problems. In this respect, the U S Alternate asked the GRI Alternate about the GRI position on these two matters. The latter said that the GRI wished to provide a person for the Joint Secretariat and to pay whatever amount the GRI used for utilities. He further explained that contributions for expenses could not be contributed directly to the Joint Secretariat by the GRI. The Alternates agreed that the ad hoc administrative subcommittee work on these points and that, in the meantime, the Alternates would study in detail the fiscal year and the method of sharing the common expenses.

2. The U S Alternate raised for discussion the work program and suggestions for subcommittees. He asked the Acting GOJ Alternate about GOJ Diet action and the forthcoming ConCom meeting, both of which had some relation to these matters. The Acting GOJ Alternate replied that the ConCom meeting would be held in Tokyo on 21 or 22 April to decide on the Principles and Guidelines for the PrepCom. He further said that the PrepCom ad hoc subcommittee should

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proceed in the "brain exercise" stage for the time being. The U S Alternate pointed out that the Principals' meeting was three short weeks away.

3. The U S Alternate raised for discussion the renovation of the building which is occupied by the PrepCom. He suggested that the ad hoc administrative subcommittee look into the matter of additional conference rooms. The Alternates agreed to charge the subcommittee to come up with recommendations.

4. Lastly, the Alternates agreed to hold their next meeting on the following Thursday, 23 April.

APPROVED:

*H. Senaga*      *H. Kaya*      *Edwin W. Schodt*  
GRI Alternate      Acting GOJ Alternate      U S Alternate

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THE PREPARATORY COMMISSION  
Naha, Okinawa

12 June 1970

OFFICIAL MINUTES

SUBJECT: Second Meeting of PrepCom Alternates, 1000 hours, 23 April 1970

Participants:

Members: Mr. Schodt, U S Alternate Representative  
Mr. Senaga, Alternate Adviser  
Mr. Kaya, Acting GOJ Alternate Representative

Others: Mr. Sasaki, GOJ  
Mr. Walters, U S  
Mr. Billingsley, U S  
Mr. Kakinohana, GRI  
Mr. Zakimi, GRI  
Mr. Tamaki, GRI  
Mr. Kuniyoshi, GRI  
Miss Sata, Recorder

1. The U S Alternate said that the Principles and Guidelines for the Preparatory Commission had been agreed upon and that a public announcement had been made. He also commented that the statements in the Principles and Guidelines delineated more precisely what the PrepCom should do. The U S Alternate mentioned that some of the items in the Principles and Guidelines will be especially related to the work of the PrepCom subcommittees. In this connection, he said that an ad hoc group had been trying to develop ideas for the work of the PrepCom subcommittees but that the "brain exercise" had been rather limited and had not produced any concrete results. He expressed his hope that the Alternates now would be able to move forward in line with the Principles and Guidelines.

2. The GRI Alternate asked how specific the work program should be in order to recommend it at the Principals' meeting on 6 May. The U S Alternate said that the Alternates should be able to present a general work program at that time. He also pointed out the short time remaining by noting that the Principles and Guidelines had been issued fairly recently and that the GOJ and the GRI would observe three holidays in the remaining working days. He also announced that he would be leaving for Washington on 1 May and would return on 10 May. He suggested the Alternates might not be able to formulate a detailed work program between today and 6 May.

3. The Acting GOJ Alternate asked the U S Alternate as to whether the latter had received any indication during the latter's stay in Tokyo as to how to

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SUBJECT: Second Meeting of PrepCom Alternates, 1000 hours, 23 April 1970

12 June 1970

proceed with local preparations in connection with the work program and subcommittees. The U S Alternate said that, as far as the U S side was concerned, it was not necessary to await further indications from Tokyo, since the general aspects were formulated in the Principles and Guidelines. The Acting GOJ Alternate said that his Element was waiting to receive further detailed instructions from Tokyo on how to proceed with the work program and subcommittees. However, the latter said that the Alternates should formulate at least a shopping list of major items that the PrepCom should take up in the course of the next two years.

4. The Alternates agreed that the ad hoc work group should look into the matter of a work program and of PrepCom subcommittees and draw up an interim report to the Alternates including an outline of the work program and the ideas they had about subcommittees. In this respect, the GRI Alternate said that the Commission should have both standing subcommittees and ad hoc subcommittees. He said that the Alternates should list them in the report to the Commission. This was welcomed by the Alternates. The U S Alternate said that the Alternates would be able to list several subcommittees in line with the Principles and Guidelines and that they had to leave the door open for changes as required.


5. The U S Alternate raised for discussion the matter of the organization and duties of the Joint Secretariat. He referred to a sentence relating to personnel for the Joint Secretariat and said that the phrase "mutual agreement" should be underlined. He said that if some part-time English typist should be required the U S would be willing to make a secretary available. The phraseology in paragraph 4 of the "Organization and Duties of the Joint Secretariat" was discussed by the Alternates. The Alternates agreed that the ad hoc administrative subcommittee should look into the matter.

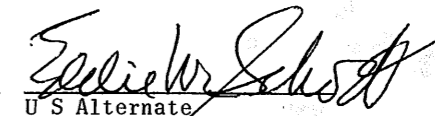
6. The U S Alternate raised for discussion the matter of common expenses. He said that the U S could provide funds for the renovation of an additional conference room. However, because of the tight budget situation in his Government, they could not bear additional costs of personnel who may be hired by mutual agreement of the PrepCom. In response to the U S Alternate's inquiry, the Acting GOJ Alternate said that the GOJ would provide funds for furnishing the conference room. The Alternates agreed that the ad hoc administrative subcommittee should look into these technical problems and make a recommendation.

7. Lastly, the Alternates agreed to hold their next meeting on Friday, 24 April After the AdCom meeting.

APPROVED:

  
GRI Alternate

  
Acting GOJ Alternate

  
U S Alternate

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SUBJECT: Second Meeting of PrepCom Alternates, 1000 hours, 23 April 1970

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THE PREPARATORY COMMISSION  
Naha, Okinawa

13 June 1970

OFFICIAL MINUTES

SUBJECT: Third Meeting of PrepCom Alternates, 1030 hours, 24 April 1970

Participants:

Members: Mr. Schodt, U S Alternate Representative  
Mr. Senaga, Alternate Adviser  
Mr. Kaya, Acting GOJ Alternate Representative

Others: Mr. Sasaki, GOJ  
Mr. Walters, U S  
Mr. Billingsley, U S  
Mr. Kakinohana, GRI  
Mr. Zakimi, GRI  
Mr. Yafuso, GRI  
Miss Sata, Recorder

1. After opening the meeting, the U S Alternate passed out a chart on possible parking places for PrepCom Representatives and Alternates and suggested an ad hoc meeting to discuss it. The Alternates agreed.
2. The U S Alternate raised for discussion the matter of a sign for the building. The Alternates agreed that the ad hoc administrative work group should get cost estimates and make a recommendation to the Alternates on the size and characteristics of the sign.
3. The U S Alternate said that the differences in opinion on the organization and duties of the Joint Secretariat had been reconciled and that substitute wording had been agreed to.
4. The U S Alternate said that the differences in opinion on the principles for dealing with common expenses had also been reconciled. He said the only remaining point is the budget itself.
5. The U S Alternate said that the ad hoc work group had made an interim report on the work program for the consideration of the Principals and on the PrepCom subcommittees. He further said that the subcommittee part of the paper was satisfactory but that more work was required on the work program part; he asked the other Alternates' comments on these matters. The Acting GOJ Alternate said that his Element needed further instructions from Tokyo

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SUBJECT: Third Meeting of PrepCom Alternates, 1030 hours, 24 April 1970

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in order to proceed beyond the paper. In response to the Acting GOJ Alternate's inquiry as to how specific the paper should be, the U S Alternate mentioned that the Alternates could only focus on "general statements" about how the work should be organized in the fields of the economy, preparation of schedules, and transfer of administrative rights, in line with the Principles and Guidelines. The GRI Alternate asked the Acting GOJ Alternate how detailed the instructions from Tokyo would be. The latter replied that his Government would advise later as to the type of paper to be presented at the 6 May meeting. The U S Alternate said the U S did not have to wait for any directions from U S Embassy, Tokyo, except regarding the local SOFA Subcommittee under PrepCom. The Alternates agreed that action should be deferred until the U S and the GRI had concrete ideas on the work program and the GOJ had received instructions from Tokyo. The Alternates also agreed that in the meantime the ad hoc work group should continue to look into the matter. The U S and GRI Alternates said that they had to discuss and coordinate the work program with their respective Governments before final agreement. The Alternates agreed that everything discussed in this meeting was tentative.

6. The U S Alternate raised for discussion the organization of the 6 May meeting, the time of the meeting, and press matters. He said that he did not anticipate a press conference this time and asked for the other Alternates' comments. Both GRI and Acting GOJ Alternates said that the press would be expecting a press conference. The Alternates agreed that the ad hoc administrative work group should come up with some suggestions.

7. The Acting GOJ Alternate raised the matter of press officers to be named by the respective Governments in order to handle the press. The U S Alternate said that the U S had ideas on how to handle the press, but that tentatively they did not want to increase their staff for this purpose. The latter said, however, that he would be in a better position to discuss this subject at the next meeting.

8. The U S Alternate informed the other Alternates that Mr. Walters would act for him during his trip to Washington.

9. The Alternates agreed to hold their next meeting on Tuesday, 28 April.

APPROVED:

  
GRI Alternate

  
Acting GOJ Alternate

  
U S Alternate

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THE PREPARATORY COMMISSION  
Naha, Okinawa

15 June 1970

OFFICIAL MINUTES

SUBJECT: Fourth Meeting of PrepCom Alternates, 1030 hours, 28 April 1970

Participants:

Members: Mr. Schodt, U S Alternate Representative  
Mr. Senaga, Alternate Adviser  
Mr. Kaya, Acting GOJ Alternate Representative

Others: Mr. Sasaki, GOJ  
Mr. Walters, U S  
Mr. Billingsley, U S  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. After opening the meeting, the U S Alternate raised for discussion the possibility of deferring the next PrepCom meeting. The Acting GOJ Alternate said that the GOJ preferred to have the meeting held as scheduled. The GRI Alternate said the GRI had no objection to postponing the meeting if the USG and GOJ agreed. However, the Alternates agreed to plan to hold the meeting on 6 May as scheduled.
2. The U S Alternate asked whether the Principals or Alternates should meet the press after the PrepCom meeting. The GRI Alternate said that Chief Executive Yara would have to meet the press in any event. The Acting GOJ Alternate said that Ambassador Takase could make himself available to the press. The subject was left for further consideration by the Alternates.
3. The U S Alternate said that the report of the Alternates to the Principals should be agreed upon as soon as possible. The Acting GOJ Alternate said that he would cable a draft to Tokyo and ask for prompt approval. The U S Alternate said that he could send a copy to the High Commissioner if the Alternates agreed on this report today. The Acting GOJ Alternate asked the U S Alternate if it would be possible to change the wording after the latter left for the United States. The U S Alternate responded affirmatively but expressed his hope that there would be no major changes.
4. The Acting GOJ Alternate proposed the inclusion of three items in the Alternates' report to the Principals: the supplying of reversion information, the coordination of information-gathering activities, and the provision of

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means by which non-Ryukyuan residents could consult the GOJ. The U S Alternate said that he did not see any particular problems, but he suggested that the ad hoc work group take this up after today's meeting. The GRI Alternate said that the first two items were no problem but that the third item might be. He suggested that the GOJ name the GOJ officials who would meet non-Ryukyuan residents.

5. The U S Alternate said that the ad hoc work group suggested 1500 hours for the time of the meeting of the Principals. The Alternates agreed to recommend this time to the Principals, and also the holding of a press conference at 1545 hours, if one were to be held. They also agreed that the ad hoc press work group should get together to work out the details.
6. The U S Alternate said that the total amount of common expenses was the only budget item to be reconciled and suggested that the ad hoc administrative work group settle this by 6 May.
7. The U S Alternate said that the contact point on his side for press matters would be Mr. Billingsley. Messrs. Sasaki and Zakimi were appointed by their respective Alternates for this purpose.
8. The Acting GOJ Alternate raised the matter of appointing a press officer from each government with the understanding that they may in turn speak with one voice in case of need. The U S Alternate said that the idea of rotating press officers was not favored by the USG. The Acting GOJ Alternate stated that rotation was not exactly what he had in mind. The U S Alternate then suggested that each PrepCom Element name one individual who would be the contact point on press matters, and that the Joint Secretariat be given this list to which to refer all press inquiries of other than a routine nature, such as the date of the next PrepCom meeting. He also suggested that concrete action be deferred to the next meeting. This was agreed to by the Alternates.
9. The Alternates agreed to hold their next meeting on 1 May.

APPROVED:

H. Senaga      H. Kaya      Edwards Schodt  
GRI Alternate      Acting GOJ Alternate      U S Alternate

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THE PREPARATORY COMMISSION  
Naha, Okinawa

15 June 1970

OFFICIAL MINUTES

SUBJECT: Fifth Meeting of the PrepCom Alternates, 1030 hours, 1 May 1970

Participants:

Members: Mr. Schodt, U S Alternate Representative  
Mr. Senaga, Alternate Adviser  
Mr. Kaya, Acting GOJ Alternate Representative

Others: Mr. Sasaki, GOJ  
Mr. Walters, U S  
Mr. Billingsley, U S  
Mr. Kakinohana, GRI  
Mr. Zakimi, GRI  
Mr. Kuniyoshi, GRI  
Mr. Yafuso, GRI  
Miss Sata, Recorder

1. The U S Alternate raised for discussion the report from the Alternates to the Principals for the 6 May meeting of the PrepCom. The Alternates discussed the phraseology of the report, and also discussed whether the common budget should be reflected in the report since the matter of additional expenses remained to be reconciled. The Alternates agreed to separate the common budget item from the principles regarding common expenses and not to refer to the former in the report. The Alternates agreed tentatively on the full report, subject to coordination with the respective Governments and possible changes later that would have to be discussed.

2. There was agreement that the press release would be coordinated by the ad hoc press work group. The Alternates tentatively agreed to proceed with a draft press release. The U S Alternate said that he would notify COL Gregg, Information Coordinator to the High Commissioner, and that Mr. Billingsley would be the contact point on the U S side with the respective elements of the PrepCom. The Alternates agreed that the press statement would be approved at the next meeting.

3. The Acting GOJ Alternate asked the U S and GRI Alternates as to whom would be named as press officers for the respective elements. The U S Alternate said that COL Gregg would meet with the GOJ and GRI in the press work group prior to formal PrepCom meetings, and that Mr. Walters would handle questions that arise between meetings. The Acting GOJ Alternate preferred to have each

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SUBJECT: Fifth Meeting of the PrepCom Alternates, 1030 hours, 1 May 1970

government name one official to hand out copies of the press statement at formal Commission meetings and to receive inquiries from the press between meetings. The U S Alternate said, however, that the Information Coordinator had to work with the press work group on whatever related to the High Commissioner.

4. The U S Alternate raised for discussion the matter of logistical arrangements for the 6 May meeting. The Alternates agreed that the ad hoc administrative work group should handle the logistics and the matter of attendance.

5. The Acting GOJ Alternate said there were requests from the press to permit picture-taking at the 6 May meeting. It was tentatively agreed by the Alternates to permit cameramen to take pictures before the meeting.

6. In response to the U S Alternate's inquiry, the GRI and Acting GOJ Alternates replied that their principals would hold individual press conferences after the meeting in view of the agreement that the Commission would not meet the press.

APPROVED:

  
GRI Alternate      Acting GOJ Alternate      U S Alternate

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THE PREPARATORY COMMISSION  
Naha, Okinawa

15 June 1970

OFFICIAL MINUTES

SUBJECT: Sixth Meeting of PrepCom Alternates, 1100 hours, 12 May 1970

Participants:

Members: Mr. Schodt, U S Alternate Representative  
Mr. Senaga, Alternate Adviser  
Mr. Kaya, Acting GOJ Alternate Representative

Others: Mr. Sasaki, GOJ  
Mr. Walters, U S  
Mr. Billingsley, U S  
Mr. Kakinohana, GRI  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The U S Alternate gave a brief account of his trip to Washington and Honolulu.

2. The U S Alternate expressed his appreciation to the Acting GOJ Alternate for making available a list of the names of the new GOJ staff members. He also asked the Acting GOJ Alternate whether Minister Kishi would attend some of the Alternate meetings since he was listed as an Adviser. The Acting GOJ Alternate said that Minister Kishi would attend some of the meetings. The U S Alternate also asked about the location of the Office for the new GOJ staff members. The Acting GOJ Alternate said that they would have desks in OBONTA and also in PrepCom. The latter further explained that their main responsibilities were with OBONTA; however, they would work closely with the GOJ Element of the PrepCom and the latter would have regular meetings with OBONTA every week.

3. The Acting GOJ Alternate informed the U S and GRI Alternates that the new staff members would be arriving at Naha on 14 May and that he would like to introduce them to the Alternates and to their staff members at the next meeting thereafter. In response to the U S Alternate's inquiry, the Acting GOJ Alternate said he would forward the name list to USCAR also.

4. The U S Alternate raised for discussion the things the Alternates had to do before the next Principals' meeting and pointed out two broad problems that should be dealt with: one concerned administrative organization and the other the request from the Principals to devise procedures for supplying necessary information to the GOJ; for coordinating information-gathering

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SUBJECT: Sixth Meeting of PrepCom Alternates, 1100 hours, 12 May 1970

activities by GOJ officials and for arranging access by third country nationals to the GOJ. The Acting GOJ Alternate said that they had already received an inquiry from the Filipino Society. He added that Mr. Sasaki had been appointed as the contact point for third country nationals and that Mr. Okano would be in charge of the information-gathering and official visiting activities. In this respect, he asked the USG and GRI Alternates whom the GOJ Element officials should contact. The U S Alternate said that, regarding information-gathering and supplying activities, the GOJ could notify the U S Element on the PrepCom and then contact USCAR Liaison Department directly as the agent for the U S Element in these matters. He said the inquiry from the GOJ Element should come to someone who would be named on his staff and also directly to USCAR, but added that he would look into the matter further. Regarding third country nationals, the U S Alternate said he would be directly available to Americans with reversion problems and planned to handle them on an ad hoc basis. The GRI Alternate said that the GOJ Element official could contact the GRI Executive Branch and also notify the GRI Element.

5. The Acting GOJ Alternate conveyed his Government's opinion that a subcommittee should be involved in the organizational arrangements for third country nationals as well as for information gathering and official visiting activities. He asked the other Alternates whether such matters should be handled on a tripartite basis. The U S Alternate said that more practical experience was needed on procedures for dealing with third country nationals. He further said that the USG would have a need for any information that would effect U S interests. The GRI Alternate said that technically these items should be under the General Affairs Subcommittee but with the understanding that there would usually be no meetings to handle said items. The U S Alternate said the General Affairs Subcommittee could be charged with a supervisory role only, as a "residual function," but would not be involved in daily operations.

6. Regarding the supplying of information, the Acting GOJ Alternate said that this was not intelligence information. The U S Alternate agreed and said the PrepCom was only concerned with information regarding reversion in general.

7. The Acting GOJ Alternate asked the other Alternates to expedite action on procedures for information-gathering activities and other subcommittee matters. The U S Alternate said that procedures for subcommittee work programs should be refined and delineated by either: (1) drawing up lists of items and saying which subcommittee should handle each one, or (2) directing the subcommittees to meet and prepare their own work programs. The GRI Alternate suggested that identification of problems first be made by the subcommittees and asked whether the lists would require classification by time phasing. The U S Alternate replied affirmatively and said that the subcommittees should take up the substance of the items and also their timing. In this connection, the Acting GOJ Alternate said that his Element had an embryonic list and could give it to the subcommittees, but that the Alternates should make the final decisions on subcommittee recommendations. The U S Alternate suggested that the Alternates

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discuss this matter further on Friday. This was agreed to by the Alternates.

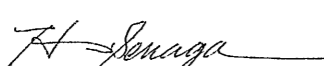
8. The GRI Alternate raised the question of what the Commission would do at the next Principals' meeting. The U S Alternate said that the Alternates would not be able to enter the problem solving phase by the next meeting but that they should have isolated some of the problems that would require attention before reversion. The Acting GOJ Alternate said a progress report from each subcommittee would be fitting for the Principals' meeting rather than an interim report. The Alternates agreed to discuss this matter on Friday.


9. The Acting GOJ Alternate said Mr. Mabuchi (MITI) and Mr. Yamaguchi (Ministry of Finance) were already designated to embark upon discussions with the USG and GRI Elements at the subcommittee level. He said also that some people from OBONTA would be available if assistance was necessary. He said the GOJ Element would assign OBONTA members to one or more subcommittees. The U S Alternate said that the U S was now coordinating subcommittee matters on its side and suggested that the Alternates discuss this matter on Friday.

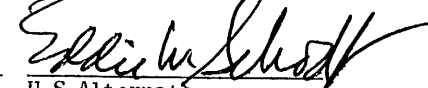
10. The Acting GOJ Alternate said that he had been appointed to be the press officer for the GOJ Element and that Mr. Okano would assist him. In response to the Acting GOJ Alternate's inquiry, the U S Alternate said Mr. Walters would be the press contact point for press questions between meetings and that COL Gregg, Information Coordinator to the High Commissioner, and Public Affairs Department, USCAR would be involved in the press preparations for the meetings themselves. The GRI Alternate said that Mr. Zakimi would be the press officer on his side.

11. The Alternates agreed to hold their next meeting on Friday, 15 May.

APPROVED:

  
GRI Alternate

  
Acting GOJ Alternate

  
U S Alternate

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THE PREPARATORY COMMISSION  
Naha, Okinawa

15 June 1970

OFFICIAL MINUTES

SUBJECT: Seventh Meeting of PrepCom Alternates, 1000 hours, 15 May 1970

Participants:

Members: Mr. Schodt, U S Alternate Representative  
Mr. Senaga, Alternate Adviser  
Mr. Kaya, Acting GOJ Alternate Representative

Others: Mr. Sasaki, GOJ  
Mr. Walters, U S  
Mr. Billingsley, U S  
Mr. Zakimi, GRI  
Mr. Kuniyoshi, GRI  
Mr. Yafuso, GRI  
Miss Sata, Recorder

1. The U S Alternate said that he could not comment in this meeting on subcommittee composition but that he would be prepared to do so by Tuesday, the 19th.

2. The U S Alternate referred to a press report to the effect that the GOJ Diet failed to pass the bill to permit the seconding of GOJ officials to the GRI, which is related to AdCom Recommendation No. 7. In response, the Acting GOJ Alternate said the Prime Minister's Office was working on an alternate method to second GOJ officials to Okinawa on a de facto basis. The latter further said that this matter would also come up again in the next Diet session in August or September.

3. The U S Alternate referred to another press article to the effect that the Council of Officials from Various Ministries Concerned with Counter-measures for Okinawa had held a meeting on 13 May and that its work was expected to begin next month, including consideration of the basic policy for Okinawa reversion which had been decided on 31 March. The Acting GOJ Alternate said the Council would deal with the domestic aspects of reversion and that the PrepCom GOJ Element would work closely with it.

4. The U S Alternate referred to the statement which he made in the last meeting as to how to begin organizing the subcommittees and said that the U S would probably have both permanent members and ad hoc members, according to the nature of the work. He said that tentatively the permanent member of

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SUBJECT: Seventh Meeting of PrepCom Alternates, 1000 hours, 15 May 1970

the General Affairs Subcommittee would be Mr. Billingsley, the Administrative Transfer Subcommittee member would be Mr. Walters - USCAR officials would be added as required - and that the SOFA Subcommittee permanent member would be COL Meads, who is the Director of the Reversion Coordination Group. The U S Alternate said that the U S member of the Economic and Industrial Subcommittee would be announced later. He said that by Tuesday, 19 May, he would be able to give the names for all of the permanent U S subcommittee members.

5. The Acting GOJ Alternate said that the following subcommittee members had been approved by the GOJ and that the GOJ would be ready to move ahead:

General Affairs Subcommittee	Mr. Kaya, Senior Member Mr. Sasaki
Economic and Industrial Subcommittee	Mr. Mabuchi, Senior Member Mr. Yamaguchi
Administrative Transfer Subcommittee	Mr. Kaya, Senior Member Mr. Sasaki Mr. Nakayama
SOFA Subcommittee	Mr. Kaya, Senior Member Mr. Numakoshi Mr. Suzuki Mr. Sasaki

The Acting GOJ Alternate said the three new members of the GOJ Element would be arriving at Naha this afternoon and that the Minister would come before too long. It was agreed that the Acting GOJ Alternate would introduce the new members to the other Alternates and to their staff members at the next Alternates' meeting on Tuesday, the 19th.

6. The GRI Alternate said that the tentative GRI setup would be as follows:

General Affairs Subcommittee	Mr. Zakimi, Regular Member
Economic and Industrial Subcommittee	Mr. Zakimi, " "
Administrative Transfer Subcommittee	Mr. Kakinohana, " "
SOFA Subcommittee	Mr. Tamaki, " "

He said that these regular members would be assisted by other officials as required by the nature of the work of the subcommittees.

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PREPCOM 15 June 1970  
SUBJECT: Seventh Meeting of PrepCom Alternates, 1000 hours, 15 May 1970

7. The Acting GOJ Alternate asked about the recording of the subcommittee meetings. The U S Alternate said that the Joint Secretariat would be responsible for keeping records only for the Principals' meetings and Alternates' meetings and that, according to mutual agreement, each element of the respective subcommittees would be responsible for any records made of subcommittee meetings.

8. The U S Alternate said that the Alternates had to work on a plan for the next Principals' meeting since there were only 11 more working days. The GRI Alternate asked how many items the Alternates could list by 3 June. The U S Alternate said that it would be difficult to say how many but that the Alternates should list some. He also suggested that the items listed should not be released to the press because otherwise the press might inquire as to what the Commission had done with each item. The GRI Alternate reiterated the need for the respective subcommittees to list a certain number of items for review by the Alternates so that progress could be demonstrated. The U S Alternate said it might be difficult for some subcommittees to list a certain number of items.

9. The Acting GOJ Alternate raised a question about the relation between the subcommittees and Alternates. The U S Alternate said that each Alternate would receive reports through his own permanent members and at the same time the Alternates could ask for reports from subcommittees to meet certain deadlines which could be scheduled flexibly according to the difficulty of the particular item.

APPROVED:

*H. Senaga*      *H. Kaya*      *Edwards Scholz*  
GRI Alternate      Acting GOJ Alternate      U S Alternate

DISTRIBUTION:  
USG  
GOJ  
GRI  
File

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THE PREPARATORY COMMISSION  
Naha, Okinawa

17 June 1970

OFFICIAL MINUTES

SUBJECT: Eighth Meeting of PrepCom Alternates, 1000 hours, 19 May 1970

Participants:

Members: Mr. Schodt, U S Alternate Representative  
Mr. Senaga, Alternate Adviser  
Mr. Kaya, Acting GOJ Alternate Representative

Others: Mr. Nakayama, GOJ  
Mr. Numakoshi, GOJ  
Mr. Sasaki, GOJ  
Mr. Yamaguchi, GOJ  
Mr. Suzuki, GOJ  
Mr. Okano, GOJ  
Mr. Burke, U S  
COL Meads, U S  
Mr. Walters, U S  
Mr. Billingsley, U S  
Mr. Kakinohana, GRI  
Mr. Zakimi, GRI  
Mr. Tamaki, GRI  
Mr. Kuniyoshi, GRI  
Mr. Yafuso, GRI  
Miss Sata, Recorder

1. The Acting GOJ Alternate introduced to the U S and GRI Alternates the following new GOJ staff members:

Mr. J. Nakayama	First Secretary, Police Agency
Mr. T. Numakoshi	First Secretary, Ministry of Transportation
Mr. K. Yamaguchi	First Secretary, Ministry of Finance
Mr. A. Suzuki	First Secretary, Defence Agency
Mr. Y. Okano	Third Secretary, Ministry of Foreign Affairs

The GRI Alternate and U S Alternate introduced their respective staff members to the new GOJ staff members.

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PREPCOM  
SUBJECT: Eighth Meeting of PrepCom Alternates, 1000 hours, 19 May 1970

17 June 1970

2. The U S Alternate said that the U S could not prepare a complete list of subcommittee members because at different times different people would participate in subcommittee meetings, depending on the nature of work. The U S Alternate said, however, that Mr. Burke, who had been a member of the U S Element of AdCom and subsequently assigned to be Re-employment Coordinator for the High Commissioner, would be serving as the regular U S member on the Economic and Industrial Subcommittee. The U S Alternate added that Mr. Burke would retain the title of Re-employment Coordinator for the time being because of circumstances but that he would from now on become increasingly involved in PrepCom work. The U S Alternate reiterated that Mr. Billingsley would be the regular U S member of the General Affairs Subcommittee and that Mr. Walters would be the regular U S member of the Administrative Transfer Subcommittee and would assist on the SOFA Subcommittee for the time being. The U S Alternate said that COL Meads, who is the Director of the Reversion Coordination Group, would be serving as the regular U S member of the SOFA Subcommittee and that he would include Mr. Featherstone of the RCG for the time being.

3. The U S Alternate suggested that, since the regular subcommittee members now had been designated by the respective PrepCom Elements, each subcommittee should get together, discuss the procedures for subcommittee operations, and submit a report to the Alternates by Tuesday, to include an agreed list of items for later discussion, whenever possible. This was agreed to by the Alternates.

4. The U S Alternate suggested that subcommittee members notify the other members prior to each meeting the names of those planning to attend. Each subcommittee must also notify the Joint Secretariat whenever it wants to reserve the conference room. This was agreed to by the Alternates.

5. The GRI Alternate said that Mr. Zakimi would be the chief member of the General Affairs Subcommittee and of the Industrial and Economic Subcommittee, Mr. Kakinohana, chief member of the Administrative Transfer Subcommittee, and Mr. Tamaki, chief member of the SOFA Subcommittee. He said the above members would be assisted by various GRI division and section chiefs as required.

6. The U S Alternate explored with the other Alternates the possible desirability of not announcing publicly the names of the subcommittee members lest they become targets for press inquiries. The GRI Alternate said it would be rather difficult to keep the names away from the press and that Chief Executive Yara might be questioned on this subject by the press in any event. The Acting GOJ Alternate said that the press people were expressing a great amount of interest to the GOJ in the subcommittee members and that he agreed with the view of the GRI Alternate. In this respect, the GRI Alternate said that he would not anticipate leakage of information to the press from the regular members, but that the irregular members might have to be trained beforehand on how to treat official PrepCom information. The U S Alternate suggested

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17 June 1970

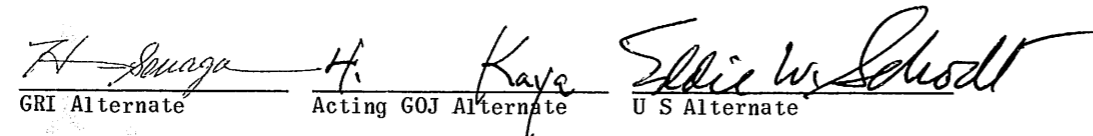
PREPCOM  
SUBJECT: Eighth Meeting of PrepCom Alternates, 1000 hours, 19 May 1970

the deferral of action on this matter until the report to the Principals is discussed. This was agreed to by the Alternates.

7. The Alternates agreed to hold their next meeting on 22 May.

8. The U S Alternate expressed his appreciation to the GRI and Acting GOJ Alternates for the great convenience extended to the U S side by agreeing to hold the meetings in English. He invited them to feel free at any time during meetings to take the time to translate into Japanese for the benefit of the members of their staffs not conversant in English.

APPROVED:

  
GRI Alternate      Acting GOJ Alternate      U S Alternate

DISTRIBUTION:  
USG  
GOJ  
GRI  
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THE PREPARATORY COMMISSION  
Naha, Okinawa

18 June 1970

OFFICIAL MINUTES

SUBJECT: Ninth Meeting of PrepCom Alternates, 1000 hours, 22 May 1970

Participants:

Members: Mr. Schott, U S Alternate Representative  
Mr. Senaga, Alternate Adviser  
Mr. Kaya, Acting GOJ Alternate Representative

Others: Mr. Sasaki, GOJ  
Mr. Okano, GOJ  
Mr. Burke, U S  
Mr. Walters, U S  
Mr. Billingsley, U S  
Mr. Tamaki, GRI  
Mr. Zakimi, GRI  
Mr. Kuniyoshi, GRI  
Mr. Yafuso, GRI  
Miss Sata, Recorder

1. The Acting GOJ Alternate furnished information to the USG and GRI Alternates on the press statement which Minister Yamanaka made on 21 May after his meeting with High Commissioner Lampert. The Acting GOJ Alternate said it might be of interest to the other Alternates. The U S and GRI Alternates expressed their appreciation.

2. The U S Alternate raised three points for consideration: the report to the Principals at their next meeting, the press release, and a possible press conference. He suggested that they discuss these matters at their next meeting. This was agreed to by the Alternates.

3. The Acting GOJ Alternate, as a member of the General Affairs Subcommittee, reported to the Alternates that the three members came to a tentative agreement at their meeting on the procedures for information-gathering activities, namely, that Mr. Okano of GOJ Element would draw up a schedule of GOJ missions in terms of duration, purpose, and nature and would inform Mr. Kakinohana of the GRI and Mr. Billingsley of the USG. The U S Alternate said that he had been kept informed by his staff and had been pursuing this with U S channels to assure advance agreement on that side. He said, however, that he foresaw no problem and that he should be in position to affirm his Government's concurrence by Tuesday.

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PREPCOM 18 June 1970  
SUBJECT: Ninth Meeting of PrepCom Alternates, 1000 hours, 22 May 1970

4. The U S Alternate said that the General Affairs Subcommittee had held a meeting and that the Economic and Industrial Subcommittee would meet this afternoon. He also said the Administrative Transfer Subcommittee was scheduled to meet on 23 May with the members being Mr. Walters and one USCAR official for the USG, Messrs. Kaya and Nakayama for the GOJ, and Messrs. Kakinohana, Miura, and Higa for the GRI. In response to the Acting GOJ Alternate, the U S Alternate said that the SOFA Subcommittee members could contact Mr. Walters whenever they wished to meet so that he could make arrangements with COL Meads, the regular member of that subcommittee.

5. The Alternates agreed to meet next at 1000 hours, Tuesday, 26 May.

APPROVED:

A. Senaga      H. Kaya      Edwin Schodt  
GRI Alternate      Acting GOJ Alternate      U S Alternate

DISTRIBUTION:  
USG  
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THE PREPARATORY COMMISSION  
Naha, Okinawa

18 June 1970

OFFICIAL MINUTES

SUBJECT: ~~Tenth Meeting~~ of PrepCom Alternates, 1000 hours, 26 May 1970

Participants:

Members: Mr. Schodt, U S Alternate Representative  
Mr. Senaga, Alternate Adviser  
Mr. Kaya, Acting GOJ Alternate Representative

Others: Mr. Mabuchi, GOJ  
Mr. Nakayama, GOJ  
Mr. Numakoshi, GOJ  
Mr. Sasaki, GOJ  
Mr. Yamaguchi, GOJ  
Mr. Suzuki, GOJ  
Mr. Okano, GOJ  
Mr. Burke, U S  
COL Meads, U S  
Mr. Walters, U S  
Mr. Billingsley, U S  
Mr. Kakinohana, GRI  
Mr. Zakimi, GRI  
Mr. Tamaki, GRI  
Mr. Yafuso, GRI  
Miss Sata, Recorder

1. After opening the meeting, the U S Alternate suggested a review of subcommittee activities. He said that the General Affairs Subcommittee had taken up the coordination of information gathering and handling of official visits. The Alternates confirmed what previously had been discussed, that is, Mr. Okano of the GOJ will notify Mr. Billingsley of the U S and Mr. Kakinohana of the GRI in writing about official requests for information and visits. After these notifications, Mr. Okano will deal directly with USCAR Liaison Department and the GRI. The U S Alternate said that the SOFA Subcommittee had held an exploratory meeting and would meet again on 28 May. The U S Alternate also mentioned that the Administrative Transfer Subcommittee had submitted lists of items to the Alternates for their consideration.

2. The U S Alternate asked whether the Commission should proceed with the 3 June meeting, in view of the short time remaining and the paucity of concrete results, or postpone it? The Acting GOJ Alternate said that he saw

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PREPCOM 18 June 1970  
SUBJECT: Tenth Meeting of PrepCom Alternates, 1000 hours, 26 May 1970

no reason to postpone it at this point and added that he might be able to get a green light on a couple of items from Tokyo for the Administrative Transfer Subcommittee by 3 June. Since there was much speculation in the press as to what the subcommittees were doing, the Acting GOJ Alternate said that if there was no meeting, a press briefing should be given to the press. The GRI Alternate said that holding the meeting should depend on whether agreement could be reached on substantial matters. He added that a decision to postpone the meeting should be made several days before 3 June, and in this event a public announcement should be made. After some discussion, the Alternates agreed to proceed with the 3 June meeting.

3. The U S Alternate then raised for discussion the following points on which action would be required: (1) a report from the Alternates to the Principals, (2) a press release, and (3) the question of a press conference. The Alternates agreed to charge the General Affairs Subcommittee with preparing by 28 May the first draft of a press release. The U S Alternate said that the HICOM Information Coordinator and a PAD official would meet with their counterparts and that Mr. Billingsley would be the U S point of contact. He also stated that Mr. Burke would help with drafting the press release. The U S Alternate then asked whether additional subcommittee meetings should be held before drawing up a draft report from the Alternates to the Principals. The GRI Alternate suggested that the report be prepared without additional meetings, and the other Alternates agreed. In this connection, the U S Alternate said that Mr. Walters would draft the report and suggested that the General Affairs Subcommittee complete it by the 28th. The Alternates agreed. The U S Alternate also suggested that the press release should only give illustrations of the items but not refer to the origin of specific items. This was agreed to by the Alternates. In response to the U S Alternate's inquiry, the GRI Alternate expressed his preferences for a press conference in the following order: (1) a Principals' press conference, (2) Alternates' press conference, (3) press briefings on an individual basis. The Acting GOJ Alternate said that he would go along with this. The U S Alternate said that he would explore this point further on the U S side and suggested deferring action until each Alternate could discuss it with his Principal. The Alternates agreed. The U S Alternate said that, because of the lack of time, the writers of the report and of the press release should use their best judgment, based on subcommittee reports, to prepare drafts for the Alternates to review.

4. The GRI Alternate said that the report from the Economic and Industrial Subcommittee was a good basis for future work but that further discussion should be held on the Administrative Transfer Subcommittee report. The Acting GOJ Alternate said that they might not get a green light on the economic items by 3 June. The U S Alternate said that the economic items were very broad and needed to be broken down. In response to the request of the subcommittee, the Alternates agreed to hold an ad hoc meeting this afternoon to discuss the guidance to be given to the Economic and Industrial Subcommittee.

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SUBJECT: Tenth Meeting of PrepCom Alternates, 1000 hours, 26 May 1970

5. Regarding a definition of the work of the General Affairs Subcommittee, the GRI Alternate said that one interpretation would be that they handle only internal "operational matters," but another would be that they handle everything not handled by other subcommittees in addition to the first interpretation. The U S and Acting GOJ Alternates said that they would go along with the second interpretation.

6. The GRI Alternate asked which subcommittee should handle the problem of traffic on the left or right. He said a decision should be made on which side and announced to the public as soon as possible so that the populace could make decisions about purchasing automobiles, planning the construction of roads, and so on. The Alternates did not charge any particular subcommittee with handling this matter.

7. The U S Alternate said there was some opinion in favor of written rules of procedure for subcommittee operations. He suggested, however, that internal procedures for the subcommittees be discussed after the 3 June meeting. The Alternates agreed to this.

8. The GRI Alternate asked the other Alternates to obtain the reactions of their governments by Thursday, if possible, to the SOFA items he had submitted.

APPROVED:

*H. Sawaga*      *H. Kaya*      *Edie W. Schott*  
GRI Alternate      Acting GOJ Alternate      U S Alternate

DISTRIBUTION:  
USG  
GOJ  
GRI  
File

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THE PREPARATORY COMMISSION  
Naha, Okinawa

23 June 1970

OFFICIAL MINUTES

SUBJECT: Eleventh Meeting of PrepCom Alternates, 1000 hours,  
29 May 1970

Participants:

Members: Mr. Schodt, U S Alternate Representative  
Mr. Senaga, Alternate Adviser  
Mr. Kaya, Acting GOJ Alternate Representative

Others: Mr. Mabuchi, GOJ  
Mr. Nakayama, GOJ  
Mr. Numakoshi, GOJ  
Mr. Sasaki, GOJ  
Mr. Yamaguchi, GOJ  
Mr. Suzuki, GOJ  
Mr. Okano, GOJ  
Mr. Burke, U S  
Mr. Walters, U S  
Mr. Billingsley, U S  
Mr. Zakimi, GRI  
Mr. Tamaki, GRI  
Mr. Yafuso, GRI  
Miss Sata, Recorder

1. The U S Alternate asked if it would be acceptable to open the 3 June meeting of the Principals at 1500 hours; the response was affirmative.
2. The U S Alternate raised for discussion the press conference to be held after the 3 June meeting, and said that the U S Representative did not wish to hold a Principals' press conference because of the paucity of information in the report from the Alternates that could be used as a basis for discussion with the press. The GRI Alternate said his Principal wanted to hold a Principals' press conference. However, he suggested that, if this was not feasible, the Alternates could meet the press. The other two members accepted this suggestion. In this connection, the U S Alternate asked the GRI Alternate whether the Chief Executive still would want to meet the press. The GRI Alternate said that his Principal would have to do so if he received strong requests from the press. He expressed the hope that the press people would not put pressure on Mr. Yara for a press conference.
3. Following the distribution of copies of the draft report to the Principals and of the draft press release, the U S Alternate explained that these drafts

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PREPCOM 23 June 1970  
SUBJECT: Eleventh Meeting of PrepCom Alternates, 1000 hours, 29 May 1970

tentatively reflected the views of the Alternates at their ad hoc meeting. He added that the contents of the report and of the press release were worked out by Messrs. Walters and Burke, respectively, and that the General Affairs Subcommittee would take care of any matters regarding the physical arrangements for the 3 June meeting. The Acting GOJ Alternate expressed his satisfaction that the points he had raised were well taken care of in the report.

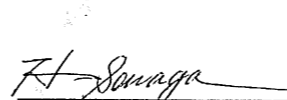
4. The U S Alternate reiterated that the U S would need to bring in a USCAR PAD official to work with the ad hoc group charged with the press release, and that Mr. Billingsley would be the point of contact on the U-S side. In response to the U S Alternate's inquiry, the GRI Alternate and the Acting GOJ Alternate named Messrs. Zakimi and Sasaki, respectively, who would be working on both report and press release. The U S Alternate suggested that the work group meet as soon as possible to discuss the drafts because each Alternate would have to clear them through his own channels.


5. The GRI Alternate said that the press activities had become intensified and that he had received inquiries from the press about the 3 June meeting; he asked if the Joint Secretariat could notify the press soon about the scheduled time and date of the Principals' meeting. The U S Alternate said that notification to the press could be carried out after the General Affairs Subcommittee had completed its arrangements for the Principals' meeting; he suggested that the Alternates direct the Joint Secretariat on Monday morning to notify the press. The Alternates agreed.


6. The GRI Alternate suggested that the Alternates discuss beforehand which items in the report should be given or should not be given to the press. It was agreed by the Alternates that they would take up this matter later on an ad hoc basis.

7. Lastly, the Alternates agreed to hold their next meeting at 1000 hours, Monday, 1 June rather than waiting until Tuesday, 2 June.

APPROVED:

  
GRI Alternate

  
Acting GOJ Alternate

  
U S Alternate

DISTRIBUTION:

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Preparatory Commission

THE PREPARATORY COMMISSION  
Naha, Okinawa

17 July 1970

OFFICIAL MINUTES

SUBJECT: Twelfth Meeting of PrepCom Alternates, 1000 hours, 1 June 1970

Participants:

Members : Mr. Schodt, U S Alternate Representative  
Mr. Senaga, Alternate Adviser  
Mr. Kaya, Acting GOJ Alternate Representative

Others : Mr. Sasaki, GOJ  
Mr. Yamaguchi, GOJ  
Mr. Burke, U S  
Mr. Walters, U S  
Mr. Billingsley, U S  
Mr. Kakinohana, GRI  
Mr. Zakimi, GRI  
Mr. Tamaki, GRI  
Mr. Yafuso, GRI  
Miss Sata, Recorder

1. The U S Alternate suggested a review of the draft press statement. The Acting GOJ Alternate said that the GOJ Element had received a green light from Tokyo regarding the three items for the Economic Subcommittee: (1) treatment of foreign investment, (2) treatment of foreign professionals, and (3) treatment of former national and prefectural lands. He suggested that the press statement for the Principals' meeting be changed accordingly. The U S Alternate said that these items had not been agreed to at the subcommittee level. He further said that the first item could create problems on the GRI side because so many questions were involved. In response to the U S Alternate's inquiry, the GRI Alternate said that if the statement meant that PrepCom would discuss new applications, then further discussion with his Government would be required. The U S Alternate said that it had been agreed only a few examples of items could be given to the press.

2. The Acting GOJ Alternate suggested that the Economic Subcommittee hold another meeting in the afternoon of 1 June to discuss and reach an agreement on the items which the GOJ had approved. However, the U S Alternate said that it would be very difficult for him to wait until the afternoon because of a meeting scheduled with his Principal at four o'clock to get final approval from him on the plan for the Principals' meeting 3 June.

3. The GRI Alternate suggested that the report from the Alternates be considered first. He also requested that all items on the TABs for administrative

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SUBJECT: Twelfth Meeting of PrepCom Alternates, 1000 hours, 1 June 1970

17 July 1970

transfer and SOFA, which his Element had submitted, be included in the report. The U S Alternate said no commitment by any government would be involved at this stage.

4. The GRI Alternate said that his Principal was unhappy because some items which were submitted by his Government were dropped and only items approved by the three Elements were listed. He further said that the GRI regular members of the subcommittees agreed to drop them because they thought that these items could not be approved by the other two Elements. The U S Alternate said no single item in the lists was approved by any government. In this connection, the GRI Alternate said that if no item on the list had been approved by any of the governments then he could not understand why the items submitted by the GRI Element had been dropped. Moreover, if these items were restored to the list for the progress report then he would have no objection to it. The U S Alternate said he would have to consult with Colonel Meads on the SOFA items. However, the latter was attending the SOFA Task Group meeting in Tokyo which would take place today, and therefore it would be easier for the U S to proceed if the SOFA items were not included in the report. He further explained that the U S would bring up some SOFA items after the 3 June meeting but that no items should be submitted now. The Acting GOJ Alternate said that the GOJ would not have any objection to including the administrative transfer items but that instructions from Tokyo had to be received on the SOFA items.

5. The Alternates discussed the phraseology in paragraph 5 of the report from the Alternates, regarding work programs. They agreed to go back to the original sentence, "The Alternates intend to further clarify, refine and expand these lists, to omit from them any items not within the purview of PrepCom, and to compile additional lists."

6. The U S Alternate asked the other Alternates whether the Commission should make a report to the Consultative Committee regarding the 3 June meeting. He pointed out that the "Principles and Guidelines" do not require a report to be made each month. The Acting GOJ Alternate said that his Government felt strongly about informing ConCom of any progress of the Commission from time to time. Therefore, the Alternates agreed to forward a report of the 3 June meeting.

7. The U S Alternate raised for discussion the notification to the press about the forthcoming Commission meeting. The Acting GOJ Alternate suggested that the Joint Secretariat be directed to notify the press this morning of the following matters: (1) the meeting will be held at 1500 hours; (2) at 1600 hours the Alternates will meet the press and the press release will be available at the same time; (3) picture-taking will be permitted for 5 minutes from 1500 hours. The U S Alternate asked whether notification could be deferred until this afternoon as he wanted to verify these matters on the U S side. The Alternates agreed that the Joint Secretariat would contact the press after receiving approval from the U S Alternate.

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SUBJECT: Twelfth Meeting of PrepCom Alternates, 1000 hours, 1 June 1970

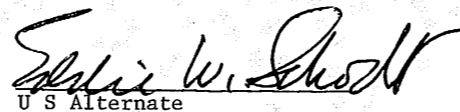
8. The U S Alternate asked the Acting GOJ Alternate whether the item on national and prefectural owned lands would come under the Administrative Transfer Subcommittee rather than under the Economic Subcommittee. The latter said it would fit into the Economic Subcommittee because it would involve prefectural-economic matters. The GRI regular member of the Economic Subcommittee said that one part of this item could be within the range of administrative transfer but that the other parts were strictly economic affairs. He further said that this could be divided into sub-items according to directions given by the Alternates.

9. The U S Alternate suggested that the Alternates hold an ad hoc meeting today to consider SOFA matters. The other members agreed.

APPROVED:

  
GRI Alternate

  
Acting GOJ Alternate

  
U S Alternate

DISTRIBUTION:

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THE PREPARATORY COMMISSION  
Naha, Okinawa

6 July 1970

OFFICIAL MINUTES

SUBJECT: Thirteenth Meeting of PrepCom Alternates, 1400 hours, 4 June 1970

Participants:

Members: Mr. Schott, U S Alternate Representative  
Mr. Senaga, Alternate Adviser  
Mr. Kaya, Acting GOJ Alternate Representative

Others: Mr. Mabuchi, GOJ  
Mr. Nakayama, GOJ  
Mr. Numakoshi, GOJ  
Mr. Sasaki, GOJ  
Mr. Yamaguchi, GOJ  
Mr. Suzuki, GOJ  
Mr. Burke, U S  
Mr. Walters, U S  
Mr. Billingsley, U S  
Mr. Kakinohana, GRI  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The Alternates expressed appreciation to each other for the cooperation which was extended by the respective Elements to prepare for the Principals' meeting on 3 June.

2. The U S Alternate suggested a post-mortem and asked the other members' views, without commitment, for the benefit of the future work. The Acting GOJ Alternate said that if a press conference would not be held at every meeting, a certain amount of preparation could be avoided. He also said there would be a growing necessity for more detailed explanation to the press and that a detailed list of items would have to be produced even though there were some difficulties. The GRI Alternate said there were two limitations: (1) the avoidance of specific items to avoid questioning about what had been done; (2) there were lists of items but the meaning of some of these was not defined. He added that if there were many items, the press people could not concentrate on any particular one. Therefore, he suggested the preparation of many more items with brief explanations for each. It was the view of the U S Alternate that the Alternates could not hold another press conference with as little information to give the press as yesterday. In regard to the GRI Alternate's comment, the U S Alternate expressed his opinion that there

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would be a risk involved in listing all the items, because reporters would pick out certain ones and ask in detail for the procedures to be used in dealing with them. He said it might be possible to eliminate controversial items from the list. The GRI Alternate said the PrepCom had been too cautious on SOFA items; there were some items which could not be hidden from the press; only a few things should be hidden.

3. The Acting GOJ Alternate said the GOJ Element had received approval from Tokyo on only a few of the 14 economic items and asked whether these items could be explored with the press. The U S Alternate replied that this would be conceivable. However, it would require much more coordination on the U S side. Moreover some of the items were subject to diplomatic negotiations. The Acting GOJ Alternate said one line of thinking was to identify the timing and tackle the problem areas; some tangible results could be disclosed in this way. The U S Alternate said that prior to the Principals' meeting it was not possible to devise solutions; it should now be possible to isolate items on which PrepCom could proceed. He added that, after devising solutions, ConCom approval would be required prior to their application. He further said that getting the lists ready for the 3 June meeting stemmed from agreement among the Alternates on the necessity to demonstrate to the Principals that progress had been made since the last meeting.

4. The U S Alternate asked for opinions on how to get ready for future meetings with less expenditure of time and effort by everyone concerned. The GRI Alternate said that a decision should be made to put everything into final form by a certain deadline and to make no changes after that date. The Acting GOJ Alternate said no lengthy periods should be needed to prepare for Principals' meetings. The U S Alternate suggested that the GRI proposal had merit. There could be a cut-off for the report, and once it had been agreed upon the subcommittees could resume their work. Progress made on substantial matters after that date could be carried over to the following meeting. The GRI Alternate said such procedure would be proper, and that the General Affairs Subcommittee could handle the preparations for the meeting while the other subcommittees carried on with the substantive work.

5. The U S Alternate referred to a TV and radio announcement of PrepCom lists of items and to a newspaper article which listed 10 items. He invited the other members' comments. The GRI Alternate said those items in the newspaper were given out by Mr. Yara but that the latter did not say these were under discussion in the PrepCom. He added that the GRI Element had to prepare those ten items for the Chief Executive because it was necessary for the latter to make comments to the GRI Legislature. The U S Alternate reiterated that the Alternates had agreed not to become a source of information on work underway within the PrepCom.

6. The U S Alternate raised for discussion the formal organization of subcommittees, which had been pending. He said that even though he would have

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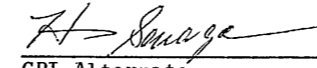
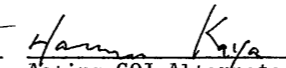
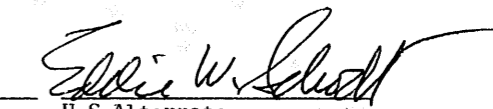
PREPCOM 6 June 1970  
SUBJECT: Thirteenth Meeting of PrepCom Alternates, 1400 hours, 4 June 1970

to explore this subject with his own staff and with other officials on the U S side he invited the other members' preliminary thinking. The Acting GOJ Alternate suggested that subcommittee regular meetings be predetermined twice a week in order to avoid scheduling complications. The U S Alternate said there would be difficulties in meeting regularly at prescheduled dates due to the necessity of coordination and the fact that a subcommittee in the course of one meeting might want to meet earlier than the next scheduled meeting. The U S staff members expressed their preference for a flexible schedule. The GRI staff member suggested a compromise between these two ideas; to meet at least twice a week with one meeting prescheduled and the other agreed to by the subcommittee members. The U S Alternate suggested that every subcommittee meet on Monday and then schedule its work for the rest of the week. The Alternates agreed to defer action on this subject until the next meeting.

7. The U S Alternate suggested that further thinking was required on: (1) frequency of subcommittee meetings; (2) internal organization; (3) work matters, including the expansion and breakdown of lists; (4) possible transfer of items to other subcommittees; (5) selecting problem areas and devising solutions in an order of priority.

8. The Alternates agreed to hold their next meeting at 1000 hours, 9 June.

APPROVED:

    
GRI Alternate Acting GOJ Alternate U S Alternate

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THE PREPARATORY COMMISSION  
Naha, Okinawa

6 July 1970

OFFICIAL MINUTES

SUBJECT: Fourteenth Meeting of PrepCom Alternates, 1000 hours,  
9 June 1970

Participants:

Members: Mr. Schodt, U S Alternate Representative  
Mr. Senaga, Alternate Adviser  
Mr. Kaya, Acting GOJ Alternate Representative

Others: Mr. Nakayama, GOJ  
Mr. Sasaki, GOJ  
Mr. Suzuki, GOJ  
Mr. Walters, U S  
Mr. Billingsley, U S  
Mr. Zakimi, GRI  
Mr. Kuniyoshi, GRI  
Mr. Yafuso, GRI  
Miss Sata, Recorder

1. The U S Alternate explained that Mr. Burke and COL Meads were absent because they were engaging in preparations for the 4th U S Field Coordination Meeting this week.
2. The U S Alternate suggested that each subcommittee meet at least once a week but that more frequent meetings would be determined largely by deadlines set by the Alternates as time goes on. The Acting GOJ Alternate said that subcommittee meetings should be held once or twice a week as a minimum and suggested that each subcommittee meet on Mondays and then decide on the time for other meetings. The Alternates tentatively agreed that the Administrative Transfer and Economic Subcommittees could meet on Monday and that the General Affairs and SOFA Subcommittees could meet Tuesday afternoons. The Alternates tentatively agreed that each subcommittee could arrange subsequent meetings as required by their work and that the number of meetings would be influenced by requirements. The U S Alternate suggested that action on the internal organization of subcommittees be deferred until Friday because of the coordination meetings on the U S side this week. The Alternates agreed to do so.
3. The U S Alternate said that one internal problem was language. He suggested that it is necessary for subcommittee members to be tolerant in this respect and to halt the general proceedings while members of one Element were talking among themselves. He also suggested that special efforts be made in each subcommittee to make certain that all sides understood what had been decided.

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4. The U S Alternate suggested that every subcommittee resume its meetings before Friday to proceed to clarify, refine, expand, and delete items on the subcommittee lists which were tentatively drawn up for the 3 June meeting. It was necessary to break down some items, get an understanding as to exactly what is meant by certain terms, and to determine the nature of the problem involved. Then the next step should be to proceed to devise solutions.
5. In response to the Acting GOJ Alternate's inquiry, the GRI Alternate said that his Principal would leave for Tokyo on the 28th and return on the 30th. He expressed his hope that the important aspects of the preparation for the next Principals' meeting could be finalized before his Principal leaves on the 28th.
6. The U S Alternate suggested that a decision be made at the next meeting on how to organize for the 1 July meeting. He added that a cut-off date could be around the 24th. However, subcommittees could carry on after the cut-off date. The GRI Alternate expressed his preference for an early cut-off date because his Principal would need a couple of days to study what the Alternates had agreed on.
7. In response to the GRI Alternate's inquiry, the Acting GOJ Alternate said Minister Yoshioka might arrive on next Monday or Tuesday.
8. The U S regular member on the General Affairs Subcommittee asked whether it could postpone its Tuesday meetings if there was nothing to discuss. The Alternates agreed on a flexible schedule for the meetings of this subcommittee.

APPROVED:

*H. Senaga* *Hamm. Kaya* *Eddie Schodt*  
GRI Alternate Acting GOJ Alternate U S Alternate

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THE PREPARATORY COMMISSION  
Naha, Okinawa

6 July 1970

OFFICIAL MINUTES

SUBJECT: Fifteenth Meeting of PrepCom Alternates, 1000 hours,  
12 June 1970

Participants:

Members: Mr. Schodt, U S Alternate Representative  
Mr. Senaga, Alternate Adviser  
Mr. Kaya, Acting GOJ Alternate Representative

Others: Mr. Mabuchi, GOJ  
Mr. Sasaki, GOJ  
Mr. Yamaguchi, GOJ  
Mr. Walters, U S  
Mr. Billingsley, U S  
Mr. Kakinohana, GRI  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The U S Alternate expressed his appreciation to the other members for their understanding of the U S side's concentration on the Field Coordination Meetings. He said that Minister Sneider had returned to Tokyo but that some of the PrepCom staff were still occupied with the balance of the Tokyo group.
2. The U S Alternate briefly explained that the U S was now at the stage where concrete steps could be taken in the reversion negotiations. The biggest problem to confront PrepCom would be local preparations for the transfer of administrative rights. He said that there had been discussions on the "assets" question in Tokyo this week and a press release was expected later in the day.
3. The U S Alternate said that in the Administrative Transfer Subcommittee the U S had begun by listing a number of items dealing with advice and assistance to the GRI. It had now decided on a different approach and was preparing a more comprehensive proposal regarding the transfer of administrative rights. However, it was not complete yet and more coordination would be required. He suggested that the week after next might be a possibility. The Acting GOJ Alternate asked whether the new approach would be under the "wing item" that the GOJ had suggested for the disposition of USCAR functions, and whether the U S would rescind the items which were previously tabled. The U S Alternate said the specific items would be absorbed into the new proposal. He further said the consequences of stopping advice and guidance should be

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SUBJECT: Fifteenth Meeting of PrepCom Alternates, 1000 hours, 12 June 1970

6 July 1970

studied. USCAR was of the opinion that there was more responsibility involved than the words "advice and guidance" would indicate. The U S Alternate said the U S had been studying this subject of administrative turn over for a long time; it had now decided that a broader approach would be better.

4. The U S Alternate suggested that the subcommittees resume meetings. He said Mr. Kramer of USCAR would attend the Administrative Transfer Subcommittee meetings and would be prepared to explain the various U S items. Mr. Burke and COL Meads would be ready to meet with the Economic and SOFA Subcommittees, respectively.

5. Regarding the work in the Economic Subcommittee, the U S Alternate said that there was a basis for resumption. He pointed out that the "assets" question was on the Subcommittee's list and that today's press dealt with diplomatic negotiations on the same subject; this juxtaposition should underline the point that diplomatic negotiations in Tokyo had a direct bearing on what PrepCom may be doing and where it should go in the future. The Acting GOJ Alternate asked whether the U S Alternate had obtained further information regarding the U S attitude toward a direct hire system. The U S Alternate replied that he had received no direct information but that COL Meads might return with more information. He said that this was another area where diplomatic negotiations have a direct influence on what can be done by the PrepCom.

6. The U S Alternate suggested that further discussion on the internal organization of subcommittees be deferred until the next meeting. He reaffirmed that the Alternates had agreed that members should be able to talk with their own sides in their own languages and that special efforts should be made so that all agreements arrived at, even though tentative until approved by the Alternates, were well understood.

7. The U S Alternate asked whether the 1 July meeting should be held as tentatively scheduled due to the fact that the Chief Executive might not be available and because of the new approach the U S hoped to take in the Administrative Transfer Subcommittee. The Acting GOJ Alternate raised the possibility of holding the meeting on 8 July if 1 July is not possible. The GRI Alternate said that the Chief Executive had cancelled his trip to Tokyo on the 28th because he had to appear before the Legislature on the 29th and 30th. Consequently, he said that any postponement of the 1 July meeting should be because of other reasons. The U S Alternate expressed a preference that the meeting be postponed until 5 August because of the fact that nothing concrete would be accomplished by 1 July in the administrative transfer and other fields. The Acting GOJ Alternate urged that the meeting be postponed for one week and said that a one month postponement was too long. The GRI Alternate asked how much substantial progress would be possible by 8 July. The U S Alternate predicted little progress and suggested that a decision about postponement be

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made next week. The Alternates agreed.

8. The Alternates agreed to have their next meeting at 1000 hours on the 16th.

APPROVED:

H. Senaga      Hanns Kaya      Edie W. Schodt  
GRI Alternate      Acting GOJ Alternate      U S Alternate

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THE PREPARATORY COMMISSION  
Naha, Okinawa

9 July 1970

OFFICIAL MINUTES

SUBJECT: Sixteenth Meeting of PrepCom Alternates, 1000 hours,  
16 June 1970

Participants:

Members: Mr. Schodt, U S Alternate Representative  
Mr. Senaga, Alternate Adviser  
Mr. Kaya, Acting GOJ Alternate Representative

Others: Mr. Mabuchi, GOJ  
Mr. Nakayama, GOJ  
Mr. Sasaki, GOJ  
Mr. Okano, GOJ  
Mr. Burke, U S  
Mr. Walters, U S  
Mr. Billingsley, U S  
Mr. Kakinohana, GRI  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The U S Alternate asked the Acting GOJ Alternate if Minister & Mrs. Yoshioka would arrive today. The response was affirmative.
2. The U S Alternate asked the GRI Alternate whether the GRI still planned to provide an employee for the Joint Secretariat. The response was also affirmative.
3. The U S Alternate raised the matter of a title for Miss Sata, who was named on 6 May as the person to supervise the administrative business and work of the personnel of the Joint Secretariat. The Acting GOJ Alternate agreed she should be given some formal status but said that the approval of Tokyo would be required for her formal title as Director. He explained that at the time of the 6 May action the GOJ position was not yet clear. The GRI Alternate said he shared the Acting GOJ Alternate's view in favor of giving Miss Sata the title of Director.
4. The U S Alternate raised for discussion the possibility of postponing the 1 July meeting. The Acting GOJ Alternate said the GOJ was in favor of having the 1 July meeting as scheduled. He emphasized that established practice should be complied with, based on experience in international conferences, because otherwise things might drag on without any results. The U S Alternate

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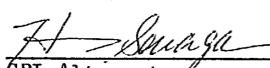
responded by pointing out that the problem was precisely what could be given the Principals to approve at their meeting. The GRI Alternate said there were two choices of action: postponement or a short meeting at which the Principals would tell the Alternates to proceed with their work.

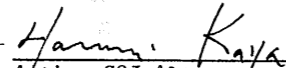
5. The U S Alternate raised the question of issuing a press release in the event of a short meeting. The GRI Alternate said a press release might not be necessary. The Acting GOJ Alternate suggested one possibility would be the issuance of a short statement before the meeting to include an announcement there would be no press conference. He also suggested that meetings with the press could be held on an individual basis.

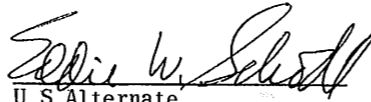
6. The Acting GOJ Alternate asked the U S Alternate whether TABs B, C, and D from the 3 June progress report would be unchanged. He said the proceedings of each subcommittee could be elaborated in detail and also said that the Commission could diplomatically give to the press details of what had been discussed in the subcommittees. The U S Alternate said nothing on the local aspects of the assets problem could be done by PrepCom until things were settled in Tokyo. The U S could present nothing new on the Administrative Transfer Subcommittee for the time being, and the Economic Subcommittee could continue along the lines of refinement, deletion, and expansion. However, he pointed out that at the ad hoc meeting of the Alternates on 26 May it had been agreed that the six items, foreign investors, existing treaties, yen economy, assets, foreign professionals, and titles and lease of former state and prefectural land, were under diplomatic negotiation. He further said PrepCom could proceed on the local aspects of these items only when the diplomatic negotiations had arrived at a certain stage. The U S Alternate suggested that action on this matter be deferred until the next meeting, on the 19th. The Alternates agreed.

7. It was pointed out that there would be only one and a half weeks from the 19th to 1 July, and the 23rd, which falls on a regular meeting day, would be a GRI official holiday. The Alternates, therefore, agreed to meet on the 22nd.

APPROVED:

  
GRI Alternate

  
Acting GOJ Alternate

  
U S Alternate

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THE PREPARATORY COMMISSION  
Naha, Okinawa

7 July 1970

OFFICIAL MINUTES

SUBJECT: Seventeenth Meeting of PrepCom Alternates, 1000 hours,  
19 June 1970

Participants:

Members: Mr. Schodt, U S Alternate Representative  
Mr. Senaga, Alternate Adviser  
Mr. Kaya, Acting GOJ Alternate Representative

Others: Mr. Mabuchi, GOJ  
Mr. Nakayama, GOJ  
Mr. Sasaki, GOJ  
Mr. Suzuki, GOJ  
Mr. Walters, U S  
Mr. Billingsley, U S  
Mr. Kakinohana, GRI  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The U S Alternate urged that the final AdCom Progress Report be completed as soon as possible.
2. The U S Alternate briefly explained that all of the subcommittees had held meetings and that additional meetings were scheduled. He said they were the first meetings since the end of May and were exploratory in nature.
3. The U S Alternate said that the comprehensive proposal on transfer of administrative rights was still not completely coordinated on the U S side. He expressed the hope that the U S soon would be able to present its proposal.
4. The possibility of postponing the 1 July meeting was explored. The U S Alternate said he could not give an official U S position today because of the absence of his Principal, but said that he personally foresaw difficulties in providing substance in the progress report from the Alternates to the Principals, and especially in putting anything of significance into a press release. The Acting GOJ Alternate said the GOJ position had remained unchanged in favor of a 1 July meeting. Even though there had been no fantastic headway in the Economic or SOFA Subcommittees, he believed there had been enough progress to provide substance for the 1 July meeting. For example, the GOJ had submitted a comprehensive list to the SOFA Subcommittee of comparisons to be made between ordinances and proclamations and SOFA articles.

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PREPCOM 7 July 1970  
SUBJECT: Seventeenth Meeting of PrepCom Alternates, 1000 hours, 19 June 1970

The GRI Alternate said his position was the same as before even though he had not been able to talk with his Principal. The U S Alternate suggested that the final decision be made on 22 June, by which time he would be able to report a more definite U S view. The Alternates agreed.

5. The GRI Alternate said a short press statement should be issued, simply saying that the Principals had met and had directed the Alternates to go ahead.

6. Regarding the report from the Alternates to the Principals, the U S Alternate expressed the hope that the GOJ would prepare the first draft this time. He also said that if the new proposal on transfer of administrative rights could be submitted prior to 1 July then this development could be included in the progress report.

7. The GRI Alternate said the U S appeared to have changed its position. His own preference was to add even more items to TABs B, C, and D of the last report, without commitment by any government. No government could make a commitment without detailed discussions. Without further study it could not be determined what was within the purview of PrepCom and what was Tokyo's, even though some items were under diplomatic negotiation. Even though 85 to 90 percent of an item might be taken care of in Tokyo, the local aspect would still be of importance to the GRI. He proposed that any conceivable reversion items of interest to the governments be listed without making judgments or commitments. Regarding the general approach of the GRI Alternate, the U S Alternate said that even though from now until reversion most reversion matters might have local aspects, the timing of the treatment of these local factors should be related to the stages of diplomatic negotiations. The relationship of PrepCom actions to the progress of diplomatic negotiations in Tokyo was a matter of importance. The Acting GOJ Alternate said he agreed with the GRI Alternate except for some difference over the relationship between items being considered by PrepCom and diplomatic negotiations. However, maximum efforts should be made to identify problems locally. He further said that listing an item was one thing and that whether it should be on the official agenda of the subcommittees was another thing. In his view the Alternates should proceed with the identification of items in the report to the Principals. The U S Alternate said there might be situations where there was no need in Tokyo for additional information from PrepCom on a particular item and also that the timing of the receipt of information from Okinawa might be inappropriate. There should be a relationship between what the PrepCom does and what the Tokyo negotiators want. Local aspects are necessarily influenced by the stages of the negotiations. He expressed his views on a tentative basis, and suggested that thinking be sorted out and a decision be made at the next meeting on how best to proceed. The Alternates agreed.

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Preparatory Commission

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SUBJECT: Seventeenth Meeting of PrepCom Alternates, 1000 hours, 19 June 1970

8. The Acting GOJ Alternate informed the U S and GRI Alternates that Minister Yoshioka would take office from Monday. He expressed his appreciation for their cooperation during his temporary tenure.

9. Lastly, the Alternates agreed to meet at 1000 hours, 22 June.

APPROVED:

  
GRI Alternate

  
Acting GOJ Alternate

  
U S Alternate

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THE PREPARATORY COMMISSION  
Naha, Okinawa

7 July 1970

OFFICIAL MINUTES

SUBJECT: Eighteenth Meeting of PrepCom Alternates, 1000 hours,  
22 June 1970

Participants:

Members: Mr. Schodt, U S Alternate Representative  
Mr. Yoshioka, GOJ Alternate Representative  
Mr. Senaga, Alternate Adviser

Others: Mr. Kaya, GOJ  
Mr. Mabuchi, GOJ  
Mr. Nakayama, GOJ  
Mr. Numakoshi, GOJ  
Mr. Sasaki, GOJ  
Mr. Walters, U S  
Mr. Billingsley, U S  
Mr. Kakinohana, GRI  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The U S and GRI Alternates officially welcomed Minister Yoshioka, the GOJ Alternate. They expressed appreciation to Mr. Kaya for his effective service and for the cooperation rendered by him since the beginning of PrepCom.
2. The U S Alternate asked the GOJ and GRI Alternates if they still had the opinion that the PrepCom meeting should be held on 1 July. The GOJ Alternate replied affirmatively. The GRI Alternate said that he had no definite views. The Alternates agreed that the next PrepCom meeting should be held on 1 July as scheduled.
3. The GRI Alternate asked about the prospects of the report from the Alternates to the Principals. The U S Alternate emphasized there would be difficulties in determining what to put into the report. He expressed the hope that the U S comprehensive plan for administrative rights' transfer could be reported at the 1 July meeting. He said it would play a significant role in the report if available by that time, but he was not yet in a position to say what day it would be available. In response to the U S Alternate's inquiry, the GOJ Alternate said that the GOJ preferred to hold the 1 July meeting even without the comprehensive plan.
4. The U S Alternate said he could not give an official reply today on the GRI Alternate's idea that all items that could be conceived by the Alternates

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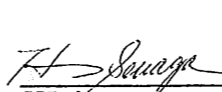
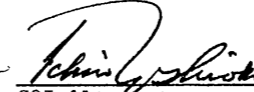
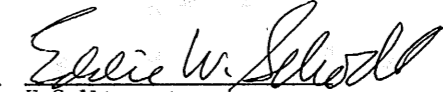
PREPCOM 7 July 1970  
SUBJECT: Eighteenth Meeting of PrepCom Alternates, 1000 hours, 22 June 1970

to have local aspects should be added to the existing lists without the commitment of any government.

5. The U S Alternate suggested that necessary preparations be made on the following items in order to proceed with the 1 July meeting: first, the report from the Alternates; second, the press release; and third, the press conference. The Alternates agreed there would be no joint press conference either by the Principals or by the Alternates. The GOJ Alternate indicated that the GOJ side would like to hold a press briefing of its own with Japanese press representatives. The U S and GRI Alternates said this would be appropriate. Regarding the report from the Alternates and the press release, the GOJ Alternate agreed to prepare the first drafts of both. In this connection, Messrs. Kaya, Walters, and Zakimi were named by the Alternates to work on the report and Messrs. Sasaki, Burke and Zakimi on preparation of the press release. The U S Alternate added that the HICOM Information Coordinator and a PAD official would have to be included at a later stage for the press release.

6. The U S Alternate expressed the hope that arrangements for the next PrepCom meeting would not take as much time and effort as in the past; he suggested that preparations should be made as far in advance as possible for the 1 July meeting so that subcommittee meetings might continue. The GRI Alternate expressed his hope that everything would be ready by 1500 hours, 24 June because his Principal would have to attend the GRI Legislature on 29 and 30 June. The Alternates agreed.

APPROVED:

    
GRI Alternate GOJ Alternate U S Alternate

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THE PREPARATORY COMMISSION  
Naha, Okinawa

9 July 1970

OFFICIAL MINUTES

SUBJECT: Nineteenth Meeting of PrepCom Alternates, 1000 hours,  
25 June 1970

Participants:

Members: Mr. Schodt, U S Alternate Representative  
Mr. Yoshioka, GOJ Alternate Representative  
Mr. Senaga, Alternate Adviser

Others: Mr. Kaya, GOJ  
Mr. Mabuchi, GOJ  
Mr. Nakayama, GOJ  
Mr. Sasaki, GOJ  
Mr. Burke, U S  
Mr. Walters, U S  
Mr. Billingsley, U S  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The U S Alternate said it would be a good idea to keep the General Affairs Subcommittee informed of all new construction in the building because of its responsibility for maintenance as well as security, including possible overloading of the electrical circuits. The Alternates agreed.
2. The U S Alternate said that, according to the records of the Alternates' meetings, no decision was made on which subcommittee should be charged with the matter of the traffic system on Okinawa in preparation for reversion. The GRI Alternate said this could be considered a domestic item if the traffic system were changed from right to left after reversion. However, he said that if the change were to take place before reversion, it should be considered by PrepCom. He emphasized that an early decision should be made so that the local populace could make informed decisions about road planning, purchasing of cars, etc. The U S Alternate said the item might be discussed by the SOFA Subcommittee if the change were to take place before reversion. However, the GOJ might make a public announcement of its intentions. He added that there are two aspects of this matter: first, if the change took place on the day of reversion or a few days after reversion, the PrepCom would be involved in preparations; second, were the change to take place after reversion it would be a domestic problem. In any event, although to a lesser extent after reversion, the U S military was interested because of need to train personnel, among other things. The U S Alternate referred to a statement reportedly made by Minister Yamanaka at a press conference on Okinawa, to the effect that right versus left driving would be deferred to the future. Mr. Kaya

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SUBJECT: Nineteenth Meeting of PrepCom Alternates, 1000 hours, 25 June 1970

said this particular question, if the Commission is to handle it, would be more fitting for the Administrative Transfer Subcommittee but could be also partly handled by the Economic Subcommittee. It had been discussed by the SOFA Subcommittee at one time.

3. In response to the GOJ Alternate's inquiry, the U S Alternate said that the comprehensive plan for transfer of administrative rights was still in the coordination stage on the U S side and would not be available prior to the 1 July meeting.

4. The U S Alternate raised for discussion the preparations for the 1 July meeting and reaffirmed the agreement that no press conference would be held either by the Principals or by the Alternates.

5. The U S Alternate pointed out that the first draft of the progress report, written by the U S, had only one paragraph of real substance. In response to Mr. Kaya's inquiry as to why more economic items were not included, the U S Alternate said there might be something to be added as a result of the Economic Subcommittee meeting which had been held on 24 June after Mr. Walters had prepared the draft report.

6. The U S Alternate said that, according to the last report from the Alternates to the Principals at the 3 June meeting, it was accepted that the Alternates would clarify, refine, and expand the lists, and to omit from them any items not within the purview of PrepCom. From the U S standpoint, he said, there were a number of items which were under diplomatic negotiations. Therefore, the U S desired to delete these items from the lists at this stage. He added that without further instruction the U S side could not add items to the lists already submitted.

7. Mr. Kaya asked if this meant that the items submitted by the GRI to the SOFA Subcommittee could not be presented in the report from the Alternates. The U S Alternate said that if the U S did anything with the previous list it would have to ask for deletion of the three items already on the SOFA list and that the only item the U S could agree to list was a comparison of SOFA articles with ordinances and proclamations. The other items could not be placed in the category of being under active consideration. The GRI Alternate said it was not proper to limit items on the lists to those under active consideration. He contended that all the items should remain on each list until PrepCom could discuss and make a decision on each item. He added that it was difficult to prove that there were no local aspects to any of the items proposed and suggested that additional items be added without commitment by any government. The U S Alternate said deletion of GRI-proposed items from the lists did not mean that the items had been dropped from sight indefinitely. They might be taken up in the future upon further instruction. Mr. Kaya said that even though some items required diplomatic negotiations in

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SUBJECT: Nineteenth Meeting of PrepCom Alternates, 1000 hours, 25 June 1970

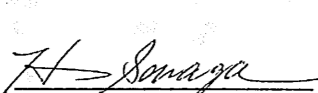
Tokyo, some of them could be concurrently considered to be within the purview of the SOFA Subcommittee. He suggested that the GRI-proposed items be left as they were and that necessary deletions be made at the time when they are to be dropped ultimately from the PrepCom's coverage.

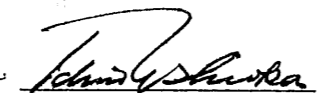
8. The GRI Alternate suggested the use of asterisks on the lists to show which items were under diplomatic negotiation. The U S Alternate expressed his willingness to explore this suggestion but doubted the efficacy of bringing items to the attention of the Principals if it were obvious that PrepCom could not proceed with them. The GOJ Alternate said that the GRI Alternate's suggestion was a reasonable compromise. The Alternates agreed that the differences in opinion could not be reconciled at this stage and agreed to defer action.


9. The Alternates also agreed to hold their next meeting at 1000 hours, 26 June.

10. The U S Alternate asked the ad hoc work group about the status of the press statement. A member reported that Mr. Sasaki of the GOJ would prepare the first draft of the press statement, and Messrs. Burke and Zakimi would help polish it.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

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USG  
GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

9 July 1970

OFFICIAL MINUTES

SUBJECT: Twentieth Meeting of PrepCom Alternates, 1000 hours,  
27 June 1970

Participants:

Members: Mr. Schodt, U S Alternate Representative  
Mr. Yoshioka, GOJ Alternate Representative  
Mr. Senaga, Alternate Adviser

Others: Mr. Kaya, GOJ  
Mr. Mabuchi, GOJ  
Mr. Nakayama, GOJ  
Mr. Sasaki, GOJ  
Mr. Suzuki, GOJ  
Mr. Burke, U S  
Mr. Walters, U S  
Mr. Billingsley, U S  
Mr. Zakimi, GRI  
Mr. Tamaki, GRI  
Mr. Kuniyoshi, GRI  
Mr. Yafuso, GRI  
Miss Sata, Recorder

1. The U S Alternate apologized for the postponement of the Alternates' meeting which had been scheduled for 1000 hours, 26 June and expressed his appreciation to the other members for their cooperation.

2. The U S Alternate referred to a press article to the effect that Mr. Kashiwagi, GOJ Finance Ministry, had made a statement that matters concerning the U S assets on Okinawa would not be discussed by the PrepCom.

3. The U S Alternate gave the other members a draft progress report from the Alternates which was prepared by Mr. Walters. He reiterated that in the report and its attachments the U S could agree to list only those items which were not under diplomatic negotiation. He also said the draft represented what the U S could agree to include in the report, subject to a possible change in the U S position on the GRI Alternate's compromise suggestion. The U S Alternate emphasized that no one was committed to the draft and that this was only a starting point.

4. The GRI Alternate said he could not predict Mr. Yara's reaction to deletion of the GRI-proposed items from the list. He thought Mr. Yara would be

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SUBJECT: Twentieth Meeting of PrepCom Alternates, 1000 hours, 27 June 1970

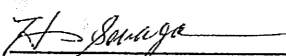
disappointed and frustrated. The GRI Alternate said he would reserve the GRI position until he discussed the draft with his Principal.

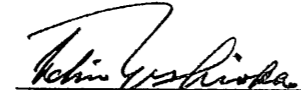
5. Mr. Kaya indicated that the seven economic items, remaining from last month's list of 14, reflected only the U S point of view. Mr. Burke replied that the 14 items did not come from the U S alone but were mutually agreed on by the three Governments. The U S Alternate added that Mr. Burke had no authority to submit a U S list to the subcommittee and had not submitted a list. Mr. Kaya recognized that the GOJ list, including six of the original 14 items, was not acceptable to the U S Element of PrepCom because the items were under diplomatic negotiation. Mr. Kaya announced that he had just had a telephone call from Tokyo saying the U S Embassy had notified the Foreign Ministry that the U S could discuss the local aspects of the six GOJ items. The U S Alternate said he would have to explore this further; he still fore-saw difficulties with those items.


6. The GRI Alternate raised the possibility of postponing the 1 July meeting for one week or 10 days in view of the fact that it would be difficult to get approval of the U S draft from his Government by 1 July. The U S Alternate said he would check with his Principal about the latter's schedule. The GOJ Alternate said the GOJ would have to respect the GRI Alternate's need for more time in order to get approval from his Principal; he asked whether the U S comprehensive plan for the transfer of administrative rights would be available if the meeting were postponed one week. The U S Alternate replied that the prospects were favorable and said he would make every effort to get the plan soon. He suggested that the Principals' meeting be postponed until 8 July, if his Principal's schedule would permit. However, if not, it should be postponed only until 9 July. Otherwise the August meeting would be too close. The Alternates agreed.

7. The Alternates agreed to hold their next meeting at 1000 hours, Tuesday, 30 June.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

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THE PREPARATORY COMMISSION  
Naha, Okinawa

9 July 1970

OFFICIAL MINUTES

SUBJECT: Twenty-first Meeting of PrepCom Alternates, 1100 hours, 29 June 1970

Participants:

Members: Mr. Schodt, U S Alternate Representative  
Mr. Yoshioka, GOJ Alternate Representative  
Mr. Tamaki, Acting Alternate Adviser

Others: Mr. Kaya, GOJ  
Mr. Nakayama, GOJ  
Mr. Sasaki, GOJ  
Mr. Burke, U S  
Mr. Walters, U S  
Mr. Billingsley, U S  
Mr. Kuniyoshi, GRI  
Mr. Yafuso, GRI  
Miss Sata, Recorder

1. The U S Alternate announced that the PrepCom meeting would be held on 1 July as a result of discussions held on an ad hoc basis this morning. He pointed out that there had been no discussion of the hour and suggested the meeting be held at 1500 hours. The Alternates agreed.

2. The U S Alternate passed out revised copies of the report from the Alternates. He said paragraph 4 had been changed and the previous paragraph 6, on Foreign Investment Board applications, had been dropped.

3. The U S Alternate mentioned that all references to TABs were dropped from the report. The GOJ Alternate suggested that the GOJ-proposed SOFA item be appended as TAB A. The U S Alternate suggested that the title of said item be changed to "Review of Proclamations and Ordinances in Relation to Application of SOFA to Okinawa." The Alternates agreed to having a TAB A and to the revised title.

4. The U S Alternate suggested that the ad hoc work group translate the report into Japanese this afternoon. The Alternates agreed.

5. After referring to the previous understanding that there would be no joint press conference, the Alternates agreed that there should be no press release this time. The Alternates also agreed that oral notification to the press would be made by the Joint Secretariat upon instruction by the Alternates and that it might refer press inquiries to those already named by each

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SUBJECT: Twenty-first Meeting of PrepCom Alternates, 1100 hours, 29 June 1970

9 July 1970

element to handle such queries. The Alternates reaffirmed that the Principals would still be free to meet the press on an individual basis. The Alternates agreed there was no objection to picture-taking before the meeting.

6. The U S Alternate suggested that the ad hoc press work group meet today to put into writing what had been agreed on regarding press relations. The Alternates agreed.

7. The U S Alternate suggested that another Alternates' meeting be held at 1600 hours today. The Alternates agreed.

APPROVED:

Shigeo Tamaki Tomio Yoshioka Eddie W. Schott  
GRI Alternate GOJ Alternate U S Alternate

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THE PREPARATORY COMMISSION  
Naha, Okinawa

9 July 1970

OFFICIAL MINUTES

SUBJECT: Twenty-second Meeting of PrepCom Alternates, 1600 hours, 29 June 1970

Participants:

Members: Mr. Schodt, U S Alternate Representative  
Mr. Yoshioka, GOJ Alternate Representative  
Mr. Tamaki, Acting Alternate Adviser

Others: Mr. Kaya, GOJ  
Mr. Walters, U S  
Mr. Billingsley, U S  
Mr. Yafuso, GRI

1. The U S Alternate announced that the General Affairs Subcommittee would be expected to organize the physical arrangements for the 1 July PrepCom meeting.
2. The U S Alternate handed out copies of the scenario for the PrepCom meeting. The other Alternates had no comments on it.
3. It was agreed that the U S Alternate, after meeting with his Principal on the morning of 30 June, would notify the other Alternates of the result and thereupon ask the Joint Secretariat to notify the press orally about the 1 July PrepCom meeting.
4. Since the GRI Alternate would not be able to discuss the report from the Alternates with his Principal until late on 30 June, it was agreed that another Alternates' meeting should be held at 0900 hours on 1 July to be sure everything was in order.

APPROVED:

Shigeo Tamaki Tomio Yoshioka Eddie W. Schott  
GRI Alternate GOJ Alternate U S Alternate

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SUBJECT: Twenty-second Meeting of PrepCom Alternates, 1600 hours, 29 June  
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THE PREPARATORY COMMISSION  
Naha, Okinawa

9 July 1970

OFFICIAL MINUTES

SUBJECT: Twenty-third Meeting of PrepCom Alternates, 0900 hours,  
1 July 1970

Participants:

Members: Mr. Schodt, U S Alternate Representative  
Mr. Yoshioka, GOJ Alternate Representative  
Mr. Senaga, Alternate Adviser

Others: Mr. Kaya, GOJ  
Mr. Sasaki, GOJ  
Mr. Burke, U S  
Mr. Walters, U S  
Mr. Billingsley, U S  
Miss Sata, Recorder

1. The U S Alternate summed up the planning for the Principals' meeting: the report from the Alternates had been agreed on, the press had been notified by the Joint Secretariat, and the General Affairs Subcommittee was handling the physical arrangements.
2. The U S Alternate said the only remaining question was whether there was anything that should not be discussed in individual meetings of the Principals with the press. In this respect, he asked for continued support of the previous agreement among the Alternates not to link specific items with originating governments, not to recite lists of items, and that items raised in the PrepCom be used as illustrations only. The other two Alternates agreed. The U S Alternate then expressed his opinion that nothing from today's meeting need be on the negative list and that the previous agreements should continue to apply. The other Alternates agreed.
3. The U S Alternate explained that he would leave Okinawa for Tokyo late Thursday, 2 July, and return on Tuesday morning, 7 July. He suggested that the regular Alternates' meetings be held at 1000 hours, 2 July and at 1500 hours, 7 July. The other Alternates agreed.
4. The U S Alternate indicated that beginning today the Chief of Administration of the U S Element would be the only member of his own staff who would be required to attend PrepCom meetings regularly. The attendance of other U S Element members would be determined on an ad hoc basis. The other Alternates made no comment.

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SUBJECT: Twenty-third Meeting of PrepCom Alternates, 0900 hours, 1 July 1970

5. The GOJ Alternate asked about a rumor that student demonstrators would come into the area. The U S Alternate said a permit had been granted to 150 Kakumaru students for a parade from the University of the Ryukyus to the PrepCom building, ending at 1430 hours. He further explained that necessary police arrangements had been made already and that no difficulties were foreseen. The General Affairs Subcommittee was taking the necessary measures.

6. The GRI Alternate expressed his appreciation for everyone's efforts in the PrepCom during his absence in the Legislature during the interpellation period of the last two days.

APPROVED:

H. Senaga Edwin U. Schott  
GRI Alternate GOJ Alternate U S Alternate

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THE PREPARATORY COMMISSION  
Naha, Okinawa

9 July 1970

OFFICIAL MINUTES

SUBJECT: ~~Twenty-fourth Meeting of PrepCom Alternates, 1000 hours,~~  
2 July 1970

Participants:

Members: Mr. Schott, U S Alternate Representative  
Mr. Yoshioka, GOJ Alternate Representative  
Mr. Senaga, Alternate Adviser

Others: Mr. Kaya, GOJ  
Mr. Nakayama, GOJ  
Mr. Numakoshi, GOJ  
Mr. Sasaki, GOJ  
Mr. Suzuki, GOJ  
Mr. Burke, U S  
Mr. Walters, U S  
Mr. Billingsley, U S  
Mr. Kuniyoshi, GRI  
Mr. Yafuso, GRI  
Miss Sata, Recorder

1. The U S Alternate said the main purpose of this meeting was to have a post-mortem on yesterday's PrepCom meeting. He invited comments from the other Alternates. The GOJ Alternate expressed his opinion that, although the results of PrepCom meetings were less dramatic than the journalists expected, the 1 July meeting was quite successful in the sense of reflecting long-range and continuing work.

2. The U S Alternate referred to a press report today to the effect that the U S and GOJ were in a state of combative juxtaposition over the SOFA item in the report from the Alternates. Mr. Kaya explained that in his press briefing yesterday he presented the SOFA item fairly and without prejudice.

3. The GRI Alternate said that when the Chief Executive appeared before the Legislature for interpellation on 29 and 30 June, a great concern was expressed that things were going on at PrepCom without any knowledge on the part of the public. He referred to the articles in the two local newspapers to the effect that PrepCom was too secretive and explained that both newspapers criticized Mr. Yara for merely reading a prepared statement at the press conference.

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PREPCOM 9 July 1970  
SUBJECT: Twenty-fourth Meeting of PrepCom Alternates, 1000 hours, 2 July 1970

4. The U S Alternate pointed out that one of the press reports made reference to the "assets" question, saying this question would be placed before PrepCom. The GRI Alternate said he had told the press people that this question would be handled in Tokyo but that local and related matters would naturally be discussed at PrepCom.

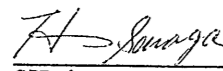
5. The U S Alternate suggested a cut-off date of 28 July or earlier for completion of preparations for the 5 August meeting, in order to avoid a hectic period of preparation and to have a minimum interruption of subcommittee work. He said there would be more items of substance for that meeting. The other Alternates agreed to this suggestion.

6. The U S Alternate asked about rescheduling the 7 July Alternates' meeting from 1500 hours to 1100 hours. The other Alternates agreed. In this connection, the GRI Alternate said he would be in Tokyo from the 5th to the 9th but that Mr. Kakinohana would sit in for him.

7. The GRI Alternate said PrepCom should have a work outline prepared in advance for the next meeting. He said it was important for the Alternates to have a target so that necessary preparations could be made to avoid coming up suddenly with items. The U S Alternate suggested that the Alternates should address themselves more directly to the status of work at the subcommittee level in preparation for the next PrepCom meeting.

8. The GRI Alternate again referred to the deletion of GRI-proposed items that were under diplomatic negotiation from the lists. He said it had been understood on the GRI side at the beginning that all possible problems which had to be solved before reversion could be listed and sorted out according to a time schedule. He emphasized that it was not proper to exclude items now which might reappear later. He suggested that all items be added to the lists. The U S Alternate said this matter had to be resolved soon, and that the U S was directing its energies toward a solution. He reiterated that the GRI items which had been excluded had been passed on to the proper U S authorities and had been seriously considered. He said the U S had not closed its eyes and ears to the GRI views, and that he would be able to address himself specifically to this next week. He assured the Alternates that they would come back to this point next week.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

2

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PREPCOM 9 July 1970  
SUBJECT: Twenty-fourth Meeting of PrepCom Alternates, 1000 hours, 2 July 1970

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THE PREPARATORY COMMISSION  
Naha, Okinawa

9 July 1970

OFFICIAL MINUTES

SUBJECT: Twenty-fifth Meeting of PrepCom Alternates, 1100 hours, 7 July 1970

Participants:

Members: Mr. Schodt, U S Alternate Representative  
Mr. Yoshioka, GOJ Alternate, Representative  
Mr. Kakinohana, Acting Alternate Adviser

Others: Mr. Kaya, GOJ  
Mr. Mabuchi, GOJ  
Mr. Nakayama, GOJ  
Mr. Numakoshi, GOJ  
Mr. Sasaki, GOJ  
Mr. Burke, U S  
Mr. Walters, U S  
Mr. Billingsley, U S  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The U S Alternate introduced Miss Ammons as the person to record the minutes of the Alternates' meetings during Miss Sata's absence. He asked for and received the approval of the other Alternates to this procedure.
2. The U S Alternate explained that he had arrived from Tokyo only a few minutes ago and had not had a chance to inform himself of recent developments but that he would see the High Commissioner this afternoon. He said he was virtually certain that the U S comprehensive proposal on the transfer of administrative rights could be presented by 10 July.
3. Mr. Kakinohana, who was sitting in for the GRI Alternate, referred to today's newspaper report to the effect that the Ministry of Foreign Affairs had estimated June 1972 as the month reversion would take place. He asked the GOJ Alternate whether this was official information or not. The GOJ Alternate said the regular Vice-Ministers' conference was held yesterday and that in the course of the press briefing subsequently made by the Foreign Office the date of reversion was discussed informally. However, the GOJ Alternate said that there was no consensus or formal decision of the Government. In this connection, the U S Alternate emphasized that agreement on a date for reversion required U S-GOJ negotiations but that such negotiations had not yet been held. He expressed the opinion that speculation about the date would

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SUBJECT: Twenty-fifth Meeting of PrepCom Alternates, 1100 hours, 7 July 1970

increase as the time approaches for the U S-GOJ official announcement of the reversion date.

4. In response to the GOJ Alternate's inquiry, the U S Alternate said he would report about his impressions and experiences in Tokyo after the GRI Alternate arrived back in Naha.
5. Although the date for the GRI Alternate's return was not yet certain, the Alternates tentatively agreed to hold their next meeting at 1000 hours, 10 July.

APPROVED:

*Seizo Kakinohana* *John Yoshioka* *Eric W. Schodt*  
GRI Alternate GOJ Alternate U S Alternate

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THE PREPARATORY COMMISSION  
Naha, Okinawa

22 July 1970

OFFICIAL MINUTES

SUBJECT: Twenty-sixth Meeting of PrepCom Alternates, 1100 hours,  
13 July 1970.

Participants:

Members : Mr. Schodt, U S Alternate Representative  
Mr. Yoshioka, GOJ Alternate Representative  
Mr. Senaga, GRI Alternate Adviser

Others : Mr. Fearey, USG  
Mr. Burke, USG  
Mr. Walters, USG  
Mr. Billingsley, USG  
Mr. Kaya, GOJ  
Mr. Nakayama, GOJ  
Mr. Numakoshi, GOJ  
Mr. Mabuchi, GOJ  
Mr. Sasaki, GOJ  
Mr. Kakinohana, GRI  
Mr. Zakimi, GRI  
Miss Higa, GRI  
Miss Ammons, Recorder

1. The GRI Alternate was welcomed back from his trip to Tokyo by the U S and GOJ Alternates. The U S Alternate introduced Civil Administrator Fearey who was attending for the purpose of discussing the comprehensive plan on transfer of administrative rights. The GRI Alternate introduced Miss Higa, the new GRI member of the Joint Secretariat.

2. The U S Alternate brought up the matter of a press item reporting a statement by Director General Yamanaka of the Prime Minister's Office expressing the view that traffic in Okinawa should continue on the right side for a time after reversion. The GOJ Alternate explained that Mr. Yamanaka's expression was made informally and unofficially during a television interview. He stated that as of this time the Japanese Government has no official position on changing the traffic system on R-day.

3. The U S Alternate introduced for approval a proposal entitled "Proposal to Facilitate the Transfer at Reversion of Civil Administrative Rights." He suggested that two points be kept in mind in considering how to proceed with it:

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22 July 1970

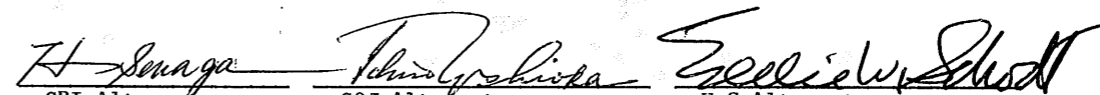
SUBJECT: Twenty-sixth Meeting of PrepCom Alternates, 1100 hours, 13 July 1970

1) the desirability of requesting one or more subcommittees (other than Administrative Rights SC), and/or a special ad hoc committee to assume responsibility for parts of the paper; 2) the fixing of deadlines for such matters as progress reports and later for recommendations for solutions.

4. The U S Alternate then invited the CA to make explanatory remarks concerning the paper. The CA stated that this is a basic genesis paper in which the U S side has prepared a layout of ideas on how the PrepCom could facilitate the transfer of functions, and that this layout is tentative and may require amendments or modifications to the proposed schedule. He further stated that the U S side is preparing more detailed papers on each item to guide the discussions of the conditions under which each function would be relinquished by the U S. The U S Alternate suggested that the other two Alternates be given a copy of the attached paper to study until tomorrow at which time the CA would be available again to answer questions.

5. Next meeting was scheduled for 1000 hours, Tuesday, 14 July.

APPROVED:

  
GRI Alternate      GOJ Alternate      U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
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THE PREPARATORY COMMISSION  
Naha, Okinawa

22 July 1970

OFFICIAL MINUTES

SUBJECT: Twenty-seventh Meeting of PrepCom Alternates, 0930 hours,  
14 July 1970.

Participants:

Members : Mr. Schodt, U S Alternate Representative  
Mr. Yoshioka, GOJ Alternate Representative  
Mr. Senaga, GRI Alternate Adviser

Others : Mr. Fearey, USG  
Mr. Walters, USG  
Mr. Billingsley, USG  
Mr. Kaya, GOJ  
Mr. Nakayama, GOJ  
Mr. Numakoshi, GOJ  
Mr. Mabuchi, GOJ  
Mr. Sasaki, GOJ  
Mr. Suzuki, GOJ  
Mr. Kakinohana, GRI  
Mr. Tamaki, GRI  
Mr. Zakimi, GRI  
Mr. Kuniyoshi, GRI

Miss Ammons, Recorder

1. The U S Alternate expressed appreciation to his colleagues for agreeing to hold the meeting earlier than had been decided yesterday on the "Proposal to Facilitate the Transfer at Reversion of Civil Administrative Rights." He invited the Alternates to address their questions to Civil Administrator Fearey.
2. The GOJ Alternate asked for clarification of the phrase "participation of GOJ officials in the work of the GRI." The CA replied that it meant cooperation between OBONTA and GRI as well as any other techniques that the GOJ may wish to arrange in consultation with the GRI.
3. He also asked the meaning of "conditions will be negotiated on an item-by-item basis in the PrepCom," as stated in para 4 page 2 of the paper. The CA said this was deliberately left a little vague; the U S is interested in assuring that functions are effectively performed right up to reversion since the U S will retain administrative responsibility until that time. He added that the U S has two purposes for progressively disengaging itself, namely, to smooth the transfer so that all will not be in a jumble after reversion, and to make up for the declining capability in USCAR due to budget cuts and possible loss of key personnel.

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PREPCOM

22 July 1970

SUBJECT: Twenty-seventh Meeting of PrepCom Alternates, 0930 hours, 14 July 1970.

4. The U S Alternate asked for comment on the plan to develop additional negotiating positions as we go along. The CA replied there would be detailed negotiations to relinquish each function, that the U S will want to be certain relinquished functions continue to be properly performed and the GOJ will wish to insure it has the means to take over the functions.
5. The GOJ Alternate asked if there was a logical background to the classification of functions into phases, or was this for practical convenience? The CA replied there was a definite reason why each function was put into a particular phase. The CA cited, as an example, Phase 1a, "Supervision over administration of the GOJ aid program to the Ryukyus," saying he thought it desirable for the GOJ to assume that function just as soon as possible.
6. The GOJ Alternate asked if items in the category of "Remaining Functions" must stay in USCAR hands until R-day? The CA replied that USCAR would retain these until R-day but on the other hand many details of transfer will need to be determined before that time, such as for the USCAR corporations.
7. The GOJ Alternate said the post reversion transition period would be outside the jurisdiction of PrepCom. The CA added that the paper so suggests in a note at the end.
8. The U S Alternate said that to assure smooth transition, PrepCom might wish to address itself to areas where a transition period after reversion might be desirable. He and the CA mentioned examples such as tax levels, third country business interests, and import regulations.
9. The GRI Alternate cited GRI departments listed on pages 3 and 4 of the paper and asked why the Labor and Police Departments were not mentioned. The CA replied that certain labor aspects were dealt with in paragraph 7 on page 4; other labor matters relate to U S Forces in Okinawa and the U S would want to continue to exercise these functions because of its direct interest in them.
10. The GRI Alternate asked if the U S aid will cease to be provided for the items listed in Phase 1. The CA replied that U S aid was not involved in these specific items. The GRI Alternate asked if the assistance functions mentioned in Phase 1b meant financial assistance. The CA replied that this referred to advisory or verbal assistance. The U S Alternate added that it might be called professional or technical assistance.
11. The GRI Alternate asked about the future of the U S aid to pure research and medical facilities, such as for the leper colonies in Okinawa and Miyako, and also for the CA's thinking about the possible transfer of financial support, management and control to GOJ before R-day. The CA stated that USCAR would cease to provide assistance to management but that does not mean the U S would necessarily stop all financial assistance.

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12. The GRI Alternate asked if "Maintenance of the off-post military road net," mentioned in Phase 2a, meant transfer of title or of functions. The CA replied that the paper mentioned maintenance only.
13. The GRI Alternate asked if U S aid-in-kind would continue up until R-day. The CA replied that some would go through fiscal 1971 and even longer, and that this was an item to be negotiated. The U S Alternate asked when the bringing in of dry milk would stop. The CA replied this would have to be worked out.
14. The GRI Alternate asked the meaning of "acquisition of land" mentioned in Phase 3c, page 5. The CA replied there had not been and he did not anticipate there would be much acquisition, but the proposal was to relinquish the function for the GRI to perform it with GOJ help. The U S Alternate asked if the U S did more than provide technical assistance under this item. The CA replied that the Land Division in USCAR controls land records, etc.
15. The GRI Alternate referred to paragraph 2 page 1 concerning "diplomatic channels" and said that the statement is too simple and stiff. He asked if PrepCom should not undertake some studies in certain areas without waiting for diplomatic decisions. The CA replied that it was proper not to include matters being handled in Tokyo, such as "asset," and that PrepCom will address itself to implementing details on such matters at the appropriate point.
16. Kaya of GOJ said the concept of delegation was not clear. The CA referred to paragraph 4 page 2 and said there would be problems if the GOJ assumed legal authority while the U S retains administering authority. He added that the formula decided on was delegation of functions to GRI with U S retaining ultimate authority over delegated functions up to reversion. Kaya asked if USCAR would simply accelerate the process of delegation of authority that has already taken place. The CA replied in the affirmative but said the U S will not delegate further authority until GOJ agrees.
17. Kaya asked if the three phase concept was motivated primarily for practical convenience and if there was a logical sequence. The CA replied that the functions are in particular phases for good reasons and that the U S would not want certain functions to be relinquished until the reversion agreement had been negotiated.
18. Kaya asked if there could be other functions in Phase 2. The CA replied that even though there are none at present there may be some later and that both the U S and GOJ might think of some. He added that the paper itself says amendments may be proposed. The CA expressed the hope that the GOJ and GRI would address themselves to a detailed study of the proposed items, as the U S was doing, and that this should be the next step in the subcommittees. The CA also said that this should cure the feeling in PrepCom that it does not have enough work to do.

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SUBJECT: Twenty-seventh Meeting of PrepCom Alternates, 0930 hours, 14 July 1970.

19. The Alternates agreed to refer the paper to the Administrative Transfer Subcommittee for further study and subsequent report as directed by the Alternates. The GRI Alternate asked if the paper would be classified for a long time. The U S Alternate answered that he believed it should be, at least until it went to the ConCom.
20. At this point the Alternates agreed to hold their next meeting at 1000 hours, Friday, 17 July.
21. The GRI Alternate mentioned that a statement on foreign investment had been left out of the Alternates' report at the last PrepCom meeting. He asked if this statement should be placed in the next report. The U S Alternate said that the omission should not be regarded as a precedent, and that either including it in or omitting it from the next report to the Principals was acceptable to him. It was agreed that this subject would be discussed further at the next meeting.

APPROVED:

H. Sonaga      Richard J. Shaha      Edie W. Shodt  
GRI Alternate      GOJ Alternate      U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File

Proposal to Facilitate the Transfer or Reversion of Civil Administrative Rights

1. The U.S. proposes the following guidelines for a smooth shift of U.S. civil administrative functions from USCAR to the GRI and to the GOJ, together with a proposed schedule. The functions are shown in broad terms, and detailed discussion of the conditions of relinquishment of each function to the GRI and GOJ will be required. The functions have been classified according to the time phase during which they would be relinquished (a description of the time phases is provided below). It is suggested that the items in Phase 1 be considered first and, following the development of solutions for their relinquishment, the items in Phases 2, 3 and "Remaining Functions" be dealt with in that order.

2. Civil transfer matters being handled through diplomatic channels in Tokyo have not been included in the proposed schedule. Any PrepCom study or other action on those matters must await the outcome of the discussions in diplomatic channels.

3. The PrepCom Principles and Guidelines specified four prime considerations involved in the preparations for reversion:

a. The welfare and interests of the inhabitants of Okinawa are to be promoted with full consideration to their views and aspirations; and orderly and stable transition in the social, economic and commercial fields is to be assured.

b. The administrative rights of the United States in Okinawa will remain intact and unimpaired until the time of reversion.

c. The complex efforts required of the Government of Japan in order to prepare for the assumption of administrative rights after reversion will be made with speed and effectiveness through the cooperation of the authorities concerned.

d. While carrying out preparations to apply the Treaty of Mutual Cooperation and Security and related arrangements without modification to Okinawa upon reversion, the effectiveness of the United States forces in Okinawa in terms of the security of the Far East including Japan is to be maintained.

4. Although ultimate authority and responsibility for administration within the Ryukyus must continue to rest with the U.S. until Reversion, in the interest of a smooth passage of administrative rights the USG proposes that certain USCAR functions be delegated to the GRI prior to R-Day and that the participation of GOJ officials in the work of the GRI be increased, to assist the GRI in carrying out the additional functions. The conditions under which GOJ officials' participation would occur, and under which the functions would be delegated to the GRI, would be negotiated on an item-by-item basis in the Preparatory Commission. Basically, the U.S. proposal is that the USG should, by agreement with the GOJ, progressively disengage itself from the performance of these selected functions. Reflecting its ultimate authority and responsibility, the U.S. would retain the right to intervene in the discharge of any function, though exercise of this right would not be anticipated.

5. The disengagement from administrative functions would be accomplished according to the following phases:

a. Phase 1 - From the present until a U.S.-Japan reversion agreement has been signed (for planning purposes, the spring of 1971).

b. Phase 2 - From signature of a reversion agreement until achievement of necessary Congressional and Diet support (for planning purposes, late 1971).

c. Phase 3 - From legislative approval until Reversion Day (for planning purposes, July 1, 1972).

d. "Remaining Functions" - Reversion Day.

e. Post reversion transition period following Reversion Day.

6. Disengagement Schedule

The U.S. will continue to refine its thinking concerning the following disengagement schedule and may at a later date wish to propose amendments to the schedule. The USG

specifically retains the right to conduct comprehensive reviews of all plans, programs, and projects in which the USG or its instrumentalities is making or has made a financial

contribution.

Phase 1

The USG proposes to cease performing the functions in subparagraphs a and b below, provided that the GOJ will undertake to carry out these functions to the extent and in a manner deemed acceptable to the USG.

A a. Supervision over administration of the GOJ aid program to the Ryukyus. This function would be relinquished to the GOJ as soon as possible under conditions to be agreed between the USG and the GOJ.

b. Advisory and Assistance Functions on Specified GRI Department Activities.

A (1) Provision of advice and assistance to the following GRI Departments:  
Agriculture and Forestry, Construction (except for those projects financed by the USG),

Education, Legal Affairs, Taxation and Revenue (except for taxation of non-Ryukyuan persons and firms), General Affairs, Planning (except for administration of U.S. aid funds), Trade and Industry and Welfare.

(2) Provision of legal and technical advice and assistance to Ryukyuan financial institutions, insurance companies, banks and business enterprises.

(3) Provision of advice and technical assistance on the formulation of the GRI General Account and Special Account budgets.

(4) Provision of advice to GRI on management of the Trust Fund Bureau Fund.

(5) Provision of advice to GRI on collection, analysis and reporting of economic statistics and forecasts.

(6) Provision of advice and assistance to prisons, reformatories and fire departments.

(7) Provision of advice and assistance in developing labor programs and structuring labor unions.

(8) Provision of advice and assistance on operation and maintenance of non-U.S. owned maritime navigational aids.

c. It is anticipated that operation of certain of the US Cultural Centers will shortly be taken over by their municipalities under conditions to be negotiated by the USG with each municipality.

Phase 2

The USG proposes that the following functions be delegated, by agreement with the GOJ, to the GRI. Since these functions are in part national rather than prefectural

in nature, the USG would require undertaking by the GOJ to provide appropriate assistance to the GRI.

- a. Maintenance of the off-post military road net.
- b. Administration of former Japanese State and Prefectural Lands.
- c. Provision after USFY 1972 of aid-in-kind assistance.

Phase 3

The USG proposes that the following functions be delegated, by agreement with the GOJ, to the GRI. Since these functions are in part national rather than prefectural in nature, the USG would require undertaking by the GOJ to provide needed technical assistance to the GRI.

- a. Administration of controls over the permanent immigration of Japanese nationals into the Ryukyus and the establishment of family registers.
- b. Administration of quarantine, customs and international narcotics control.
- c. Acquisition of land for use by U.S. agencies.

It is proposed that during Phase 3 the GOJ take over the functions of coordinating on behalf of Okinawa with international organizations on various international matters (posts, health, etc.).

Remaining Functions

Preparations for the transfer of civil administrative functions not cited above should also be made in advance of Reversion Day.\* Such remaining functions, to be transferred on Reversion Day, would include:

- a. Ownership and control of the USCAR corporations (though terms and conditions of transfer will be established at the diplomatic level, many local implementing details of transfer need to be determined):

- (1) Ryukyu Electric Power Corporation
- (2) Ryukyu Domestic Water Corporation
- (3) Ryukyu Development Loan Corporation

- b. Provision of advice and assistance to the following GRI Departments:

Planning (for administration of U.S. aid funds), construction (for projects financed by the USG), Taxation and Revenue (for taxation of non-Ryukyuan persons and firms).

- c. Administration of public safety and provision of advice to the GRI Police Department.
- d. Administration of immigration controls, including approval of applications for persons desiring to visit the Ryukyus.
- e. Changeover to Japanese postal system.
- f. Registration of Ryukyuan vessels as Japanese (with abolition of Ryukyuan pennant) and use of Japanese radio call signs.

- \* After reversion there may be a transitional period prior to full application of Japanese law in Okinawa.

THE PREPARATORY COMMISSION  
Naha, Okinawa

3 August 1970

OFFICIAL MINUTES

SUBJECT: ~~Twenty-eighth Meeting of PrepCom Alternates, 1000 hours,~~  
17 July 1970

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Kaya, GOJ  
Mr. Mabuchi, GOJ  
Mr. Nakayama, GOJ  
Mr. Numakoshi, GOJ  
Mr. Suzuki, GOJ  
Mr. Walters, U S  
Mr. Billingsley, U S  
Mr. Zakimi, GRI  
Miss Ammons, Recorder

1. The U S Alternate said that one of the particular items he wished to review this morning was the work competence of PrepCom. He stated this subject had been previously discussed and that the GRI Alternate had already expressed his views. The U S Alternate then summarized the U S position as it had been as follows: (a) items under diplomatic negotiation have been regarded by the U S as outside of PrepCom competence until further instructions were received; (b) items regarded by the U S side as outside of PrepCom competence have been forwarded to proper U S authorities, and (c) in the monthly progress report from Alternates to Principals, the U S has been willing to list only those items it regards to be within PrepCom competence; on items (b) and (c) there has been no change in the U S position.

2. The U S Alternate then said he would like to explain the current U S position on the work competence of PrepCom:

a. As far as the U S is concerned, the GRI is free to raise any reversion item which it feels should be brought to the attention of PrepCom.

b. If the U S side regards an item to be outside of PrepCom jurisdiction, it will continue, as in the past, to forward it to the appropriate U S authorities, together with any supporting papers or oral statements by the GRI spokesmen. In this connection, the U S Alternate said he was hopeful the GOJ side would support the U S views on questions concerning the work jurisdiction of

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SUBJECT: Twenty-eighth Meeting of PrepCom Alternates, 1000 hours, 17 July 1970

PrepCom as it is the GOJ and U S which are carrying on the diplomatic negotiations.

c. As progress at the diplomatic level permits, the U S will attempt to respond to items in this category raised by the GRI. Moreover, as instructed, the U S Alternate will also attempt to respond to other items raised by the GRI. He mentioned that the GRI, for example, had raised items in the SOFA Subcommittee that the U S regarded as outside the competence of PrepCom at that time. These items were forwarded to the appropriate authorities who were very favorably impressed by the content of them; these items are now receiving official consideration by the U S Government. He gave the following two examples of such items: (a) Disposition of Roads in Common Use by the Military and Local People, and (b) Measures for Unpaid Military Land Rentals. The U S Alternate then stated he was authorized to reply to the item raised by the GRI entitled "Handling of Petitions and Appeals Pending in the Land Tribunal," by stating, among other things, that information gathered by USCAR indicated that the means existed to expedite the hearing of cases so as to conclude action on them before reversion.

3. The U S Alternate proposed that, in the future, any items of interest to the three governments be introduced at the Alternate level rather than in the subcommittees. He cited such advantages as the ability of the Alternates to respond directly rather than waiting for subcommittee discussions, and the saving of time by removing the subject of jurisdiction from subcommittee consideration. The other Alternates agreed.

4. The U S Alternate then expressed the opinion it was now timely for PrepCom to start moving away from discussions on how to proceed and to move forward to consider the substantive work with which it was charged under the "Principles and Guidelines," especially in the area of transfer of administrative rights. He anticipated that a study of the various items included under the U S plan, and the devising of solutions to them, will absorb a great deal of time and energy of PrepCom.

5. The GRI Alternate expressed appreciation for the U S Alternate's comments on the items which the GRI had introduced in the SOFA Subcommittee. However, he said he did not think the CE would agree with the U S position on the work competence of PrepCom, and that therefore he would have to reserve the GRI position. However, he added, to expedite the work of PrepCom, the GRI would go along for the time being on the basis of the suggested procedures.

6. The U S Alternate said that since 28 July is the agreed cut-off date for the 5 August meeting, there was little more than a week to deal with the



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SUBJECT: Twenty-eighth Meeting of PrepCom Alternates, 1000 hours, 17 July 1970

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progress report, press release if necessary, etc. Therefore, the important thing is for PrepCom to try to move ahead with its substantive work in the time remaining.

7. The U S Alternate reviewed the items before the subcommittees with the following comments:

a. Since the paper, "Proposal to Facilitate the Transfer at Reversion of Civil Administrative Rights," has been introduced to the Administrative Rights Subcommittee, one meeting has been held. A canvass of the items in this paper to determine whether one or more should be referred to other subcommittees was suggested. The U S side is critically reviewing these items to see which might be assigned to other subcommittees. Although no definite conclusions have been drawn the subject should be addressed next week as it might have a bearing on the content of the progress report.

b. To further discuss the Economic Subcommittee and bring in a little history on it, at one time there was a total of 14 much discussed items. In the preparations for the 3 June Principals' meeting discussions, the U S had taken the position that at least half of these were under diplomatic negotiations. Since then seven have been taken up briefly and informally in the Subcommittee. The Alternates should now review these seven items, in keeping with the agreed approach to raise items at the Alternates' level, and decide anew which should be formally assigned to the Economic Subcommittee for study and other appropriate action. From the U S side, the seven regarded as being in the category for further consideration are: (a) administration of financial institutions; (b) requirements of economic development; (c) ittaiika of taxation systems (under bilateral US-GRI discussion); (d) requirement and feasibility of transition period; (e) administration of POL (sales, distribution, etc.); (f) application of industrial safety and pollution regulations; and (g) reviews of U S and GOJ assistance programs (also included in the "Proposal to Facilitate the Transfer at Reversion of Civil Administrative Rights"). These items should be reviewed to determine which should be put aside and which should be formally assigned to the Subcommittee.

c. SOFA Subcommittee is presently preoccupied with a comparison of HICOM ordinances and articles of SOFA.

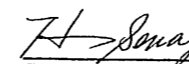
d. Up until now the General Affairs Subcommittee has not been assigned substantive reversion items. Rather, it has been assigned responsibilities relating to such matters as visits, requests for information, and arrangements which have been agreed upon for handling of applications to the Foreign Investment Board. These are continuing matters. The Alternates might want to transfer some administrative rights items to this Subcommittee.

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8. With regard to the seven items mentioned for the Economic Subcommittee, the GOJ Alternate said further clarification on each item is necessary before Tokyo will be able to make official decisions on them. Thereupon the Economic Subcommittee was asked by the Alternates to work out the clarification and to report orally to their respective Alternates by Wednesday, 22 July.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

DISTRIBUTION:

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GRI  
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THE PREPARATORY COMMISSION  
Naha, Okinawa

3 August 1970

OFFICIAL MINUTES

SUBJECT: ~~Twenty-ninth Meeting~~ of PrepCom Alternates, 1000 hours,  
21 July 1970.

Participants:

Members : Mr. Yoshioka, GOJ Alternate  
Mr. Schodt, USG Alternate  
Mr. Senaga, GRI Alternate

Others : Mr. Mabuchi, GOJ  
Mr. Sasaki, GOJ  
Mr. Yamaguchi, GOJ  
Mr. Burke, USG  
Mr. Walters, USG  
Mr. Billingsley, USG  
Mr. Kakinohana, GRI  
Mr. Tamaki, GRI  
Mr. Zakimi, GRI

Miss Ammons, Recorder

1. The U S Alternate informed the other Alternates that he was confronted with a problem regarding preparations for the 5 August Principals' meeting. He said he would be going to Tokyo, presumably on the 29th; the HICOM would also be off-island from about the same date until shortly before 5 August. Therefore, the agreed-on cut-off date of 28 July for completion of the progress report would not give him adequate time to coordinate with his Principal. After verifying with the other Alternates that they still desired to hold a Principals' meeting on 5 August, the U S Alternate suggested that an ad hoc subcommittee be charged with the preparation of a draft progress report to be completed by the time of the next Alternates' meeting. Messrs. Walters (U S), Zakimi (GRI), and Kaya (GOJ) were named for this purpose.

2. The U S Alternate then said that agreement should be reached at the next Alternates' meeting on whether or not there should be a press conference at the 5 August meeting and on who should hold it. He suggested that the answers to these questions would be partly determined by the content of the progress report.

3. It was also suggested by the U S Alternate that the progress report include at least the three following items: (1) the U S comprehensive proposal on the transfer of administrative rights; (2) the additional steps taken in the SOFA Subcommittee to begin a study of HICOM Ordinances; and (3) agreement to submit all items in the future at the Alternate level.

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4. The U S Alternate mentioned the pending economic items that were discussed at the last Alternates' meeting. At that time the three Alternates had charged the Economic Subcommittee with the task of clarifying these items. Each subcommittee members is to make an oral report to his Alternate by 22 July.

5. The next Alternates' meeting was scheduled for 1600 hours, Thursday, 23 July.

APPROVED:

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H. Senaga      Yoshioka      Edwin W. Schodt  
GRI Alternate      GOJ Alternate      U S Alternate

DISTRIBUTION:

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GOJ  
GRI  
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THE PREPARATORY COMMISSION  
Naha, Okinawa

3 August 1970

OFFICIAL MINUTES

SUBJECT: Thirtieth Meeting of PrepCom Alternates, 1600 hours,  
23 July 1970.

Participants:

Members : Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others : Mr. Kaya, GOJ  
Mr. Mabuchi, GOJ  
Mr. Nakayama, GOJ  
Mr. Yamaguchi, GOJ  
Mr. Numakoshi, GOJ  
Mr. Suzuki, GOJ  
Mr. Walters, USG  
Mr. Billingsley, USG  
Mr. Zakimi, GRI

Miss Ammons, Recorder

1. The U S Alternate passed out copies of the draft progress report for the Principals' meeting on 5 August, expressing the hope that it would be ready in its final form by Monday, 27 July. He said that 28 July would be his last chance to see the U S Representative before the latter leaves for Tokyo on 29 July.
2. The U S Alternate invited discussion on dealing with the press on 5 August. He expressed the opinion there did not appear to be enough progress since the last PrepCom meeting to warrant a joint press conference by the Principals or possibly even by the Alternates as well. However, he suggested there should be at least a press release.
3. The GRI Alternate asked how much of the U S comprehensive proposal on administrative transfer could be made public. The U S Alternate said he was authorized to state that the press release could announce a proposal had been submitted to the Commission and that it involved three phases; however, he expressed reservations about listing in the press statement all of the specific items included in the proposal.

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SUBJECT: Thirtieth Meeting of PrepCom Alternates, 1600 hours, 23 July 1970.

4. It was agreed to form an ad hoc subcommittee, composed of Kaya (GOJ), Zakimi (GRI), and Walters (USG), to prepare a draft press statement for presentation at the next Alternates' meeting. At that time the Alternates also will tentatively decide whether a press conference should be held, and if so, what form it should take. The GRI Alternate urged that as much information as possible about the U S proposal on administrative transfer be disclosed to the public. The other Alternates expressed general support for this view.
5. The U S Alternate reviewed the status of progress in the subcommittees:
  - (a) SOFA Subcommittee appointed an ad hoc panel to compare SOFA articles with HICOM proclamations and ordinances.
  - (b) Economic Subcommittee has clarified its list of items and has reported the results to the respective Alternates. The latter must now decide which items should be referred back to the subcommittee for study and the eventual devising of solutions.
  - (c) Administrative Transfer Subcommittee has held two meetings at which the USCAR representative has answered questions on the U S paper, "Proposal to Facilitate the Transfer at Reversion of Civil Administrative Rights." The U S position on the specific items in the paper is now being coordinated and should soon be available to the subcommittee.
  - (d) General Affairs Subcommittee does not have any substantive items before it. However, the U S Element has been developing suggestions for assigning some of the administrative transfer items to this subcommittee.
6. The GRI Alternate said that, as a result of the Department Directors' meeting this morning, his government can go along with the proposal on transfer of administrative rights as a whole but will have many specific comments. The U S Alternate expressed appreciation and said the proposal was a starting point for the work that needs to be done in this area.
7. The U S Alternate said that preliminary reports from Tokyo indicate that the next ConCom meeting may be held on 11 September. In that case, he added, PrepCom will probably be expected to submit implementation schedules for approval, as mentioned in the "Principles and Guidelines."
8. There was an extended discussion of the paragraph in the draft progress report dealing with the role of the PrepCom in regard to foreign investment applications to the GRI. The GRI Alternate said it was especially important that this paragraph be agreed upon quickly at the Alternate level because he planned to discuss it very soon with his Government.
9. It was agreed that the next meeting will be held at 0900 hours, 27 July. At that time the ad hoc subcommittees will present what will hopefully become the final draft of the progress report and will also submit the first draft of the press release.

PREPCOM 3 August 1970  
SUBJECT: Thirtieth Meeting of PrepCom Alternates, 1600 hours, 23 July 1970.

APPROVED:

H. Senaga Yoshioka Ellie W. Schodt  
GRI Alternate GOJ Alternate USG Alternate

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GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

3 August 1970

OFFICIAL MINUTES

SUBJECT: ~~Thirty-first~~ Meeting of PrepCom Alternates, 0900 hours,  
27 July 1970

Participants:

Members: Mr. Yoshioka, GOJ Alternate  
Mr. Schodt, U S Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Kaya, GOJ  
Mr. Mabuchi, GOJ  
Mr. Numakoshi, GOJ  
Mr. Yamaguchi, GOJ  
Mr. Billingsley, U S  
Mr. Kakinohana, GRI  
Mr. Zakimi, GRI  
Miss Ammons, Recorder

1. Copies of a draft of the progress report were passed out by the U S Alternate for review and comments. He said there were certain changes he wished to bring to the attention of the other Alternates; he also mentioned that the report was still in a tentative stage and that clearances were yet to be obtained from the Principals. The Alternates agreed on the proposed changes.
2. Copies of a draft of the proposed press statement were then passed out. The U S Alternate explained that the paragraph on foreign investment applications had been omitted and gave his reasons for doing so. The GOJ Alternate asked if the GRI Alternate had any objection to this paragraph being omitted from the press statement; the latter replied in the negative.
3. The U S Alternate said that the draft press release is still in the tentative stage and that he must still coordinate with PAD/USCAR and the HICOM Information Coordinator's office. He suggested that Mr. Billingsley arrange a meeting today with PAD, IC, and the three PrepCom ad hoc subcommittee members; the object would be to prepare a new draft of the press release by the time of the next Alternates' meeting on 28 July.
4. The U S Alternate said that in addition to the press statement, there is one unsolved problem still remaining for the 5 August meeting: should a press conference be held? The GRI Alternate expressed a preference for a press

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3 August 1970

SUBJECT: ~~Thirty-first~~ Meeting of PrepCom Alternates, 0900 hours, 27 July 1970

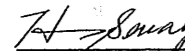
conference by the Principals; the GOJ Alternate proposed a press conference by the Alternates. It was tentatively agreed that a press conference be held at the Alternate level.

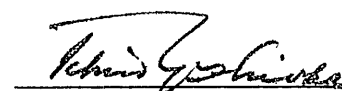
5. The GRI Alternate asked if more details could be given at the press conference about the U S comprehensive proposal for the transfer of administrative rights? The U S Alternate expressed the hope for a forthcoming attitude by the Alternates but said the position to be taken would have to be worked out in advance, in particular to make it possible to give illustrations of what is involved in the different phases. The GOJ Alternate agreed that if PrepCom could indicate a few items as examples for each phase, the press would be at least partly satisfied.


6. The GRI Alternate asked when should foreign investment applications begin to be transmitted through the PrepCom, as the three governments had agreed? The U S Alternate replied that arrangements have been made to proceed any time the GRI has applications ready to submit.

7. The next Alternates' meeting was scheduled for 1000 hours, Tuesday, 28 July.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

3 August 1970

OFFICIAL MINUTES

SUBJECT: ~~Thirty-first~~ Meeting of PrepCom Alternates, 1100 hours,  
28 July 1970

Participants:

Members: Mr. Schott, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Kaya, GOJ  
Mr. Numakoshi, GOJ  
Mr. Sasaki, GOJ  
Mr. Billingsley, U S  
Mr. Zakimi, GRI  
Miss Ammons, Recorder

1. The U S Alternate apologized for the necessity of delaying the meeting an hour. He added that it had not been possible to complete the necessary coordination on the U S side in time for the scheduled 10 a.m. meeting.

2. Copies of the new draft of the press statement were distributed. The U S Alternate explained the desired changes on the U S side. The press statement was approved, subject to the understanding that approval was still required from the Principals.

3. The GOJ Alternate asked if there was any further word concerning the press conference at the Alternates' level? The U S Alternate replied that not until this afternoon would he be able to discuss it with his Principal, but that the prospect was favorable. He added that revised copies of the press release reflecting this morning's changes would be sent to the other Alternates.

4. It was decided that in lieu of a definite meeting on 29 July, the U S Alternate, after he had met with the High Commissioner today, would telephone the other Alternates to give them the response to the proposed press statement and to the planned press conference by the Alternates on 5 August.

5. In deference to a meeting in Tokyo on 30 July to be attended by the U S Alternate, it was agreed to hold the next meeting at 1500 hours, Friday, 31 July.

PREPCOM 3 August 1970  
SUBJECT: Thirty-second Meeting of PrepCom Alternates, 1100 hours, 28 July 1970

APPROVED:

H. Senaga Philip Yoshioka Edie W. Schodt  
GRI Alternate GOJ Alternate U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

12 August 1970

OFFICIAL MINUTES

SUBJECT: ~~Thirty-second~~ Meeting of PrepCom Alternates, 1500 hours, 31 July 1970.

Participants:

Members : Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others : Mr. Sasaki, GOJ  
Mr. Walters, USG  
Mr. Billingsley, USG  
Miss Sata, Recorder

1. The U S Alternate said he had a letter, addressed to the High Commissioner as the U S Representative on the PrepCom, from Mr. Higa, Representative of the General Meeting of the Federation of Okinawa Military Leased Land Owners Association. He asked whether the other governments had received similar letters. The GRI Alternate replied affirmatively, but the GOJ Alternate said he did not know. The GRI Alternate said he planned to answer his own letter directly and the U S Alternate said he would follow the same procedure in view of the fact it was not addressed to the PrepCom as such.
2. The U S Alternate raised the subject of the press statement and said the American Embassy in Tokyo desired that the words about future announcements on the relinquishment of administrative functions make it clear such actions required advance approval by the Consultative Committee. The other Alternates agreed to the proposed change.
3. The GRI Alternate asked how approval by ConCom would take place. The U S Alternate explained that when PrepCom had agreed on solutions to the problems contained in items before it, these proposed solutions would then be sent to the ConCom for approval before being implemented. This procedure would be used for the first time at the proposed 11 September ConCom meeting. Of course, the U S Alternate pointed out, while the PrepCom Elements are arriving at agreed solutions they will simultaneously be consulting with their respective Governments.
4. The GRI Alternate asked what the PrepCom's work would be from now until the forthcoming ConCom meeting. The U S Alternate said his Government would be prepared to take up next week at the subcommittee level detailed points of

PREPCOM  
SUBJECT: Thirty-third Meeting of PrepCom Alternates, 1500 hours, 31 July 1970.

12 August 1970

the U S transfer proposal submitted on 14 July. Proposed implementation schedules for all or part of Phase I of the U S proposal should be forwarded to the ConCom in good time before the 11 September meeting, he added.


5. In response to the GRI Alternate's inquiry as to whether implementation schedules would be drawn up only for Phase I, the U S Alternate expressed his belief that there would not be time to get into Phases II and III by 11 September. He pointed out that the devising of implementation schedules involved questions of both substance and timing. In this connection the GRI Alternate asked whether the U S would be prepared to discuss specific items under Phase I? The U S Alternate replied affirmatively and explained that coordination on most of the points was nearing completion on the U S side.

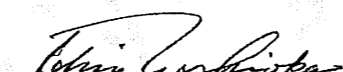
6. The GOJ Alternate asked the U S Alternate whether the contents of announcements about progress made in PrepCom would be "when," "how," and "which" function would be transferred. The response was affirmative.


7. The GOJ Alternate said he understood that announcement of agreements reached could not be made until after the ConCom meeting. However, he asked whether it would be possible to indicate before the meeting, that specific subjects are under study? In response to the U S Alternate's question, the GOJ Alternate said he was thinking about the 5 August press conference. The U S Alternate suggested that this matter be discussed at an ad hoc meeting to be held with Civil Administrator Fearey present at 1000 hours, Monday, 3 August.

8. The Alternates agreed to hold their next regular meeting at 1000 hours, Tuesday, 4 August.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

DISTRIBUTION:  
USG  
GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

13 August 1970

OFFICIAL MINUTES

SUBJECT: Thirty-fourth Meeting of PrepCom Alternates, 1000 hours, 4 August 1970.

Participants:

Members : Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others : Mr. Kaya, GOJ  
Mr. Nakayama, GOJ  
Mr. Sasaki, GOJ  
Mr. Yamaguchi, GOJ  
Mr. Burke, USG  
Mr. Walters, USG  
Mr. Billingsley, USG  
Mr. Kakinohana, GRI  
Mr. Tamaki, GRI  
Mr. Zakimi, GRI  
Mr. Kuniyoshi, GRI  
Miss Sata, Recorder

1. Based on the recommendation made by the General Affairs Subcommittee, the U S Alternate suggested that the Alternates direct the Joint Secretariat to formally notify the press by telephone at 1100 hours today about the Principals' meeting and the subsequent press conference tomorrow. He also suggested that the Joint Secretariat hand out the press statement at the press room in T-60 at 1550 hours, ten minutes prior to the press conference. The GOJ and GRI Alternates agreed to both suggestions.

2. The U S Alternate referred to the agreement on the elimination of a paragraph in the press statement regarding public announcements being made by the PrepCom in the future about the relinquishment of functions. He said the Alternates could make a general statement at their press conference that the Preparatory Commission would inform the public about concrete results as they are achieved in the area of administrative rights. The other Alternates supported this suggestion.

3. The U S Alternate also referred to the GOJ desire to eliminate the word "greatly" in the second paragraph of the draft press statement and to substitute the word "believe" for the word "agree" in the same paragraph. However, the U S Alternate suggested that only "greatly" be omitted, because of the time factor, not because of substance. The Alternates reached agreement on this suggestion. They also agreed that the latter change would necessitate

PREPCOM

13 August 1970

SUBJECT: Thirty-fourth Meeting of PrepCom Alternates, 1000 hours, 4 August 1970.

the elimination of the same word in paragraph 3 of the draft progress report to the Preparatory Commission from the Alternates.

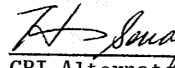
4. The U S Alternate reported that 100 demonstrators from Kokusai University and the University of the Ryukyus were planning to parade in the area of the PrepCom building from 1500 hours to 1700 hours tomorrow. The U S Alternate mentioned that under standing instructions the General Affairs Subcommittee is charged with maintaining liaison and making necessary arrangements to avoid any interference with the meeting of the Principals. The other Alternates supported these instructions.

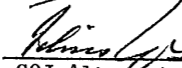
5. The U S Alternate regretted that at this meeting he was not yet prepared to table the detailed items of the US proposal on transferring administrative rights. He said he would submit them as soon as coordination was completed on the U S side, hopefully at the next Alternates' meeting; at that time he would also make a recommendation on assigning some of these detailed items to other subcommittees than the Administrative Subcommittee.


6. The GOJ Alternate said Mr. Ushiba, the new Japanese Ambassador Designate to the United States, would visit the PrepCom building at 1700 hours on 7 August and would like to see the U S and GRI Alternates then. Both Alternates said they had already accepted the invitation.

7. The Alternates agreed that their next meeting would be held at 1600 hours, Thursday, 6 August.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

24 August 1970

OFFICIAL MINUTES

SUBJECT: Thirty-fifth Meeting of PrepCom Alternates, 1000 hours, 7 August 1970.

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Kaya, GOJ  
Mr. Numakoshi, GOJ  
Mr. Sasaki, GOJ  
Mr. Yamaguchi, GOJ  
Mr. Burke, USG  
Mr. Walters, USG  
Mr. Billingsley, USG  
Mr. Kakinohana, GRI  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The U S Alternate passed out a copy of a revised version of the U S plan, submitted on 14 July, entitled "Proposal to Facilitate the Transfer at Reversion of Civil Administrative Rights" (attached). He explained the changes in the U S proposal and the concept on which the changes were based. The U S Alternate answered questions raised by the GOJ and GRI Alternates.

2. The U S Alternate also passed out copies of (a) a list (attached) of ten specific items in Phase 1 of the U S proposal, and (b) a suggestion about the distribution of these items among the subcommittees. He explained that his Government is willing to begin discussion of these specific items at the subcommittee level immediately and is ready to answer all questions. Regarding the suggested distribution of the items among the subcommittees, the U S Alternate added that this was only a proposal. The GOJ Alternate said he would pass this information on to Tokyo for further exploration.

3. The GOJ Alternate said his Government was still studying the item on "Supervision over Administration of the GOJ aid program to the Ryukyus." He added that the GOJ would be ready next week to start to discuss the item on "Provision of Advice and Assistance to the GRI Construction Department (except for those projects financed by the USG)" at the subcommittee level. He requested that experts from the U S and GRI participate and added that OBONTA experts would take part. The U S Alternate said the U S side would bring in experts from USCAR on all of the items, as required. The U S Alternate emphasized the time factor and need for expeditious action to prepare implementation schedules in time for the 11 September ConCom meeting. He

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24 August 1970

SUBJECT: Thirty-fifth Meeting of PrepCom Alternates, 1000 hours, 7 August 1970.

suggested that the Alternates hold a meeting on an ad hoc basis to discuss the U S transfer proposal. The Alternates agreed to meet at 0930, Saturday, 8 August.

4. The GOJ Alternate suggested that the pending economic items should be studied by the Economic Subcommittee. The U S Alternate responded that there were no items pending before the Subcommittee, and emphasized that until the forthcoming Commission meeting and the 11 September ConCom meeting, the subcommittees would be occupied with drawing up implementation schedules on those administrative transfer items included in the U S proposal.

5. The U S Alternate suggested a post mortem on the 5 August PrepCom meeting. He said that even though there were some last-minute changes despite the cut-off date, the idea was still excellent and he recommended that it continue to be used for future preparations for future Commission meetings. There were no other comments on the 5 August meeting.

6. The GRI Alternate said there would be a problem on the GRI side if parts of the U S comprehensive proposal were distributed among the interested GRI departments and sections while keeping the entire proposal a secret from them. The U S Alternate said he assumed the GRI Alternate would distribute the entire proposal widely within his Government, keeping in mind that the complete document should not be made available to the press. The GRI Alternate thereupon suggested that Phases 2 and 3 be eliminated from the copies he planned to distribute among officials of his Government. The other Alternates agreed to this.

7. The GOJ Alternate pointed out that the phrase "Post reversion transition period following Reversion Day" on page three of the U S proposal might be misunderstood to the effect that this statement is on the same level of importance as Phases 1, 2, and 3; he asserted that the post reversion period extends beyond PrepCom's jurisdiction. The U S Alternate said this point could be part of the extended discussions to be undertaken at the Alternates' level. He added that he was ready to go into discussions at any time and that, if necessary, he would invite the Civil Administrator to participate in any discussions. He further said that the Alternates could be discussing basic concepts at the same time the subcommittees were discussing specific functions in the U S transfer proposal.

8. The GRI Alternate said that since the matter of the Cultural Centers had been made known to the public, it should not be necessary to conceal information about them. The U S Alternate said that he would inquire on that point and would respond at tomorrow's ad hoc meeting.

9. The Alternates agreed to hold their next regular meeting at 1000 hours, 11 August 1970. The GOJ Alternate said he would be in Tokyo but that Mr. Kaya would be sitting in for him.

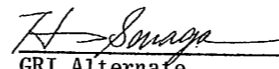
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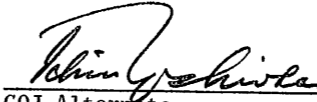
24 August 1970


SUBJECT: Thirty-fifth Meeting of PrepCom Alternates, 1000 hours, 7 August 1970.

2 Incl  
as

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File



*Tabled on 7 Aug '70*

(Incorporates Revisions  
as of 3 August 1970)

Proposal to Facilitate the Transfer at Reversion of Civil Administrative Rights

1. The U.S. proposes the following guidelines for a smooth shift of U.S. civil administrative functions from USCAR to the GRI and to the GOJ, together with a proposed schedule. The functions are shown in broad terms, and detailed discussion of the conditions of relinquishment of each function to the GRI and GOJ will be required. The functions have been classified according to the time phase during which they would be relinquished (a description of the time phases is provided below). It is suggested that the items in Phase 1 be considered first and, following the development of solutions for their relinquishment, the items in Phases 2, 3 ... "Remaining Functions" be dealt with in that order.
2. Civil transfer matters being handled through diplomatic channels in Tokyo have not been included in the proposed schedule. Any PrepCom study or other action on those matters must await the outcome of the discussions in diplomatic channels.
3. The PrepCom Principles and Guidelines specified four prime considerations involved in the preparations for reversion:
  - a. The welfare and interests of the inhabitants of Okinawa are to be promoted with full consideration to their views and aspirations; and orderly a stable transition in the social, economic and commercial fields is to be assured.
  - b. The administrative rights of the United States in Okinawa will remain intact and unimpaired until the time of reversion.

*Incl. 1*

- c. The complex efforts required of the Government of Japan in order to prepare for the assumption of administrative rights after reversion will be made with speed and effectiveness through the cooperation of the authorities concerned.
  - d. While carrying out preparations to apply the Treaty of Mutual Cooperation and Security and related arrangements without modification to Okinawa upon reversion, the effectiveness of the United States forces in Okinawa in terms of the security of the Far East including Japan is to be maintained.
4. Although ultimate authority and responsibility for administration within the Ryukyus must continue to rest with the U.S. until Reversion, in the interest of a smooth passage of administrative rights the USG proposes that certain USCAR functions be delegated to the GRI prior to R-Day and that the participation of GOJ officials in the work of the GRI be increased, to assist the GRI in carrying out the additional functions. The conditions under which GOJ officials' participation would occur, and under which the functions would be delegated to the GRI, would be negotiated on an item-by-item basis in the Preparatory Commission. Basically, the U.S. proposal is that the USG should, by agreement with the GOJ, progressively disengage itself from the performance of these selected functions. Reflecting its ultimate authority and responsibility, the U.S. would retain the right to intervene in the discharge of any function, though exercise of this right would not be anticipated.
  5. The disengagement from administrative functions would be accomplished according to the following phases:



a. Phase 1 - From the present until a U.S.-Japan reversion agreement has been signed (for planning purposes, the spring of 1971).

b. Phase 2 - From signature of a reversion agreement until achievement of necessary Congressional and Diet support (for planning purposes, late 1971).

c. Phase 3 - From legislative approval until Reversion Day (for planning purposes, July 1, 1972).

d. "Remaining Functions" - Reversion Day.

e. Post reversion transition period following Reversion Day.

6. Disengagement Schedule

The U.S. will continue to refine its thinking concerning the following disengagement schedule and may at a later date wish to propose amendments to the schedule. The USG specifically retains the right to conduct comprehensive reviews of all plans, programs, and projects in which the USG or its instrumentalities is making or has made a financial contribution.

Phase 1

The USG proposes to cease performing the functions in subparagraphs a and b below, provided that the GOJ will undertake to carry out these functions to the extent and in a manner deemed acceptable to the USG.

a. Supervision over administration of the GOJ aid program to the Ryukyus. This function would be relinquished to the GOJ as soon as possible under conditions to be agreed between the USG and the GOJ.

b. Advisory and Assistance Functions on Specified GRI Department Activities.

(1) Provision of advice and assistance to the following GRI Departments:  
Agriculture and Forestry, Construction (except for those projects financed by the USG),

Education, Legal Affairs, General Affairs, Planning (except for administration of U.S. aid funds), Trade and Industry (except for foreign trade/investment and posts/telecommunications matters) and Welfare.

(2) Provision of technical advice and assistance to Ryukyuan business enterprises.

(3) Provision of advice to GRI on collection, analysis and reporting of economic statistics and forecasts.

(4) Provision of advice and assistance to prisons, reformatories and fire departments.

(5) Provision of advice and assistance to the GRI in administration of labor programs and development of labor unions.

(6) Provision of advice and assistance on operation and maintenance of non-U.S. owned maritime navigational aids.

c. The USG proposes that the GOJ participate with the USG in assisting and advising the GRI on:

(1) The formulation of the GRI General Account and Special Account budgets.

(2) Management of the Trust Fund Bureau Fund.

(3) Taxation and revenue matters (except for taxation of non-Ryukyuan persons and firms).

d. It is anticipated that operation of certain of the US Cultural Centers will shortly be taken over by their municipalities under conditions to be negotiated by the USG with each municipality.

Phase 2

The USG proposes that the following functions be delegated, by agreement with the GOJ, to the GRI. Since these functions are in part national rather than prefectural in nature, the USG would require undertaking 1. The GOJ to provide appropriate assistance to the GRI.

- a. Maintenance of the off-post military road net.
- b. Administration of former Japanese State and Prefectural Lands.
- c. Planning for provision after USFY 1972 of aid-in-kind assistance.

Phase 3

The USG proposes that the following functions be delegated, by agreement with the GOJ, to the GRI. Since these functions are in part national rather than prefectural in nature, the USG would require undertaking by the GOJ to provide needed technical assistance to the GRI.

- a. Administration of controls over the permanent immigration of Japanese nationals into the Ryukyus and the establishment of family registers.
- b. Administration of quarantine, customs and international narcotics control.
- c. Acquisition of land for use by U.S. agencies.

It is proposed that during Phase 3 the GOJ take over the functions of coordinating on behalf of Okinawa with international organizations on various international matters (posts, health, etc.).

Remaining Functions

Preparations for the transfer of civil administrative functions not cited above should also be made in advance of Reversion Day.\* Such remaining functions, to be transferred on Reversion Day, would include:

- a. Ownership and control of the USCAR corporations (though terms and conditions of transfer will be established at the diplomatic level, many local implementing details of transfer need to be determined):

- (1) Ryukyu Electric Power Corporation
- (2) Ryukyu Domestic Water Corporation
- (3) Ryukyu Development Loan Corporation

b. Provision of advice and assistance to the following GRI Departments: Planning (for administration of U. S. aid funds), Construction (for projects financed by the USG), Taxation and Revenue (for taxation of non-Ryukyuan persons and firms), and Trade and Industry, ~~(for foreign trade/investment and posts/telecommunication matters).~~

- c. Administration of public safety and provision of advice to the GRI Police Department.
- d. Provision of advice and assistance to the GRI Financial Inspection Agency.
- e. Administration of immigration controls, including approval of applications for persons desiring to visit the Ryukyus.
- f. Changeover to Japanese postal system.
- g. Registration of Ryukyuan vessels as Japanese (with abolition of Ryukyuan pennant) and use of Japanese radio call signs.

\* After reversion there may be a transitional period prior to full application of Japanese law in Okinawa.

*Tabled on 7 Aug 70*

- (1) Supervision over administration of the GOJ Aid Program to the Ryukyus.
- (2) Provision of advice and assistance to the GRI Construction Department (except for those projects financed by the USG).
- (3) Provision of advice to the GRI on collection, analysis and reporting of economic statistics and forecasts.
- (4) Formulation of the GRI General Account and Special Account budgets.
- (5) Management of the Trust Fund Bureau Fund.
- (6) Provision of advice and assistance to the GRI Agriculture and Forestry Department.
- (7) Provision of advice and assistance to the GRI in administration of labor programs and development of labor unions.
- (8) Provision of advice and assistance to the GRI Legal Affairs Department.
- (9) Provision of advice and assistance to prisons, reformatories, and fire departments.
- (10) Provision of advice and assistance on operation and maintenance of non-U S owned maritime navigational aids.

*Incl. 2*

THE PREPARATORY COMMISSION  
Naha, Okinawa

10 September 1970

OFFICIAL MINUTES

SUBJECT: Thirty-sixth Meeting of PrepCom Alternates, 1000 hours, 10 August 1970.

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Senaga, GRI Alternate  
Mr. Kaya, Acting GOJ Alternate

Others: Mr. Nakayama, GOJ  
Mr. Numakoshi, GOJ  
Mr. Burke, USG  
Mr. Walters, USG  
Mr. Billingsley, USG  
Mr. Zakimi, GRI  
Miss Sata, Recorder

Mr. J. W. Shinn, Liaison Department, USCAR

1. The U S Alternate reported the Alternates had decided at an ad hoc meeting on 8 August that it would be desirable for a spokesman from USCAR to explain in more detail what USCAR had in mind for each item in the U S "Proposal to Facilitate the Transfer at Reversion of Civil Administrative Rights." He introduced Mr. Shinn, of the USCAR Liaison Department, to provide the desired explanation.
2. Mr. Shinn explained the advice and assistance functions from the standpoint of a theoretical capacity that USCAR would retain until R-day; that USCAR had given over the years increasing autonomy to the GRI but had retained its theoretical capacity to give advice and assistance and was planning to transfer this capacity to the GOJ. He also said that a major feature would be that the U S, as the administering authority until reversion, would retain the right to intervene in all functions. However, he added that any such intervention was not anticipated.
3. Mr. Kaya, Acting GOJ Alternate, asked whether his Government was supposed to perform the "photographic" advice and assistance functions as performed by USCAR, as well as advice and assistance revolving around the metamorphosis of the Ryukyu Islands into Okinawa Prefecture. The Acting GOJ Alternate also asked if his Government should understand that the U S would intervene in the former's performance of advice and assistance functions. The U S Alternate answered the first question in the affirmative and answered the second one by reiterating that hopefully the U S would not have to intervene. However, both U S Alternate and Mr. Shinn speculated that GOJ advice and assistance would be of a different nature than that rendered by USCAR, because of the fact that USCAR's objective had

PREPCOM

10 September 1970

SUBJECT: Thirty-sixth Meeting of PrepCom Alternates, 1000 hours, 10 August 1970.

been to make the GRI more autonomous whereas the GOJ would be interested in preparing Okinawa to be a prefecture.

4. The GRI Alternate asked, for assurance, that the theoretical functions under discussion involved only advice, but not authority to interfere with the GRI and that the GRI autonomy should not be decreased. The U S Alternate said that the GOJ cannot exercise authority over the GRI because the U S will retain its ultimate administrative authority until R-day.

5. The Acting GOJ Alternate pointed out that in paragraph 4 of the revised U S paper there is mention of USCAR functions being delegated to the GRI but that today's discussion had been about transferring functions to the GOJ. The U S Alternate replied that the theoretical capacity of giving advice and assistance to the GRI could not be transferred to the GRI itself, which was the objective of the advice and assistance. Mr. Shinn said many changes were made in the U S proposal and that it was not possible to have all parts of it dovetail neatly. He felt that the principle of relinquishing advice and assistance to the GOJ is clearly understood, as it is spelled out in the preamble to the Phase I part of the proposal.

6. The Acting GOJ Alternate asked if the logic of transferring highly theoretical functions stems simply from some governmental obligation. The U S Alternate replied that his Government did have an obligation to advise and assist. In his opinion, the GOJ would be interested in providing advice and assistance to the GRI departments as part of the preparations for reversion. He explained that if the GOJ would go beyond what USCAR is now doing, it would have to be worked out on a mutually agreed basis, because the U S retains ultimate authority.

7. The GRI Alternate asked if he was correct in assuming that the GOJ's carrying out of the advice and assistance mentioned in b(1) - b(6) of the U S proposal was not intended to decrease the GRI autonomy. The U S Alternate answered that there was not any intention to decrease the GRI autonomy but that it was possible the GRI would be receiving more advice from the GOJ than it had been getting from the U S.

8. The GRI Alternate pointed out that paragraph 6c of the U S proposal had some relation to authority, so the details should be worked out. He added that any written agreement which would allow the GOJ to interfere in GRI internal affairs would not be a good idea and that the Okinawan people should not be given the impression that the GOJ could interfere. The GRI Alternate also said that his Government is performing the function indicated in 6c of the U S proposal, with USCAR having the theoretical capacity to advise and assist. He added that the GOJ will come into the picture, not to exercise authority but to discuss advice and assistance that would be necessary.

9. Mr. Shinn said he did not want to underplay the theoretical capacity of USCAR. He said USCAR was advising actively in some areas and gave the example

PREPCOM

10 September 1970

SUBJECT: Thirty-sixth Meeting of PrepCom Alternates, 1000 hours, 10 August 1970.

of the management of state forest lands.

10. In response to the GRI Alternate's question, Mr. Shinn listed a number of specific types of advice that would be transferred in Phase I. The GRI Alternate said the list of ten specific items in Phase I of the U S proposal that the U S is willing to discuss in detail does not include all of the items mentioned in Phase I of the comprehensive proposal. Mr. Shinn explained that the final approval of the U S papers on the other items had not been received yet.

11. The GRI Alternate asked what functions the U S is now performing in supervising the GOJ aid program. Mr. Shinn listed five functions: (a) developing annual proposals for submission to ConCom, (b) reviewing specifications, (c) processing aid funds, (d) inspecting aid projects, and (e) reviewing the final payments. He said the U S would be pleased to relinquish them all.

12. The GRI Alternate asked what machinery the U S had in mind for handling GOJ participation in assisting and advising the GRI on formulation of budgets and management of the Trust Fund Bureau Fund. Mr. Shinn said the details would have to be worked out in a PrepCom subcommittee.

13. The Acting GOJ Alternate asked what priority should be given to the ten specific items in Phase I of the U S proposal. The U S Alternate replied that, with the 11 September ConCom meeting in mind, each subcommittee should review the items assigned to it and make recommendations on priorities. The latter said the tentative views of the Alternates was that those items which would be least difficult should be taken up first.

14. The Acting GOJ Alternate asked what had happened to the seven economic items "submitted by the U S." The U S Alternate reminded him that those items constituted a composite list rather than a U S submission. He further said the Alternates had agreed to take them from the Subcommittee. The U S Alternate expressed the opinion that the Subcommittee should now concentrate on those administrative transfer items that it could complete before the ConCom meeting even though each Element could table other items at the Alternate level if they so wish.

15. The GRI Alternate asked whether more detailed explanations would be made by the U S side at subcommittee meetings. Mr. Shinn replied affirmatively.

16. The Acting GOJ Alternate said OBONTA had just completed a position paper on GOJ aid, which is in Phase I of the U S proposal. He further said that it would be discussed at a meeting this afternoon on the GOJ side and then would require a green light from Tokyo, which might be received by the middle of next week. In this connection, the Acting GOJ Alternate said the GOJ could

PREPCOM  
SUBJECT: Thirty-sixth Meeting of PrepCom Alternates, 1000 hours, 10 August 1970.

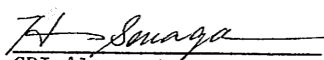
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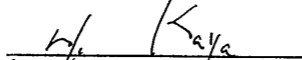
embark upon discussion on the following seven items:

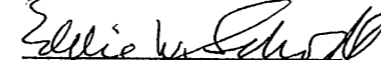
- a. Administrative Transfer Subcommittee
  - (1) Provision of advice and assistance to the GRI Construction Department (except for those projects financed by the USG).
  - (2) Provision of advice and assistance to the GRI Legal Affairs Department.
- b. Economic Subcommittee
  - (1) Provision of advice to the GRI on collection, analysis and reporting of economic statistics and forecasts.
  - (2) Provision of advice and assistance to the GRI Agriculture and Forestry Department.
  - (3) Provision of advice and assistance to the GRI in administration of labor programs and development of labor unions.
- c. General Affairs Subcommittee
  - (1) Provision of advice and assistance to prisons, reformatories and fire departments.
  - (2) Provision of advice and assistance on operation and maintenance of non-US owned maritime navigational aids.

17. The U S Alternate suggested that all subcommittees arrange to meet as soon as possible and that the date for the next Alternates' meeting be decided after the subcommittees report to the Alternates. The Alternates agreed. In this respect, the U S Alternate announced he would leave for Tokyo on Wednesday and return on Friday, but that he could meet with the other Alternates on Friday afternoon or on Wednesday.

APPROVED:

  
GRI Alternate

  
Acting GOJ Alternate

  
U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

1 September 1970

OFFICIAL MINUTES

SUBJECT: Thirty-seventh Meeting of PrepCom Alternates, 0900 hours, 12 August 1970

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Senaga, GRI Alternate  
Mr. Kaya, Acting GOJ Alternate

Others: Mr. Sasaki, GOJ  
Mr. Walters, U S  
Mr. Billingsley, U S  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The U S Alternate explained, for the formal record, that at their ad hoc meeting on 8 August the Alternates agreed to make the following three changes in the revised version of the U S proposal on administrative transfer: (a) deletion of item 5e on page 3 on the subject of a post-reversion transition period, (b) deletion of the phrase "Planning (except for administration of U S aid funds)" from item 6b(1) on page 4, and (c) deletion of the phrase "(for administration of U S aid funds)" in item b on page 6.

2. The Acting GOJ Alternate commented on the footnote at the end of the U S proposal which reads, "After reversion there may be a transitional period prior to full application of Japanese law in Okinawa." He pointed out that Japanese laws will come into force on R-day, although some of the laws may contain certain transitional provisions. He expressed concern that the present wording of the footnote might convey to some readers the impression that full application of Japanese laws may be delayed for a period after R-day.

3. The U S Alternate replied that the matter of transitional provisions in Japanese laws was of great interest to the USG and the GRI. He added that there were legitimate reasons for reference in the paper to a transitional period, in that planning for reversion would be inadequate if the planners were in complete ignorance of what was to happen in the immediate post-reversion period. Finally, he said the wording of this footnote had been discussed by the American Embassy Tokyo with the Ministry of Foreign Affairs.

4. In response to a question from the Acting GOJ Alternate, the U S Alternate explained that the footnote was not in the paper only because of the U S



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1 September 1970

SUBJECT: Thirty-seventh Meeting of PrepCom Alternates, 0900 hours, 12 August 1970

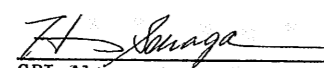
interest in the problems of third country businessmen but also because of the general U S interest in assuring a smooth reversion, a goal that could not be achieved if the PrepCom were left in ignorance about what would happen on reversion day. The GRI Alternate also suggested the wording of the footnote be changed because it implies that U S law would continue to apply to Okinawa after reversion. The U S Alternate said he would discuss with the American Embassy Tokyo the points raised today and would come back to them at a future Alternates' meeting.


5. The Alternates agreed that the subcommittees would not have to complete their work on one item before starting to work on other items; the objective was to move rapidly to consider all items. The U S Alternate reported that only the General Affairs Subcommittee had met since the last Alternates' meeting, and that it will meet again at 1430 hours, 14 August on the item on navigation aids. He also reported that the Administrative Transfer Subcommittee is scheduled to meet at 1000 hours today on the items on provision of advice and assistance to the GRI Construction Department (except for those projects financed by the USG) and to the GRI Legal Affairs Department. The U S Alternate urged the Economic Subcommittee to meet as soon as the members can get together. The Alternates instructed the subcommittees to arrive at agreement on the substance and timing of the items to be transferred to the GOJ.

6. The Alternates agreed that 25 August should be the cut-off date for the progress report to be presented to the Commission at its 2 September meeting.

7. The Alternates tentatively agreed that their next meeting will be held at 1000 hours, 14 August, depending on whether or not the U S Alternate is able to leave for Tokyo on 12 August and to return on the 14th.

APPROVED:

  
GRI Alternate

  
GOJ Alternate, Acting

  
U S Alternate

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GOJ  
GRI  
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THE PREPARATORY COMMISSION  
Naha, Okinawa

1 September 1970

OFFICIAL MINUTES

SUBJECT: ~~Thirty-seventh Meeting~~ of PrepCom Alternates, 1000 hours, 14 August 1970.

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Senaga, GRI Alternate  
Mr. Kaya, Acting GOJ Alternate

Others: Mr. Kakinohana, GRI  
Mr. Sasaki, GOJ  
Mr. Walters, USG  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. Referring to today's press articles in the two local newspapers on the GRI Alternate's press conference, the U S Alternate asked the GRI Alternate if the accounts and list of items were accurate. The latter explained that he had initiated the press conference so that he could give the reporters a complete and more realistic picture of PrepCom activities. He said, however, that their interest remained focused on the items he had mentioned and so the results were not satisfactory from his point of view.

2. The U S Alternate reviewed the status of subcommittee activities and summed them up as follows: (a) the Administrative Transfer Subcommittee had held a meeting to discuss provision of advice and assistance to the GRI Construction Department (except for those projects financed by the USG) and to the GRI Legal Affairs Department; it will meet again today to discuss construction and tomorrow to discuss legal affairs; (b) the General Affairs Subcommittee had met on the item on the provision of advice and assistance on operation and maintenance of non-U S owned maritime navigational aids and will meet again today to discuss the same subject; it will meet on 19 August to discuss the provision of advice and assistance to prisons, reformatories, and fire departments; (c) a scheduled Economic Subcommittee meeting was cancelled because of the typhoon but it will hold its first meeting today; and (d) the ad hoc panel under the SOFA Subcommittee had completed its review of HICOM Ordinances and SOFA articles.

3. The U S Alternate expressed his view that the members of the ad hoc panel under the SOFA Subcommittee did not have to sign the report but could simply hand it informally to the Subcommittee without committing any government.

PREPCOM

SUBJECT: Thirty-eighth Meeting of PrepCom Alternates, 1000 hours, 14 August 1970.

1 September 1970

The Acting GOJ Alternate said the text of the report had been transmitted to the Ministry of Foreign Affairs for reference only and not for formal approval. He added that his Element might be able to discuss the panel's report next Monday. The U S Alternate urged that the subcommittees meet as soon as possible to work on the ten specific items tabled by the U S.

4. Regarding the OBONTA position paper on supervision over administration of the GOJ aid program to the Ryukyus, the Acting GOJ Alternate said this paper had been transmitted to Tokyo and was under active study by the Ministry of Foreign Affairs and other ministries concerned. He added that as far as the working estimate of his Government was concerned, the GOJ Element should be able to discuss this item in the PrepCom by the middle of next week.

5. The U S Alternate suggested the following substitute for the footnote about a transitional period in the revised U S proposal: "After reversion, even though Japanese laws will become fully applicable to the Ryukyu Islands on Reversion Day, there may, in the interest of a smooth reversion, be a need to make provision for a transitional period in these laws." He emphasized that this was a personal view he was expressing and not an official U S position. He said he would have to get clearances on the U S side. The Acting GOJ Alternate said he would transmit this wording to Tokyo as an item that had been discussed informally at PrepCom.

6. Lastly, the Alternates agreed to hold their next meeting at 1500 hours, 18 August. The Acting GOJ Alternate said that Minister Yoshioka would return from Tokyo by Tuesday afternoon and would be able to attend the meeting.

APPROVED:

*H. Senaga*  
GRI Alternate

*H. Kay*  
GOJ Alternate, Acting

*Edwin Schodt*  
U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

2 September 1970

OFFICIAL MINUTES

SUBJECT: ~~Thirty-ninth Meeting of PrepCom Alternates, 1500 hours, 18 August 1970.~~

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Nakayama, GOJ  
Mr. Numakoshi, GOJ  
Mr. Suzuki, GOJ  
Mr. Okano, GOJ  
Mr. Walters, USG  
Mr. Kakinohana, GRI  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The U S Alternate said Mr. Ward, Deputy Under Secretary of the Army in Washington, accompanied by Mr. Freimuth, would be in Okinawa next week for the first time. He said he would like to make an appointment for Mr. Ward to call on the GRI Alternate at 0835 hours, 26 August and on the GOJ Alternate at 0855 hours the same day, and apologized for the early hour. The other Alternates agreed to this schedule. The U S Alternate added that he would make arrangements for Mr. Ward to call on Ambassador Takase through the latter's office.

2. The U S Alternate briefly reviewed the status of subcommittee activities as follows:

a. The Administrative Transfer Subcommittee had met on the items on provision of advice and assistance to the GRI Construction Department (except for those projects financed by the USG) and to the GRI Legal Affairs Department. Because of the stage of progress reached, no definite date has been set for the next meeting. Therefore, the U S Alternate passed out copies of the detailed U S proposal on supervision over administration of the GOJ aid program to the Ryukyus, rather than waiting for this to be done at the Subcommittee meeting.

b. The General Affairs Subcommittee had met on the item on provision of advice and assistance on operation and maintenance of non-U S owned maritime navigational aids. It will meet on 19 August on the item on provision of advice and assistance to prisons, reformatories, and fire departments.

c. The Economic Subcommittee had met on the item on provision of advice to the GRI on collection, analysis, and reporting of economic statistics and forecasts. It will meet soon on the item on provision of advice and assistance

PREPCOM  
SUBJECT: Thirty-ninth Meeting of PrepCom Alternates, 1500 hours, 18 August 1970.

2 September 1970

to the GRI in administration of labor programs and development of labor unions.

d. The ad hoc panel appointed by the SOFA Subcommittee had completed its review of HICOM legislation and SOFA articles, but the GOJ needs to get clearance from Tokyo before agreeing to submit the report to the Subcommittee.

3. The U S Alternate said that the scheduled 11 September ConCom meeting had been postponed until October but that there would be only two more Alternates' meetings before the tentative cut-off date of 25 August for the 2 September PrepCom meeting. He said this raised the monthly question of what to put into the progress report from the Alternates to the Principals. The GOJ Alternate asked whether the U S side would complete discussion by 25 August on each of the ten specific items in the U S proposal. The U S Alternate replied that the U S was prepared to discuss all of the items at any time but that the Acting GOJ Alternate had indicated last week that his Government might not be ready until 24 August to discuss the three items on (a) Formulation of the GRI General Account and Special Account budgets; (b) Management of the Trust Fund Bureau Fund, and (c) Supervision over administration of the GOJ aid program to the Ryukyus.


4. The U S Alternate suggested that the subcommittees should meet again as soon as their meetings can be arranged and that the Alternates should be able to indicate in their progress report to the Principals that the Subcommittees had held at least one meeting on all of the ten items. The Alternates agreed.


5. In response to the other Alternates' questions, the GOJ Alternate reported on his trip to Tokyo to the effect that, after two months on the job at PrepCom, it was very useful. He said he exchanged views informally with the Prime Minister's Office and the Ministry of Foreign Affairs. He also said that he had attended the regular Togo-Sneider meeting held on 13 August, at which Minister Sneider had indicated a willingness on the part of the U S to have wider ranging discussions in the Commission meetings.


6. The GRI Alternate said he expected to be able to distribute soon copies of Foreign Investment Board applications. The U S Alternate said he would look forward to the initiation of this procedure.

7. The Alternates agreed to hold their next meeting at 0900 hours, 22 August.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

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THE PREPARATORY COMMISSION  
Naha, Okinawa

2 September 1970

OFFICIAL MINUTES

SUBJECT: Fortieth Meeting of PrepCom Alternates, 0910 hours, 22 August 1970.

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Walters, USG  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The U S Alternate reported that he spent most of the day of 20 August on informal liaison and coordination at the American Embassy Tokyo, and that he had also attended a weekly Togo-Sneider meeting at the Foreign Office, as Minister Yoshioka had done the previous week. The U S Alternate apologized for causing the Alternates the inconvenience of meeting on Saturday, due to his trip to Tokyo.

2. The U S Alternate suggested a review of the status of subcommittee activities, keeping in mind the tentatively agreed on cut-off date of 25 August for the progress report from the Alternates for the 2 September PrepCom meeting.

a. The General Affairs Subcommittee had held its first meeting on the item on provision of advice and assistance to prisons, reformatories, and fire departments. It also met on 20 August for the third time on the item on provision of advice and assistance on operation and maintenance of non-U S owned maritime navigational aids.

b. The Economic Subcommittee had met on 20 August on two items: (1) provision of advice and assistance to the GRI Agriculture and Forestry Department, and (2) provision of advice and assistance to the GRI in administration of labor programs and development of labor unions.

c. The Administrative Transfer Subcommittee had not met since the last Alternates' meeting; the GOJ and GRI were still studying the papers submitted by the U S.

d. The SOFA Subcommittee had not met for some time and is awaiting the completed report from its ad hoc panel on the review of HICOM legislation and SOFA articles.



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2 September 1970

SUBJECT: Fortieth Meeting of PrepCom Alternates, 0910 hours, 22 August 1970.

The U S Alternate suggested the desirability of completing at least a few of the items on transfer of administrative rights prior to the 2 September Principals' meeting.

3. The GRI Alternate explained his Government's position was as follows: (1) before the GRI subcommittee members can enter into substantive discussions, he has to explain the item at Department Directors' meetings and get formal approval from them; (2) he hoped that he could get this approval within 3 or 4 days, after the Directors returned from their trip to Expo 70 for Okinawa Day.

4. Regarding the status of study on various transfer items on the GOJ side, the GOJ Alternate said he was urging Tokyo to grant clearance. He added that Ambassador Takase also had expressed a strong wish to include at least two or three items in the progress report from the Alternates.

5. The GRI Alternate asked the U S Alternate's view on the form that should be used to record the agreements reached at PrepCom on the transfer of functions. The U S Alternate answered that on some of the items the opening paragraph of the U S papers was considered as a satisfactory form of agreement on the U S side; however, these statements varied and the U S was working on a standard paragraph which could be changed to meet the requirements of a particular item. He assured the Alternates he would try to give them a sample standard paragraph by Monday, 24 August.

6. The GRI Alternate said that from his current view on the transfer items, his Government could agree on the following four items without too much trouble: (1) provision of advice and assistance on operation and maintenance of non-U S owned maritime navigational aids, (2) provision of advice to the GRI on collection, analysis, and reporting of economic statistics and forecasts, (3) provision of advice and assistance to the GRI Legal Affairs Department, and (4) provision of advice and assistance to prisons, reformatories, and fire departments.

7. The GRI Alternate asked how to proceed with the functions being transferred to the Japanese Government to avoid giving the public the impression of interference in GRI affairs; most of the functions being transferred were only "goodwill advice" and technical assistance, whereas others such as the item on agriculture and forestry entailed a grant of power or authority. He forecast that problems would arise if the consequence of the transfer of administrative rights would be a loss of GRI autonomy. The U S Alternate said this was something that the Alternates had to work on and discuss and try to formulate acceptable wording. He expressed the hope that the draft statement of the opening paragraph would become a starting point.

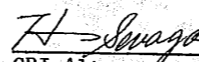
PREPCOM


2 September 1970


SUBJECT: Fortieth Meeting of PrepCom Alternates, 0910 hours, 22 August 1970.

8. The U S Alternate suggested that the Alternates hold an ad hoc meeting at 1500 hours on 24 August on greater freedom of discussion within PrepCom. The Alternates agreed. They also agreed to hold their next regular meeting at 1030 hours on 26 August.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

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THE PREPARATORY COMMISSION  
Naha, Okinawa

10 September 1970

OFFICIAL MINUTES

SUBJECT: Forty-first Meeting of PrepCom Alternates, 1030 hours,  
26 August 1970

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Kaya, GOJ  
Mr. Nitta, GOJ  
Mr. Yamaguchi, GOJ  
Mr. Walters, USG  
Mr. Billingsley, USG  
Mr. Kakinohana, GRI  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The Alternates officially welcomed Mr. Nitta, who had arrived to replace Mr. Sasaki of the GOJ Element of PrepCom.
2. The U S Alternate reminded the GOJ and GRI Alternates of the agreement to prepare a Japanese version of the summary minutes for the Principals' meetings. He reported that the Joint Secretariat had translated into Japanese the summary minutes for the five meetings held to date. The U S Alternate also asked if the Japanese version should be signed in the same manner as the English text. The Alternates agreed no formal signature would be required.
3. The U S Alternate said that no agreement had been reached so far on any of the ten administrative transfer items since the last Alternates' meeting on 22 August. He stated that, although the PrepCom is no longer faced with the urgency of 11 September date for a ConCom meeting, the next Principals' meeting was tentatively scheduled for 2 September. In view of these circumstances the U S Alternate raised for consideration what to do about the progress report from the Alternates, a possible press statement, and a possible press conference. He pointed out that the Alternates would be hard pressed to put anything substantial in their report to the Principals and that there were only five working days before 2 September; postponement was suggested. He said he could not go to his Principal to obtain approval of these various papers only a day or two prior to the meeting.
4. The GRI Alternate asked if the U S would provide a draft standard paragraph for the transfer items. The U S Alternate expressed apologies and said he had been told the paragraph would be ready tomorrow but that he could not guarantee this. However, he added that even if the paragraph

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SUBJECT: Forty-first Meeting of PrepCom Alternates, 1030 hours, 26 August  
1970

were available the problem would remain of getting agreements on the specific items in time for the 2 September meeting.

5. The GRI Alternate asked if it was definitely necessary for items to be discussed further by the subcommittees before arriving at final agreements. He suggested that the Alternates could discuss some of the easier items, such as provision of advice and assistance on operation and maintenance of non-U S owned maritime navigational aids, and the GRI Legal Affairs Department. The U S Alternate replied that this could be done but that one problem might be extended discussion at the Alternate level: USCAR experts would have to be brought in.
6. The U S Alternate said he would be glad to explore possibilities but that he would have to take the position all agreements must be concluded before the end of the week. He said that Monday would be too late to obtain the necessary clearances through U S channels. The GRI Alternate said there were two choices: holding a 2 September meeting without having any substantive matters to present, or postponing it a week. The GOJ Alternate said that in principle it was not wise to change the regular time of the monthly meetings. He argued that it was not always possible to include "remarkable" substance in the progress report, and therefore the regular meeting should be held as scheduled on the basis of the limited material available. In support of this position, the GOJ Alternate reported that the GOJ Element was asking Tokyo for general approval on several of the less complicated items.
7. The U S Alternate replied that if agreements on some items were not reached by the end of tomorrow, it would be extremely difficult for him to see his Principal and to obtain approval on the U S side. The GOJ Alternate said that he would contact the Ministry of Foreign Affairs this afternoon to get a positive reaction so that a decision on whether to hold the meeting as scheduled could be made. He argued that if the GOJ Element received a positive answer from Tokyo in general terms, the Alternates could then say in the report that agreements on some items were reached in principle. He also stated that another substantial item for the progress report would be the study made by the ad hoc panel for the SOFA Subcommittee. The U S Alternate said the Alternates could only state that the panel had completed its report but had not submitted it to the Subcommittee yet because coordination had not been completed on the GOJ side. In summary, he expressed the opinion there was nothing of significance to put in the progress report.
9. In reply to a question from the GOJ Alternate, the U S Alternate said the U S side was ready at any time to meet in the subcommittees to achieve agreement on any or all of the items on the transfer of administrative rights. He reiterated that USCAR experts were drawing up suggested wording for a model draft agreement for the specific items.

PREPCOM  
SUBJECT: Forty-first Meeting of PrepCom Alternates, 1030 hours, 26 August 1970

10 September 1970

10. The Alternates agreed to hold their next meeting at 1100 hours, 27 August to decide tentatively on whether or not to proceed with the 2 September meeting.

APPROVED:

H. Senaga      T. Yoshioka      Edith W. Schodt  
GRI Alternate      GOJ Alternate      U S Alternate

DISTRIBUTION:  
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GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

10 September 1970

OFFICIAL MINUTES

SUBJECT: Forty-second Meeting of PrepCom Alternates, 1100 hours, 27 August 1970

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Kaya, GOJ  
Mr. Mabuchi, GOJ  
Mr. Nakayama, GOJ  
Mr. Nitta, GOJ  
Mr. Burke, USG  
Mr. Walters, USG  
Mr. Billingsley, USG  
Mr. Kakinohana, GRI  
Mr. Tamaki, GRI  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The U S Alternate raised for discussion the question of whether or not to proceed with the 2 September Principals' meeting and invited the other Alternates to comment. He regretted that the U S could not make available the draft model agreement today for the individual items in the U S transfer proposal.
2. The GOJ Alternate reported that a response to the items on transfer of administrative rights had not been received from Tokyo but that they were still under study at the various ministries.
3. With respect to the 2 September Principals' meeting, the GOJ Alternate reiterated that even though the Alternates have no "remarkable" substance to include in the progress report, it would be important to keep the established practice of holding the meeting at the regular time. He predicted that a one-week postponement of the meeting would not result in substantial changes in what could be placed in the progress report from the Alternates. He argued that not only the formal meeting of the Principals but also informal discussion among them would be very significant.
4. The GRI Alternate reported that he had attended a GRI Department Directors' meeting this morning, at which the Chief Executive asked him if the amendments made by the U S side to the U S proposal (of 14 July) would be included in the progress report from the Alternates. The GRI Alternate told the Chief Executive that the amendments should be shown in it.

PREPCOM 10 September 1970  
SUBJECT: Forty-second Meeting of PrepCom Alternates, 1100 hours, 27 August  
1970

5. The GRI Alternate also reported that his Government could agree in principle on the following six items:

- a. Provision of advice and assistance on operation and maintenance of non-U S owned maritime navigational aids
- b. Provision of advice to the GRI on collection, analysis, and reporting of economic statistics and forecasts
- c. Provision of advice and assistance to the GRI Legal Affairs Department
- d. Provision of advice and assistance to prisons, reformatories, and fire departments
- e. Provision of advice and assistance to the GRI in administration of labor programs and development of labor unions
- f. Provision of advice and assistance to the GRI Agriculture and Forestry Department

He added that his Government would express its opinion in the process of finalizing the agreement on these items.

6. The GRI Alternate asked the GOJ Alternate if his Government could state in general terms that it agreed on some items in principle and that detailed formulation of the agreements could be worked out subsequently. The GOJ Alternate replied he could merely state at the moment that the GOJ took note of the GRI position on the six items and would continue to explore the possibilities for agreement.

7. Referring to the comment made by the GOJ Alternate that a one-week postponement would not result in more substance for the report to the Principals, the U S Alternate asked how many weeks would be required. The GOJ Alternate replied that by October he hoped to get an overall reaction to the ten items submitted by the U S.

8. The GOJ Alternate repeated that his Government was strongly opposed to changing the date of the meeting from the regular time and held to the position that the established practice should be followed.

9. The U S Alternate raised the possibility of postponing the PrepCom meeting to October, saying that he appreciated the GOJ Alternate's comments but that he did not see enough evidence of progress to persuade himself a meeting would be justified. He then expressed a preference either for a weeks' postponement

PREPCOM 10 September 1970  
SUBJECT: Forty-second Meeting of PrepCom Alternates, 1100 hours, 27 August  
1970

of the meeting or for cancellation of it if no significant progress could be demonstrated. The U S Alternate suggested that if agreement was reached to cancel the meeting, the PrepCom should issue a press statement saying that the PrepCom had been preoccupied with studying the U S proposal and that the next meeting has been postponed to October.

10. The GOJ Alternate said that cancellation of the meeting would bring a negative reaction from the public. He argued it was not so strange that the PrepCom could not show remarkable results every month, since its work is long range in nature, and that he could make the press understand this. In response to the U S Alternate's question, the GRI Alternate said that he did not foresee any unfavorable reaction from the Okinawan press and public to an announcement about the cancellation of the PrepCom meeting. The latter suggested that the decision on holding the meeting be made on the basis of its merits, not on the basis of anticipated public reaction.

11. The GOJ Alternate said he still found merit in a meeting itself and added that his Principal wished to hold a meeting regardless of the contents of the written report itself. The U S Alternate said that, in the interests of harmony, he had bowed to GOJ desires on past occasions but found it more difficult today to cooperate on this point. The GOJ Alternate suggested enriching the progress report by attaching to it the material provided by the U S for each function which was discussed among the subcommittees. The U S Alternate said this would give bulk to the report but not substance, and that merely adding pieces of paper would not change much.

12. The GOJ Alternate said that the report from the ad hoc panel to the SOFA Subcommittee could be attached to the progress report from the Alternates. The U S Alternate reminded the GOJ Alternate that the report had not been submitted to the Subcommittee yet since it required coordination on the GOJ side. The GOJ Alternate reported that he had just received approval on the GOJ side. The U S Alternate said that the U S member of the SOFA Subcommittee was preoccupied 24 hours a day with a visiting group from the GOJ and that this news by itself still was not enough to warrant a meeting.

13. Mr. Kaya read the following suggested draft statement of the maximum position the GOJ could take at this stage: "The GRI has indicated its desire that six items be transferred from USCAR to the GOJ at the earliest opportunity, and the GOJ has taken note of the GRI desire. The GOJ is also prepared to explore the possibility of the conditions of the transfer of these six items as soon as possible." The U S Alternate said this statement of intention follows automatically from what the Principals had already agreed at the 5 August meeting. Mr. Kaya asked the U S Alternate if this wording would be enough to justify a meeting. The latter replied negatively. The response by the GRI Alternate was also negative.

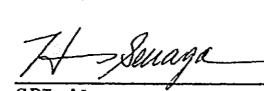
PREPCOM  
SUBJECT: Forty-second Meeting of PrepCom Alternates, 1100 hours, 27 August 1970

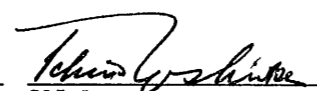
10 September 1970


14. The GOJ Alternate said he could not agree to cancel or postpone the meeting without consulting Ambassador Takase; he promised to report to the other Alternates later in the day.

15. The Alternates agreed to hold their next regular meeting at 1000 hours, 1 September, unless a decision was made to proceed with the 2 September PrepCom meeting.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

10 September 1970

OFFICIAL MINUTES

SUBJECT: Forty-third Meeting of PrepCom Alternates, 1000 hours, 29 August 1970

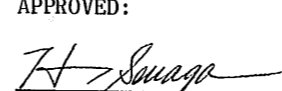
Participants:


Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate


Others: Mr. Walters, USG  
Mr. Kakinohana, GRI  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The U S Alternate said for the record that the Alternates had held an ad hoc meeting yesterday to discuss how to inform the press about the postponement of the 2 September meeting, and had set up an ad hoc committee which had already prepared a draft press statement in both English and Japanese.
2. The U S Alternate reported he had just been informed his Principal does not want the PrepCom to issue a press statement about the postponement of the 2 September meeting; instead the GOJ and GRI simply could answer questions that might be asked by the press. The U S Alternate expressed appreciation for the efforts made to prepare the draft press statement.
3. The Alternates agreed that immediately after adjournment of today's meeting, the Joint Secretariat would orally notify the press of the postponement from 2 September to 7 October, without giving any reasons.
4. In reply to the GOJ Alternate's questions, the Alternates agreed that the contents of the draft press statement might be used in making oral replies to the inquiries which would presumably come from the press to the GOJ and GRI Alternates; the Alternates may, if they wish, give the contents of the draft press statement to the press in writing as long as the paper is not identified as an official PrepCom statement.
5. The Alternates agreed to hold their next meeting at 1000 hours, 1 September.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

PREPCOM  
SUBJECT: Forty-third Meeting of PrepCom Alternates, 1000 hours, 29 August 1970

10 September 1970

DISTRIBUTION:

USG  
GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

10 September 1970

OFFICIAL MINUTES

SUBJECT: ~~Forty-fourth Meeting of PrepCom Alternates, 1000 hours, 1 September 1970~~

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Kaya, GOJ  
Mr. Nakayama, GOJ  
Mr. Burke, USG  
Mr. Walters, USG  
Mr. Billingsley, USG  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The U S Alternate regretted that the draft model agreement on the transfer of administrative rights was not completed but assured the other Alternates that it would be available by Friday, 4 September.
2. The U S Alternate suggested a brief review of the status of the subcommittee activities and summed them up as follows:
  - a. The Administrative Transfer Subcommittee will meet at 1400 hours today. The U S will table two additional items on formulation of the GRI General Account and Special Account budgets and on management of the Trust Fund Bureau Fund.
  - b. The General Affairs Subcommittee will meet at 1030 hours this morning for its second session on the item on prisons, reformatories, and fire departments.
  - c. The SOFA Subcommittee will meet at 1100 hours, 4 September to accept the report from its ad hoc panel which reviewed SOFA articles and HICOM legislation.
  - d. The Economic Subcommittee had scheduled no meetings as of this morning. The U S Alternate added that the U S side was ready to meet at any time if the other members of the Economic Subcommittee wished to take up the items placed before it.
3. The U S Alternate mentioned that the AdCom "Final Report" was almost ready for printing and that a decision had to be made on the number of copies to be printed. Based on the distribution of copies of the most recent AdCom progress report (October 1969), the Alternates agreed that 545 Japanese copies and 315 English copies of the final report would be sufficient.

PREPCOM 10 September 1970  
SUBJECT: Forty-fourth Meeting, of PrepCom Alternates, 1000 hours,  
1 September 1970

4. The GOJ and GRI Alternates reported that no embarrassment resulted from press questions from, nor were there negative reactions to, the announcement by the Joint Secretariat that the 2 September PrepCom meeting had been postponed.

5. The U S Alternate suggested the possibility of an ad hoc meeting, on the 3rd or 4th of September, to pursue further the question of "freedom of discussion" within the PrepCom. He said he would contact the other Alternates later as to the exact time for the ad hoc meeting. The other Alternates agreed to this.

6. The Alternates agreed to hold their next meeting at 1000 hours, 4 September 1970.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

DISTRIBUTION:

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GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

17 September 1970

OFFICIAL MINUTES

SUBJECT: Forty-fifth Meeting of PrepCom Alternates, 1000 hours,  
4 September 1970

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Kaya, GOJ  
Mr. Mabuchi, GOJ  
Mr. Nakayama, GOJ  
Mr. Numakoshi, GOJ  
Mr. Yamaguchi, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Billingsley, U S  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The U S Alternate announced that 7 September was a U S national holiday, and asked the cooperation of the other Elements in not scheduling meetings on that day.
2. The U S Alternate reminded the other Alternates of the agreement on notifying the PrepCom Elements about arrangements made for Japanese official visiting groups.
3. The U S Alternate reviewed the status of the work of the subcommittees as follows:
  - a. The SOFA Subcommittee will meet at 1100 hours today.
  - b. The Administrative Transfer Subcommittee will meet at 1400 hours today to take up the two items tabled by the U S regarding provision of advice to the GRI on management of the Trust Fund Bureau Fund and provision of advice and technical assistance on the formulation of the GRI budget. It has also scheduled a meeting at 1600 hours, 8 September, to discuss supervision over administration of the GOJ aid program.
  - c. The Economic Subcommittee has no meetings scheduled.

PREPCOM 17 September 1970  
SUBJECT: Forty-fifth Meeting of PrepCom Alternates, 1000 hours, 4 September 1970

d. The General Affairs Subcommittee has had held several meetings but has no meeting scheduled as of this morning. It is at the stage of coordination within the respective Governments on the tabled items.

4. The U S Alternate passed out copies of proposed "Draft Agreed Minutes" on the following four items:

a. Provision of Advice and Assistance to the GRI Legal Affairs Department

b. Provision of Advice and Assistance to the GRI on the Operation and Maintenance of non-U S Owned Maritime Aids to Navigation

c. Provision of Advice and Assistance to the Construction Department Government of the Ryukyu Islands

d. Provision of Advice and Assistance to Prisons, Reformatories, and Fire Departments.

5. Regarding the above-mentioned "Draft Agreed Minutes" the U S Alternate made the following general remarks:

a. All four papers follow the same basic pattern, with exceptions made for differences among the particular items.

b. They constitute only suggested agreements. The Alternates may wish to discuss what alternative formulation would be desirable from their point of view. The U S will welcome comments by the GOJ and GRI.

c. The basic concepts involved should be discussed at the Alternates' level, with or without their staff members attending the meeting, rather than having the same subject discussed by the different subcommittees. If the discussion goes into technical details requiring expertise the Alternates should send the paper to the appropriate subcommittee.

d. Concerning "significant alteration" and "consultation," as mentioned in the last paragraph of the papers, the Alternates should discuss how to proceed but good faith and cooperation should be a guiding principle. The PrepCom will always be available when developments require consultation. USCAR, as the agency divesting itself of functions, also will be available at any time.

6. The GOJ Alternate asked if there would be a single agreement to cover all the items. The U S Alternate replied negatively, explaining that the type of paper submitted at this meeting would be prepared on each item. He added that, by addressing themselves to general concepts at this point, the Alternates might be able to set the pattern for future papers.

PREPCOM 17 September 1970  
SUBJECT: Forty-fifth Meeting of PrepCom Alternates, 1000 hours, 4 September 1970

7. The GRI Alternate asked if it was not necessary to have a clearer idea of the category of functions, since some functions require "review and approval" while others involve advice and assistance only. He added that the four items for which "Draft Agreed Minutes" were tabled today do not require review and approval but that approval is necessary with respect to some aspects of provision of advice and assistance to the GRI Agriculture and Forestry Department. The U S Alternate said he would explore further and address himself to this at the next meeting.

8. The GRI Alternate said it is important to classify the functions into those which are supported by legal authority and those which are carried out on a "good-will" or "as requested" basis. The U S Alternate replied that all functions stemmed from the legal authority of USCAR but that many were progressively being turned over to the GRI; other functions may involve requirements in existing laws and regulations. The GRI Alternate said that the growth of GRI's autonomy had been authorized by USCAR in legal acts; therefore any reduction in this autonomy would require legal implementing action by USCAR. The U S Alternate said he did not think there were many items in the category of legal authority; however, he would explore further and try to give an answer at the next meeting.

9. The U S Alternate said that even though he suggested having a discussion on the "Draft Agreed Minutes" on Tuesday, he was not pressing the other Alternates to come up with a final position by the next meeting. He added that it was important for the subcommittees to continue their work of exploring the details of the various items before them.

10. The GOJ Alternate asked if the three Alternates would sign each "Draft Agreed Minute" and attach them to the progress reports to the Principals. The U S Alternate said this could be done but that signatures might not be necessary since the progress reports and their attachments represent agreements by the Alternates. However, he said that in the next Alternates' progress report they might recommend that the Principals sign a cover letter to forward the items to the ConCom for its approval. He added that the Alternates would have to address themselves to this later, and also that they should think in terms of implementation schedules for the items.

11. The GOJ Alternate said he would confirm whether it was necessary to have other documents in addition to the "Draft Agreed Minutes" for the report to the Principals. He also mentioned that he would raise two or three points at the next meeting, for instance, in the item on the construction department whether some special arrangement might be necessary after reversion day if the U S was to continue to give advice and assistance on projects for which U S expenditures had not been completed. The U S Alternate said he would inquire on this specific point and reply later.



PREPCOM 17 September 1970  
SUBJECT: Forty-fifth Meeting of PrepCom Alternates, 1000 hours, 4 September 1970

12. The Alternates agreed their next meeting would be held at 1000 hours, 8 September 1970.

APPROVED:

H. Senaga GRI Alternate  
Yoshioka GOJ Alternate  
Edith Schodt U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

17 September 1970

OFFICIAL MINUTES

SUBJECT: Forty-sixth Meeting of PrepCom Alternates, 1000 hours, 8 September 1970

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Kaya, GOJ  
Mr. Nakayama, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Billingsley, U S  
Mr. Kakinohana, GRI  
Mr. Tamaki, GRI  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The U S Alternate asked if the Alternates still held the same views in favor of having an exterior sign for the PrepCom building as they had in the past. Both Alternates replied affirmatively. It was then agreed that the General Affairs Subcommittee should make a recommendation on the size, cost, and type of sign at the next meeting.

2. The U S Alternate briefly reviewed the status of subcommittee work as follows:

a. The SOFA Subcommittee met on 4 September and received the report from its ad hoc panel which reviewed HICOM ordinances and SOFA articles.

b. The Administrative Transfer Subcommittee will meet at 1600 hours today to take up the following three items which have been tabled by the U S:

(1) Provision of advice and technical assistance on the formulation of the GRI budgets.

(2) Provision of advice to the GRI on management of the Trust Fund Bureau Fund.

(3) Supervision over administration of the GOJ aid program.

c. The Economic Subcommittee has no meetings scheduled.

PREPCOM 17 September 1970  
SUBJECT: Forty-sixth Meeting of PrepCom Alternates, 1000 hours, 8 September 1970

d. The General Affairs Subcommittee has no meetings scheduled.

He added that both Economic and General Affairs Subcommittees had been discussing the items before them; the respective Elements were continuing coordination on their sides.

3. The U S Alternate said that the PrepCom should be thinking along the line of "Agreed (or Suggested) Implementation Schedules," as mentioned in the Principles and Guidelines.

4. In response to the GRI Alternate's question as to whether the advice and assistance to be relinquished by USCAR was sometimes based on a legal requirement, the U S Alternate indicated that with respect to the papers tabled to date, legal authority is involved only in provision of advice and assistance to the GRI Agriculture and Forestry Department. He added that USCAR has the authority to review contracts for the cutting of timber and it would be logical to turn over this authority to the GOJ in addition to transferring advice and assistance; USCAR will explore to see if there are other laws and regulations that would require performance beyond those of advice and assistance.

5. The GRI Alternate said he was wondering if the PrepCom could develop a general definition of "advice" and "assistance" and put it into the various agreements or in a separate paper. He added that the relationship between the U S and GOJ is clear in the Draft Agreed Minutes but the relationship between the GOJ and the GRI is not clear; therefore, more precise definitions or explanations would be helpful. The U S Alternate asked if the GRI Alternate could draft something to indicate what he had in mind. The latter replied affirmatively.

6. The GOJ Alternate asked, in case of a general statement which can apply to all of the items, whether it would be included in the progress report or attached to it. The GRI Alternate said there were several ways to handle this. The U S Alternate suggested that one possible approach would be to have two general statements; one to satisfy GRI Alternate's desire as expressed above and the other to consist of what is in paragraph 3 of the "Draft Agreed Minutes." He added that any general statements have to go into the progress report.

7. The GOJ Alternate reported that the contents of each item were still under study by the various ministries in Tokyo and that the form of the "Draft Agreed Minutes" was also under study by legal authorities among the ministries concerned; however, he had not received any definite decision from Tokyo yet. He added that perhaps PrepCom could make a general statement of agreement for the progress report from the Alternates. The U S Alternate commented that this would not enable the PrepCom to send implementation schedules to the ConCom; no implementation schedules could be sent to the ConCom meeting in mid-October without agreement on substance and timing. The GOJ Alternate said his Government would be ready to submit some agreements to the ConCom.

PREPCOM 17 September 1970  
SUBJECT: Forty-sixth Meeting of PrepCom Alternates, 1000 hours, 8 September 1970

8. Referring to the question raised by the GOJ Alternate about the possibility of the U S giving advice and assistance on projects for which U S expenditures had not been completed by reversion day, the U S Alternate stated that where the U S funds are obligated for a particular project but the project is not completed (either the work itself or the required paper work) by reversion day, the U S would have to continue to exercise technical supervision in response to the Congressional requirements. He also mentioned that his Government has done this in a number of countries where it has granted economic assistance.

9. The GRI Alternate referred to paragraph 2 of the "Draft Agreed Minute" entitled "Provision of Advice and Assistance to the GRI Legal Affairs Department," which mentions the functions of the Legislation Screening Committee. He asked if this meant that the GRI could not request simplification or reform of the functions of the Committee. The U S Alternate said he would interpret this as not being intended to rule out consideration by the U S of GRI desires for improvements of the Committee's operations. He added that he would confirm at the next meeting whether his current thinking was correct. He also said the GOJ has been invited to participate in the said committee on an observing and speaking basis but not as a full member.

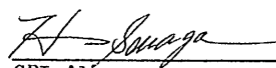
10. The GOJ Alternate said the U S had not tabled several items in phase 1 of the U S comprehensive proposal and thus these have not been studied by the subcommittees yet. The U S Alternate said that two more "Draft Agreed Minutes" might be tabled at the next meeting. He added that the U S would be submitting four or five additional items. In this connection, the GRI Alternate asked if the U S Alternate could formally table one item on the transfer of administrative rights at the Alternates' level since it already had been made available to the appropriate subcommittee. The response was affirmative.

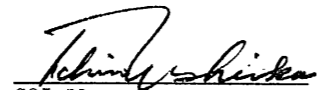
11. The GRI Alternate asked how many items could be agreed on by the 7 October Principals' meeting. The U S Alternate said there was no problem on the U S side on any of the items; however, as the GOJ and GRI sides require coordination, he could not forecast the number of items that could be agreed to by the PrepCom. He said he would assume the ConCom would like to have a certain number of implementation schedules by mid-October. The GOJ Alternate indicated that his Element was expecting to expedite the studies among the various ministries in Tokyo and that it would help to understand the "whole picture" if the U S could table the remaining items. The U S Alternate reiterated that as far as the U S side was concerned, it could move forward at any time on the tabled items on the transfer of administrative rights; USCAR could be asked to bring in experts whenever necessary. He also said he would try to get a more precise idea about the status of the additional items.

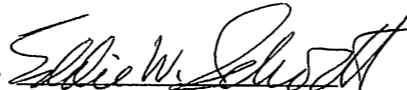
12. The Alternates agreed to meet next at 1000 hours, 11 September 1970.

PREPCOM 17 September 1970  
SUBJECT: Forty-sixth Meeting of PrepCom Alternates, 1000 hours, 8 September 1970

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

DISTRIBUTION:

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THE PREPARATORY COMMISSION  
Naha, Okinawa

17 September 1970

OFFICIAL MINUTES

SUBJECT: Forty-seventh Meeting of PrepCom Alternates, 1100 hours, 11 September 1970

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Senaga, GRI Alternate  
Mr. Kaya, Acting GOJ Alternate

Others: Mr. Yamaguchi, GOJ  
Mr. Nitta, GOJ  
Mr. Burke, USG  
Mr. Walters, USG  
Mr. Billingsley, USG  
Mr. Kakinohana, GRI  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The U S Alternate tabled the following additional items under phase 1 of the U S proposal on the transfer of administrative rights:
  - a. Provision of Advice and Assistance to the GRI Trade and Industry Department
  - b. Provision of Advice and Assistance to the GRI Education Department
  - c. Provision of Advice and Assistance to the GRI Welfare Department
  - d. Provision of Advice and Assistance to the GRI General Affairs Department
  - e. Provision of Technical Advice and Assistance to Ryukyuan Owned and Operated Business Enterprises.

He also tabled the U S paper on "Provision of Advice and Technical Assistance to the GRI on Taxation and Revenue Matters," which his Government had informally and inadvertently first presented to the Administrative Transfer Subcommittee rather than at the Alternate level. He commented that there were now 16 items before the PrepCom and that this would be the total currently planned by the U S side on the comprehensive transfer proposal. In this respect, the U S Alternate suggested that items a and e be distributed to the Economic Subcommittee, item d to the General Affairs Subcommittee and items b and c to the Administrative Transfer Subcommittee. The other Alternates agreed to this suggestion.

PREPCOM 17 September 1970  
SUBJECT: Forty-seventh Meeting of PrepCom Alternates, 1100 hours, 11  
September 1970

2. The General Affairs Subcommittee gave a progress report on a sign for the PrepCom building. The Alternates requested the Subcommittee to complete the installation within six weeks.
3. The U S Alternate briefly reviewed the status of subcommittee activities as follows:
  - a. The Administrative Transfer Subcommittee met on the 8th and 10th of September to take up the items on (1) provision of advice and technical assistance on the formulation of the GRI budgets, (2) provision of advice to the GRI on management of the Trust Fund Bureau Fund, and (3) supervision over administration of the GOJ aid program. It has not scheduled a subsequent meeting; coordination is being carried on in the GOJ and GRI Elements.
  - b. The SOFA Subcommittee will meet tentatively on 21 September.
  - c. The General Affairs Subcommittee has no definite date to meet.
  - d. The Economic Subcommittee has no meetings scheduled; it has not met since 20 August.
4. The U S Alternate reminded all that there were only two and a half weeks left until the cut-off date for the progress report from the Alternates to the Principals for submission on 7 October. He said the GRI Alternate had indicated agreement in principle on six items and reiterated that, as far as the U S side was concerned, it was ready to proceed on any of the items and would meet at the convenience of the other two Elements.
5. The U S Alternate asked if the GRI Alternate was prepared to submit a draft definition of "advice and assistance." The latter said he would reply later.
6. Referring to a question raised by the GRI Alternate as to whether the GRI would be prohibited from asking for simplification, reform, or improvement of the Legislative Screening Committee, the U S Alternate formally affirmed the statement he had made at the last meeting, namely, that the language in the "Draft Agreed Minute" regarding the GRI Legal Affairs Department was not intended to rule out GRI suggestions for improvement of said Committee.
7. The U S Alternate referred to the GRI Alternate's question as to whether the items in the U S transfer proposal involved functions based on laws or authority which would go beyond advice and assistance. He said USCAR authority to review contacts for the cutting of timber will be involved in the item on the GRI Agriculture and Forestry Department; however, USCAR did not know of any other action in the total of 16 items in those tabled by the U S that go beyond advice and assistance. He added that the other two

PREPCOM 17 September 1970  
SUBJECT: Forty-seventh Meeting of PrepCom Alternates, 1100 hours, 11  
September 1970

Alternates' views would be welcomed.

8. The Acting GOJ Alternate recalled that Colonel Lombard of USCAR said at a subcommittee meeting that the GOJ was supposed to review the design of the long range public works projects initiated by the GRI. He added this requirement of GOJ intervention might fall short of involving legal authority but that it appeared to go beyond advice and assistance. The U S Alternate said this did not seem to involve legal authority but may be more than advice and assistance. He added that he would look into this and respond at the next meeting.
9. The Acting GOJ Alternate said his Government was curious to know if USCAR would amend ordinances and proclamations to delete the provision for review of contacts for the cutting of timber and thereby legally transfer this function from USCAR to the GOJ, or whether it would be possible to handle this matter with a mere statement in one of the transfer items. He said his Government was anxious to see a "Draft Agreed Minute" on this particular matter. The U S Alternate said he would table seven additional "Draft Agreed Minutes" at the next meeting, including the item on provision of advice and assistance to the GRI Agriculture and Forestry Department. With respect to the Acting GOJ Alternate's point, the U S Alternate said that the U S transfer proposal and the "Draft Agreed Minutes" do make clear that the U S remains responsible for administrative authority and also intends to retain certain review functions. He added that this subject was on the technical level and, therefore, could best be addressed in the Economic Subcommittee with the experts present.
10. The Acting GOJ Alternate said the reason he raised the above question was that his Government was reviewing all items from the standpoint of good-will advice and assistance, without legal implications. If there were legal implications, it would complicate matters and reactions from Tokyo would be delayed as a result. He expressed the hope that he could receive Tokyo's reaction as soon as possible. The U S Alternate said that in order to expedite matters he would send the additional "Draft Agreed Minutes" to the other Alternates as soon as received, rather than waiting for the next meeting.
11. The Acting GOJ Alternate asked which six items the GRI could agree to. The GRI Alternate recited the items regarding (1) navigational aids, (2) prisons, reformatories, and fire departments, (3) the GRI Legal Affairs Department, (4) statistics, (5) labor, and (6) GRI Agriculture and Forestry Department. The Acting GOJ Alternate asked if the GRI had agreed to the item on agriculture and forestry with the understanding that all aspects were not yet clear. The GRI Alternate emphasized that he had said his Government could agree "in principle."
12. The Acting GOJ Alternate said Tokyo was very anxious to tackle the items in their entirety. He expressed the hope that the subcommittees would hold their sessions as soon as possible on the five items the U S tabled today.

PREPCOM  
SUBJECT: Forty-seventh Meeting of PrepCom Alternates, 1100 hours, 11 September 1970

In this connection, the U S Alternate referred to the previous understanding and said the subcommittees should not wait until there is agreement on previously introduced items before proceeding to others.

13. The Alternates agreed to meet next at 1400 hours, 14 September 1970.

APPROVED:

*H. Senaga* *H. Kaya* *Ellie Schott*  
GRI Alternate      Acting GOJ Alternate      U S Alternate

DISTRIBUTION:  
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GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

17 September 1970

OFFICIAL MINUTES

SUBJECT: Forty-eighth Meeting of PrepCom Alternates, 1500 hours, 14 September 1970

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Senaga, GRI Alternate  
Mr. Kaya, Acting GOJ Alternate

Others: Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Billingsley, U S  
Mr. Kakinohana, GRI  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The U S Alternate announced the schedule of subcommittee meetings as follows:
  - a. The Economic Subcommittee at 0930 hours, 16 September.
  - b. The General Affairs Subcommittee at 1430 hours, 17 September.
  - c. The SOFA Subcommittee early in the week of 21 September.
  - d. The Administrative Transfer Subcommittee at 1430 hours, 16 September.
2. The U S Alternate tabled "Draft Agreed Minutes" for the following seven items:
  - a. Provision of Advice and Assistance to the Government of the Ryukyu Islands in Collection, Analysis and Reporting of Economic Statistics and Forecasts.
  - b. Provision of Advice and Assistance to the Agriculture and Forestry Department, Government of the Ryukyu Islands.
  - c. Provision of Advice and Assistance to the Government of the Ryukyu Islands in Administration of Labor Programs and Development of Labor Unions.
  - d. Supervision over Administration of the Japanese Government Aid Program to the Ryukyus.

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SUBJECT: Forty-eighth Meeting of PrepCom Alternates, 1500 hours, 14 September 1970

e. Provision of Advice and Assistance to the Government of the Ryukyu Islands on Taxation and Revenue Matters.

f. Provision of Advice and Assistance to the Government of the Ryukyu Islands on the Formulation of Ryukyuan Government Budgets.

g. Provision of Advice and Assistance to the Government of the Ryukyu Islands on the Management of the Trust Fund Bureau Fund.

He added that he had now submitted 11 "Draft Agreed Minutes" and that five more would come in the near future.

3. The U S Alternate reminded all that there were agreed formal procedures for notification about official visitors and for the coordination of information-gathering activities. However, he said it had been brought to his attention that a large number of American and Ryukyuan business companies had received questionnaires asking for data on importation of non-Japanese made electrical appliances and that the request to complete the questionnaires came from the GRI but at the request of the GOJ; the GOJ involvement was supposed to stem from a MITI mission that came to Okinawa last June, but the PrepCom has no record of such a group. In response to the U S Alternate's inquiry, the Acting GOJ Alternate said he would look into the matter and report back later.

4. The GRI Alternate suggested that the title of a previously tabled "Draft Agreed Minute" concerning the GRI Legal Affairs Department be changed to something like "Provision of Advice and Assistance to GRI Legal and Judicial Organizations," since the item includes not only the GRI Legal Affairs Department but the Courts; these two organizations are not on a comparable level in the GRI. The U S Alternate said he would look into this matter but saw no problem in changing the title.

5. The GRI Alternate tabled English and Japanese versions (attached) of a definition of "advice and assistance." He also submitted English and Japanese versions (attached) of a paper which presented the GRI basic understanding leading to its suggested definition.

6. In response to the U S Alternate's question, the GRI Alternate affirmed that item 3 in its paper with diagram indicated exceptions to the general statements in the first two items. The U S Alternate also asked about the meaning of "both parties" in item 3b. The GRI Alternate replied that in some instances three parties were involved and in other instances only two parties.

7. The Acting GOJ Alternate said his main reaction to the papers submitted by the GRI was the question of whether the U S intended to accept them or not.

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SUBJECT: Forty-eighth Meeting of PrepCom Alternates, 1500 hours, 14 September 1970

He also said he was anxious to know if the GOJ should assist and advise the GRI in a "photographic" manner or if the GOJ might be able to advise and assist in a broader manner, bearing in mind the forthcoming "metamorphosis" of GRI into Okinawa Prefecture. The U S Alternate said he would certainly comment on the GRI definition and paper with diagram and assumed the GOJ would also comment.

8. The Acting GOJ Alternate said the GOJ would not have any administrative rights over Okinawa until reversion day and that any advice and assistance to the GRI from the GOJ would not conflict with basic U S rights over the administration; therefore, it would not result in any interference with GRI autonomy. He added that there is no need for the sort of paper presented by the GRI Alternate but that he would check with the appropriate authorities concerned to provide the thinking of his Government. The U S Alternate said he would do the same. The GRI Alternate explained the reason for submission of the paper, saying that if basic understanding on this matter is reached it will make it easier for him to "sell" the idea of transfer of administrative rights to the various departments of the GRI and will also make things go smoothly between the GRI and OBONTA.

9. The Acting GOJ Alternate pointed out that the paper submitted by the GRI seemed to be designed to suggest that any functions based on authority could not be transferred from USCAR to the GOJ whereas this kind of function would be transferred from USCAR to the GRI. He said he did not quite follow this line of thinking. The U S Alternate said this was also the basic concept of the U S administrative transfer proposal; in phases 2 and 3 the U S proposes the transfer to the GRI of functions which are based on authority, whereas in phase 1 only functions of advice and assistance would be transferred to the GOJ.

10. The Acting GOJ Alternate said that phase 1 of the U S comprehensive proposal has not made clear whether the GOJ is supposed to perform advice and assistance functions as a sort of "proxy" for USCAR, with the latter retaining authority. He also said the GRI Alternate had suggested the GOJ is supposed to follow USCAR practices but that this point had not been made clear by the U S. He added that the GOJ would assume that the U S would not agree to "proxy" authority for the GOJ but that his Government needed better guidance as to the basic concept for the transfer of functions. The U S Alternate said his Government would consider how to make this more clear. He went back to the basic explanation provided by USCAR and said that, since reversion is two years away, the U S assumes that advice and assistance may be more extensively carried on by the GOJ than the U S side has been practicing, and also that the GRI presumably would not object as long as it could invite the additional advice and assistance. The GRI Alternate agreed with this presumption.

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11. The Acting GOJ Alternate said the question remained as to whether the U S will espouse a "proxy" theory on the one hand or a "practical" theory on the other. In response to the U S Alternate's question, the former clarified that the "proxy theory" referred to advice and assistance to be performed on the basis of a legal approach to the transfer of certain USCAR functions to the GOJ before reversion; the "practical approach" referred to GOJ provision of advice and assistance on the basis of "good-will," keeping in mind the metamorphosis to Okinawa Prefecture, without relying on legal rights. The Acting GOJ Alternate added that he was anxious to know which approach the U S would take. The U S Alternate said he would try to obtain his Government's coordinated view by the next meeting. He added that the definition submitted by the GRI Alternate today would conflict with the legal theory but would argue for the practical theory; from his personal point of view the U S would favor the practical approach rather than the legal one.

12. The Alternates agreed to hold their next meeting at 1000 hours, 18 September 1970.

2 Incl  
as

APPROVED:

*H. Saigo*  
GRI Alternate

*H. Kaya*  
Acting GOJ Alternate

*Edie W. Scott*  
U S Alternate

DISTRIBUTION:

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GOJ  
GRI  
File

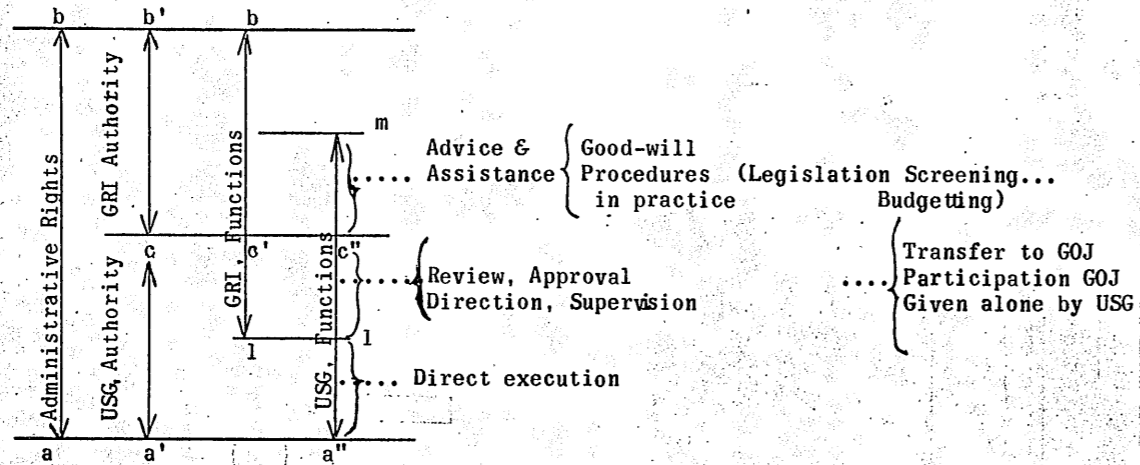
14 Sept '70

"Advice and Assistance" as used here means,

"advice and assistance of good will, to be extended to GRI and the people of the Ryukyus; in relation to agreed items among the functions which fall under authority of GRI; and in principle, within the degree and to the extent the U S Government has been practicing; in accordance with the agreed procedures and methods."

The officials of the GOJ should, in providing such advice and assistance, regard the authority of GRI and pay due considerations not to result in interference to it.

14 Sep '70



1. Functions not based on authority, in other words, advice and assistance may be transferred to GOJ, participated by GOJ or continued to be performed by USG alone.
2. Functions based on authority will progressively be transferred, which cannot be transferred to GOJ.
3. Others:
  - a. Review and approval of disposal of national forests.... as owner
  - b. Administration of GOJ assistance... to meet the internal legal requirements (e.g. auditing), based on the agreement by both parties.

THE PREPARATORY COMMISSION  
Naha, Okinawa

24 September 1970

OFFICIAL MINUTES

SUBJECT: Forty-ninth Meeting of PrepCom Alternates, 1000 hours, 18 September 1970

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Kaya, GOJ  
Mr. Nakayama, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, USG  
Mr. Billingsley, USG  
Mr. Tamaki, GRI  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The U S Alternate reviewed the status of the subcommittees and said they had held meetings as previously announced. The next meetings will be held as follows:

- a. The Administrative Transfer Subcommittee will meet at 1100 hours, today.
- b. The SOFA Subcommittee has arranged its meeting for 1100 hours, 21 September.
- c. The Economic Subcommittee has tentatively scheduled its meeting for 1400 hours, 22 September.
- d. The General Affairs Subcommittee will meet either this afternoon or on 21 September.

2. The U S Alternate said that even though the PrepCom had agreed on notification of official visitors and on requests for official information-gathering activities, the procedures were not working as efficiently as anticipated; for example, in the case of the foreign exchange control survey team which came to Okinawa on 31 August, USCAR was notified formally on 21 August but the PrepCom was not notified until 27 August. Another example given was that of a currency conversion survey team, which is now on the island, for which USCAR was notified on 9 September whereas the PrepCom was not notified until 14 September. On the same subject, the U S Alternate referred to his question at the last meeting regarding questionnaires which were sent to some American and Ryukyuan firms by the GRI



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SUBJECT: Forty-ninth Meeting of PrepCom Alternates, 1000 hours, 18 September 1970

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allegedly acting at the request of the GOJ. He said that since Mr. Kaya had subsequently explained the GOJ was not involved, he would look further into this matter.

3. The U S Alternate regretted that he could not give his Government's coordinated view at this meeting regarding the papers tabled by the GRI Alternate on 14 September. However, he commented from his personal point of view, that, as a result of careful study of the definition and a re-reading of the U S transfer proposal, he was convinced that it would be difficult to spell out the various reversion problems in detail and that the three Governments would have to rely on a large measure of "good-will" to move smoothly and with a minimum of trouble in the interim until reversion day.

4. The GOJ Alternate also said he did not have definite comments on the papers submitted by the GRI Alternate as of this morning. However, he said he had his personal, unofficial ideas which he would like to express at an ad hoc meeting. The Alternates agreed to hold such a meeting at 1000 hours, 21 September 1970.

5. The U S Alternate apologized because the final five "Draft Agreed Minutes" were not yet ready for submission; he expressed confidence he could table them at the next meeting.

6. The GOJ Alternate reported that the various "Draft Agreed Minutes" were also under study by the pertinent GOJ ministries. He added that the PrepCom work was now entering the practical stage from the former idea stage, and that as a result it will take more time to coordinate among the ministries in Tokyo. However, he expressed the hope that his Government would reach certain conclusions in time for the next PrepCom meeting.

7. Pointing out the fact that there were only one and a half weeks left until the cut-off date for the progress report from the Alternates to be submitted at the next Principals' meeting, the U S Alternate urged that agreement be reached on some items lest the Alternates be faced with the question again of a cancellation of the PrepCom meeting or of some alternative. The U S Alternate added that at the present stage the Alternates only could state in their progress report that they had been reviewing a number of matters and that this process would be continued.

8. The GRI Alternate reviewed briefly the 16 papers tabled by the U S, in an attempt to determine if all GRI agencies and organizations had been covered. He said the only omission that needed clarifying was reference to the GRI Meteorological Agency. He added that all other GRI departments, agencies, and areas were covered, either positively or as exceptions, in the 16 U S papers. In reply to the inquiry about the Meteorological Agency, the U S Alternate said he would get an answer on this point and would also determine if the Agency should be mentioned in the U S paper entitled

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24 September 1970


"Provision of Advice and Assistance to the GRI Trade and Industry Department."

9. In response to the GOJ Alternate's question about the organizational location of the Agency, the GRI Alternate said it was directly under the Director of the Trade and Industry Department. The GOJ Alternate asked what kind of advice and assistance USCAR had been giving to the Agency. The GRI Alternate replied that there is exchange of weather information between the Agency and the military but that he did not know about USCAR advice and assistance.


10. The GOJ Alternate mentioned that there may be other potential areas that are not indicated in the U S papers either positively or as exceptions. He wondered if advice to said Agency was the only area which is not clearcut. The GRI Alternate explained that all functions could be divided into two parts; one is the functions which the U S will reserve and the other is the advice and assistance functions to be transferred to the GOJ as positively stated in the U S papers. He asked if the U S would transfer only those functions which were positively stated. The U S Alternate said his own feeling was that all functions not specifically reserved for the U S would be transferred but that he would have this point reviewed by his Government so that he could give an official reply to this.

11. The Alternates agreed that their next meeting would be held at 1000 hours, 22 September 1970.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

DISTRIBUTION:

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GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

28 September 1970

OFFICIAL MINUTES

SUBJECT: Fiftieth Meeting of PrepCom Alternates, 1000 hours,  
22 September 1970

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Kaya, GOJ  
Mr. Nakayama, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, USG  
Mr. Billingsley, USG  
Mr. Tamaki, GRI  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The U S Alternate reviewed the status of subcommittees and said all had held their meetings as scheduled; the only meeting currently scheduled was one to be held by the Economic Subcommittee at 1400 hours this afternoon.
2. For the record, the U S Alternate gave the following titles of the five most recent "Draft Agreed Minutes," which he had distributed to the other Alternates informally at an ad hoc meeting yesterday:
  - a. Provision of Advice and Assistance to the General Affairs Department, Government of the Ryukyu Islands.
  - b. Provision of Advice and Assistance to the Trade and Industry Department, Government of the Ryukyu Islands.
  - c. Provision of Advice and Assistance to Ryukyuan Owned and Operated Business Enterprises.
  - d. Provision of Advice and Assistance to the Education Department, Government of the Ryukyu Islands.
  - e. Provision of Advice and Assistance to the Welfare Department, Government of the Ryukyu Islands.

The U S Alternate said he had now tabled 16 "Draft Agreed Minutes," which is the total planned for the time being. He added that all items already had been discussed at subcommittee meetings.

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28 September 1970

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3. The U S Alternate referred to the question raised by the GRI Alternate at the last meeting to the effect that the only apparent omission from the 16 transfer items was that of the GRI Meteorological Agency. The U S Alternate indicated that he could affirm what he had stated previously, namely, that all advice and assistance functions not specifically reserved by USCAR would be transferred to the GOJ, including advice and assistance to said Agency. He further said that USCAR had not given advice and assistance to it for a considerable period of time.

4. The U S Alternate also referred to the GRI Alternate's suggestion that the title of the Draft Agreed Minute on "Provision of Advice and Assistance to the GRI Legal Affairs Department" be changed to make reference to the judicial organizations. The Alternates tentatively agreed to change the title to "Provision of Advice and Assistance to GRI Legal, Judicial, and Procurator Agencies." They also agreed that the body of the item did not have to be changed.

5. The U S Alternate recalled that item d under phase 1 of the U S proposal on the transfer of administrative rights says, "It is anticipated that operation of certain of the U S Cultural Centers will shortly be taken over by their municipalities under conditions to be negotiated by the USG with each municipality." He informed the other Alternates that the U S was preparing a status report on this subject and promised to table it as soon as it becomes available; advice and assistance functions are not involved.

6. The U S Alternate said questions about transfer items raised previously by both GOJ and GRI sides were best answered in one body, and accordingly he passed out a paper prepared by the U S entitled "Answers to GOJ/GRI Questions Concerning Relinquishment of USCAR Functions." He commented that even though the questions and answers were not directly related to the definition of "advice and assistance" submitted by the GRI Alternate on 14 September, there was an indirect relationship. He explained that the answers made clear that acceptance of advice and assistance would be at GRI discretion and that the U S did not anticipate a loss of GRI autonomy.

7. The GRI Alternate pointed out that the "Supporting Information" section in the U S paper on "Provision of Advice and Assistance to the GRI Agriculture and Forestry Department" says specifically it is hoped that the GOJ will assume the function of reviewing and approving "Share-Forest Contracts" and "Public Timber Sales;" however, the "Draft Agreed Minute" on the same item makes reference only to the provision of advice and assistance pertaining to "Share-Forest Contracts" and "Public Timber Sales." In view of the paper submitted by the U S Alternate today, which made clear that it is impossible to transfer "legal authority" to the GOJ before reversion day, he asked whether the GOJ review and approval of these contracts would be on the basis of an "agreement" with the U S. The U S Alternate answered that his Government would cease to perform this function and that the GOJ would carry on this function without a transfer of legal responsibility; the GOJ would perform

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SUBJECT: Fiftieth Meeting of PrepCom Alternates, 1000 hours, 22 September 1970

28 September 1970

this function without diminishing the U S legal authority.

8. The GRI Alternate asked if the U S expected the GOJ to review applications for "Share-Forest Contracts" and the sale of timber and also asked on what basis this would be done. The U S Alternate replied affirmatively to the former point and said the basis would be goodwill and cooperation. The GRI Alternate urged that the basis on which this would be done be stated in the "Draft Agreed Minute."

9. The GRI Alternate said he thought "review and approval" were something more than "advice and assistance" and asked what would happen if the GOJ did not approve a contract. The U S Alternate said his Government and the GOJ would have to hold discussions in such a case. He further said any problem arising out of a "significant" alteration of past practices would require consultation by the GOJ with the U S. The GRI Alternate said this constituted an exception to the general thinking of the U S. The U S Alternate answered that, from the legal standpoint, this was not an exception but that it was a different form of assistance.

10. The U S Alternate reiterated that the U S was proposing to transfer the review and approval function to the GOJ without making the latter legally responsible; on the other hand, the U S could transfer as much as it wished to the GRI in any way without weakening the HICOM's administrative authority. The GRI Alternate urged that language about review and approval be placed in the "Draft Agreed Minute" on advice and assistance to the GRI Agriculture and Forestry Department; if "advice and assistance" can be interpreted to include "review and approval" functions in this "Minute," the same interpretation might be applied to all other "Minutes," he argued. In reply to the GRI Alternate's question about what would happen if the GOJ requested "review and approval" functions in other areas, the U S Alternate said this would be a significant change from what his Government had in mind and would require discussions with the GOJ. The GRI Alternate said there should be a clear distinction between "advice and assistance" and "review and approval." He added that, as the paper submitted by the U S Alternate today indicates that acceptance of advice and assistance would be at GRI discretion, there was an implication that the approval function would be different from the advice and assistance functions. The U S Alternate said that his own view was that discretion would not be involved in approval, and added that he would explore further on this point and try to have a reply by the next meeting.

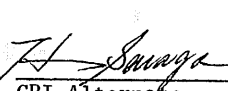
11. Pointing out the fact that there would be only two more regular meetings of the Alternates before the 29 September cut-off date for the 7 October Principals' meeting, the U S Alternate indicated his willingness to meet as many times as necessary in order to come up with something significant to submit to the Principals at their next meeting.

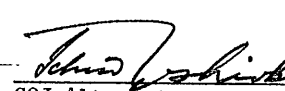
12. The Alternates agreed that they would meet next at 1000 hours, 25 September 1970.

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SUBJECT: Fiftieth Meeting of PrepCom Alternates, 1000 hours, 22 September 1970

28 September 1970

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

DISTRIBUTION:

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GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

5 October 1970

OFFICIAL MINUTES

SUBJECT: Fifty-first Meeting of PrepCom Alternates, 1000 hours,  
25 September 1970

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Kaya, GOJ  
Mr. Nakayama, GOJ  
Mr. Numakoshi, GOJ  
Mr. Yamaguchi, GOJ  
Mr. Nitta, GOJ  
Mr. Burke, USG  
Mr. Walters, USG  
Mr. Billingsley, USG  
Miss Sata, Recorder

Mr. W. Clark, Director, USCAR Liaison Department  
Mr. J. W. Shinn, USCAR Liaison Department

1. The U S Alternate introduced Mr. Clark, Director of the USCAR Liaison Department, and his assistant, Mr. Shinn, and said he would return to these gentlemen later. He then made a correction of one typographical error in the paper entitled "Answers to GOJ/GRI Questions Concerning Relinquishment of USCAR Functions," pointing out that "now" should be substituted for "not."
2. The U S Alternate referred to the previously discussed subject of the questionnaire about imported electrical appliances that had been distributed to American and Ryukyuan firms by the GRI, allegedly at the request of MITI. He added that, although the GOJ had disclaimed MITI involvement, information to the U S from the GRI continued to give MITI as the source. He suggested that the GOJ Element of the PrepCom might wish to discuss the matter with the GRI. He added that he also had been informed the GOJ Ministry of Postal Services had orally requested the GRI to obtain some information from the Far East Broadcasting Company, without going through the PrepCom.
3. The U S Alternate said he noted that there had been improvement in notification through the PrepCom about official visits; there was no longer the gap that he mentioned at a previous meeting between time of notification to USCAR and to PrepCom.
4. The U S Alternate raised for consideration the following three possibilities for forwarding implementation schedules from the PrepCom to the ConCom for final approval:

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5 October 1970

SUBJECT: Fifty-first Meeting of PrepCom Alternates, 1000 hours, 25 September  
1970

- a. Forwarding of the progress report from the Alternates to the ConCom as usual with the implementation schedules attached.
- b. Forwarding of the schedules in a separate package, with each schedule signed by the Principals.
- c. Forwarding of the schedules as an inclosure to a memo from the Principals.

In light of the fact that there is no mailing address for the ConCom, the U S Alternate explained his preference would be to send the schedules as an attachment to the progress report; there could be a covering memo which would include the substance of the first and last paragraphs of the "Draft Agreed Minutes," and the Principals could sign this memo. He suggested that the Alternates appoint an ad hoc subcommittee to discuss this matter in detail and prepare a draft recommendation by the next Alternates' meeting. The Alternates named Messrs. Walters (US), Nitta (GOJ), and Zakimi (GRI).

5. The GOJ Alternate said he had received a response from Tokyo on the items in the U S transfer proposal; however, it was long, in Japanese only and he had not had a chance to study it fully yet, consequently he planned to inform the other Alternates tomorrow, if possible. The Alternates then agreed to hold an ad hoc meeting at 0930 hours, 26 September. The GRI Alternate welcomed the meeting, and said that he would like to convey the GOJ views when he participated in the special meeting of the GRI Department Directors on 28 September.
6. The GRI Alternate asked what the GRI Postal Services Agency should do if it wanted advice from the GOJ, since this Agency was excluded from the 16 items tabled by the U S. The U S Alternate and Mr. Clark replied that the GRI could request any information related to the preparation for reversion day. They also said the previous discussions about the agreement to route GOJ requests regarding information-gathering activities through the PrepCom do not preclude requests for information from the GRI.
7. The U S Alternate referred to a question raised at a recent Economic Subcommittee meeting as to why the U S would continue to advise and assist the GRI Postal Services Agency until reversion; at that meeting the U S spokesman had explained the reason and had suggested that any further questions be raised at the Alternate level. He asked the GOJ and GRI Alternates if they had any questions. The GRI Alternate said it would be unrealistic for his Government to be unable to receive GOJ advice and assistance in the postal field, and suggested that for some functions it should be possible for the GRI to ask for GOJ advice even when the U S reserved to itself the function of advising and assisting. Mr. Clark said he assumed that the GRI would ask guidance from the GOJ to make preparations for the postal system that would prevail after reversion. He added that the U S is proposing only that it continue to advise and assist in this area; this does not preclude the GRI

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from seeking GOJ advice. The GOJ Alternate said his Government was trying to determine if there were technical areas in the postal services system on which it might be appropriate to give advice and assistance, apart from the basic aspects of the system. Mr. Clark said the U S would study any formal GOJ proposal along this line. The U S Alternate said, and Mr. Clark agreed, that the PrepCom would be the proper forum in which to raise such matters. Mr. Clark said USCAR had worked hard on the 16 items tabled and invited proposals from the GOJ and GRI as well. He pointed out that postal matters should be looked at separately and not be regarded as a part of the "Draft Agreed Minute" on the GRI Trade and Industry Department.

8. Referring to a number of questions previously raised by the GRI Alternate on advice and assistance, the U S Alternate affirmed the tentative statements he had made at Alternates' meetings. He also pointed out the pertinent parts of the U S paper entitled "Answers to GOJ/GRI Questions Concerning Relinquishment of USCAR Functions," which he had distributed at the last meeting. He then passed out copies of a paper (attached) about the previously discussed question of review and approval functions in the area of "Share Forest and Timber Sales Contracts," saying that it expressed the U S views more precisely than his oral comments. The GOJ Alternate indicated the paper involved legal aspects so that he needed to study it carefully. The GRI Alternate said he understood the paper and had no comments.

9. The GRI Alternate mentioned that 15 out of the 16 items submitted by the U S had the phrase "Provision of Advice and Assistance to" the various departments of the GRI but that the GOJ aid program has a title with the phrase "supervision over administration" instead; he asked the reason for this. Mr. Clark answered that the U S has to supervise its own aid program and has also maintained administration of the GOJ aid program with GOJ agreement; supervision must be done by an outside government. He also said this item has an impact on various GRI departments whereas all other items relate to particular departments.

10. The GRI Alternate said the words "supervision," "administrative control," "review and approval," and "inspection" are used in the item on the GOJ aid program and that these words seemed to imply more than "advice and assistance." Mr. Clark affirmed the former statement and added that supervision was needed to meet governmental legal requirements. The GRI Alternate asked if this particular item was an exception to the other 15 items since more than advice and assistance would be transferred. Mr. Clark answered affirmatively and explained that this is the reason the paper does not have the words "advice and assistance" in its title. The GRI Alternate said he thought there were two items out of the 16 U S-submitted items that were an exception to advice and assistance; one was the "Share Forest Contract" part of the agriculture and forestry item and the other was the GOJ aid program. In view of the explanation that had been provided, he asked if the latter was the only

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SUBJECT: Fifty-first Meeting of PrepCom Alternates, 1000 hours, 25 September 1970

exception. Mr. Clark replied affirmatively.

11. The GRI Alternate asked if the U S was expecting the GOJ and the GRI to arrange procedures to handle state and prefectural forest matters. Mr. Clark replied that the U S was awaiting GOJ agreement on the U S paper, but said he did not want to presuppose what agreements the GOJ might want to work out with the GRI.

12. The Alternates agreed that the General Affairs Subcommittee should report on the status of the new conference room at the next Alternates' meeting.

13. Lastly, the Alternates agreed to hold their next meeting at 1000 hours, 29 September.

1 Incl  
as

APPROVED:

*H. Savage* *John P. ...* *Samuel M. ...*  
GRI Alternate GOJ Alternate U S Alternate

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GOJ  
GRI  
File



*Tabled on 25 Sep 1970*

The USG currently advises and assists the GRI concerning the administration of Japanese State and Prefectural forest lands. More specifically, in the area of Share Forest and Timber Sales Contracts it performs certain review and approval functions under the provisions of HICOM Directive #2.

With the concurrence of the GOJ, the USG intends to stop performing these review and approval functions. Whether the GOJ would wish to informally continue in some way these functions before reversion or whether these contracts would henceforth be concluded exclusively by the GRI, without review and approval by the GOJ, would be a matter to be agreed between the GRI and GOJ.

In no event would the GOJ be "legally" authorized or deputized by the USG to carry out these review and approval functions. HICOM Directive #2 would be amended to reflect the fact that USCAR will no longer perform these functions. However, in view of the fact that the contracts under discussion involve Japanese state and prefectural forest lands, the GOJ and the GRI might wish to establish between them a review and approval procedure comparable to the one discontinued by the US. This would be up to them, by mutual agreement and without legal force.

THE PREPARATORY COMMISSION  
Naha, Okinawa

6 October 1970

OFFICIAL MINUTES

SUBJECT: Fifty-second Meeting of PrepCom Alternates, 1000 hours, 29 September 1970

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Kaya, GOJ  
Mr. Nakayama, GOJ  
Mr. Numakoshi, GOJ  
Mr. Burke, USG  
Mr. Walters, USG  
Mr. Billingsley, USG  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The U S Alternate announced that the U S would hold its regular monthly meeting tomorrow with Minister Sneider and other officials involved in reversion matters.
2. The U S Alternate said the General Affairs Subcommittee had reported that the renovation of the conference room was completed and it would be ready to use by 7 October.
3. The U S Alternate said the Administrative Transfer Subcommittee meeting yesterday revolved around paragraph 3b of the "Draft Agreed Minute" entitled "Provision of Advice and Assistance to the Welfare Department, GRI." He said the U S had worked out new wording and passed out copies of a paper showing both the old wording and the new wording proposed by the U S side. He added that if the new wording was acceptable to the other two Alternates the "Draft Agreed Minute" would be changed accordingly.
4. The U S Alternate reported for the record that the Alternates at an ad hoc meeting on 26 September had touched on a number of matters, including in particular the definition of "advice and assistance." The U S Alternate referred to the U S paper concerning relinquishment of USCAR functions, tabled on 22 September. From the paper he repeated the following statements:  
"Since the USG will retain administrative control over Okinawa until reversion it is impossible to transfer to the GOJ, before reversion, legal authority such as under an ordinance, proclamation, etc. to advise and assist the GRI. Rather, the USG is saying that the USG will now permit the GOJ to tender advice and assistance to the GRI in the areas specified and

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under the conditions stipulated in the 'Agreed Minutes.' Acceptance of the advice and assistance will be at GRI discretion."

"The USG anticipates that the GOJ, in the months ahead, may consider it advisable to offer a broad range of advice and assistance to the GRI in order that it may make necessary and timely preparations for reversion. In tendering this advice to the GRI, the GOJ will be required, as stipulated in the transfer proposal and in the 'Agreed Minutes,' to consult with the USG and secure USG agreement in all instances in which the GOJ advice would cause significant alteration in existing policies or practices in the Ryukyus prior to reversion. The USG feels that these procedures, and GRI discretion to act on or reject the advice, will insure that the interests of the GRI are preserved."

5. Concerning the subject of good-will advice versus legal authority, the U S Alternate referred to the U S paper on Japanese state and prefectural forest lands which was submitted on 25 September and read as follows: "In no event would the GOJ be legally authorized or deputized by the USG to carry out these review and approval functions. HICOM Directive #2 would be amended to reflect the fact that USCAR will no longer perform these functions. However, in view of the fact that the contracts under discussion involve Japanese state and prefectural forest lands, the GOJ and the GRI might wish to establish between them a review and approval procedure comparable to the one discontinued by the U S. This would be up to them, by mutual agreement and without legal force."

6. The GOJ Alternate commented that his Government agreed with the explanation included in the above-mentioned two U S papers, which states the definition of "advice and assistance" clearly. Regarding the matter of legal authority, he added that his Government agreed the ultimate authority would remain in the hands of the U S until reversion and that advice and assistance would be based on good-will so the interests of the GRI would be preserved, as mentioned in the papers submitted by the U S. The GRI Alternate said he had no question on these points.

7. The GOJ Alternate informed the other Alternates that his Government could agree on the following items which could be included in the progress report for the 7 October meeting of the Principals:

a. Provision of Advice and Assistance to the Agriculture and Forestry Department, GRI.

b. Provision of Advice and Assistance to the Construction Department, GRI.

c. Provision of Advice and Assistance to the GRI Legal Affairs Department.

d. Provision of Advice and Assistance to the GRI in Collection, Analysis, and Reporting of Economic Statistics and Forecasts.

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e. Provision of Advice and Assistance to Prisons, Reformatories and Fire Departments.

f. Provision of Advice and Assistance to the GRI on the Operation and Maintenance of non-U S Owned Maritime Aids to Navigation.

g. Provision of Advice and Assistance to the GRI in Administration of Labor Programs and Development of Labor Unions.

h. Provision of Advice and Assistance to the General Affairs Department, GRI.

8. The U S Alternate informed the other Alternates that his Government was prepared to submit a separate item on fire departments. The GOJ Alternate said this would be a convenience to his Government because the administration of fire departments is separate from that for prisons and reformatories. The GRI Alternate also agreed to this.

9. The GOJ Alternate also said his Government had no objection to the item on "Supervision Over Administration of the Japanese Government Aid Program to the Ryukyus" but that formal clearance was needed and might come in a few days. He mentioned that although no serious difficulties were anticipated, the following three items were not at the stage where they could be included in the progress report for the 7 October meeting:

a. Provision of Advice and Assistance to the GRI on Taxation and Revenue Matters.

b. Provision of Advice and Assistance to the GRI on the Formulation of Ryukyuan Government Budgets.

c. Provision of Advice and Assistance to the GRI on the Management of the Trust Fund Bureau Fund.

He added that four other items were still under study at the various ministries; no serious difficulties were anticipated, but some minor points remained to be cleared. These items are as follows:

a. Provision of Advice and Assistance to the Education Department, GRI.

b. Provision of Advice and Assistance to the Welfare Department, GRI.

c. Provision of Advice and Assistance to the Trade and Industry Department, GRI.

d. Provision of Advice and Assistance to Ryukyuan Owned and Operated Business Enterprises.



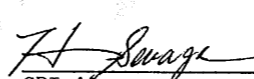
PREPCOM 6 October 1970  
SUBJECT: Fifty-second Meeting of PrepCom Alternates, 1000 hours, 29  
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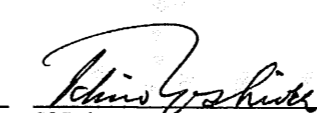
10. Pointing out the fact that there would be only two more regular Alternates' meetings before the 7 October meeting, the U S Alternate mentioned that it would be difficult after 2 October to add items to include in the progress report and to obtain the necessary translation.
11. The GRI Alternate reported that the GRI Department Directors had discussed all 16 items at a special meeting yesterday; his Government is ready to go ahead on 12 items but four other items, those on taxation and revenue, budgets, the Trust Fund Bureau Fund, and the Construction Department, needed more time for study. He added that there were only seven items on which both GOJ and GRI agreed. The GOJ Alternate also said that this number could increase in the next few days.
12. The U S Alternate said the ad hoc subcommittee had not been able to provide a recommendation and report on the U S suggested draft as to how PrepCom might send implementation schedules to the ConCom. He suggested that the ad hoc "Progress Report Subcommittee" might discuss this matter and come up with alternate phraseology and forms.
13. The Alternates agreed that the 7 October meeting of Principals should be held as scheduled. They appointed Messrs. Kaya (GOJ), Zakimi (GRI), and Walters (USG) to the ad hoc "Progress Report Subcommittee" and asked them to prepare a draft report and recommendation on the transmittal of implementation schedules by the next Alternates' meeting.
14. The U S Alternate raised for consideration a joint press conference after the 7 October meeting. The Alternates tentatively agreed there should be a joint press conference. However, the GOJ Alternate said he needed more time to consider whether the Principals or Alternates should hold it. The GRI Alternate said his first choice was a Principals' meeting with the press. The U S Alternate said he would have to consult his Principal. He added that he had no firm preference but that since the Principals had held only one joint press conference in the past and since there were specific accomplishments on which to provide background this time, this might argue for a Principals' joint press conference. He suggested that the Alternates decide by the next meeting what to do about this matter. In this connection, the U S Alternate said Messrs. Walters and Billingsley would be available for handling press matters for the U S side.
15. The U S Alternate said the forthcoming Principals' meeting would be the first one to be preceded by a thirty-minute free discussion period to be attended only by the Principals, the Alternates, and the language aides. The GOJ Alternate mentioned that the arrival of Defense Minister Nakasone at 1335 hours on that day might affect the hour for the meeting; the Alternates thereupon tentatively agreed to schedule the 7 October meeting as follows: free discussion would be at 1500, Principals' meeting at 1530, and joint press conference at 1600 hours.

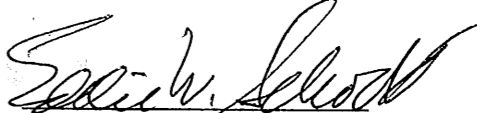
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16. The Alternates agreed that their next meeting would be held at 1000 hours, 2 October 1970.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

DISTRIBUTION:

USG  
 GOJ  
 GRI  
 File

THE PREPARATORY COMMISSION  
Naha, Okinawa

8 October 1970

OFFICIAL MINUTES

SUBJECT: Fifty-third Meeting of PrepCom Alternates, 1000 hours,  
2 October 1970

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Kaya, GOJ  
Mr. Nakayama, GOJ  
Mr. Yamaguchi, GOJ  
Mr. Nitta, GOJ  
Mr. Burke, USG  
Mr. Walters, USG  
Mr. Billingsley, USG  
Mr. Kakinohana, GRI  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The GRI Alternate reported that changes in the organization of the GRI and a transfer of personnel took place as of 1 October 1970; a Reversion Countermeasures Office has been established, directly under the Deputy Chief Executive and independent from any other departments, which will be responsible for coordination and promotion of reversion preparations including both domestic problems and PrepCom matters. The Director of the Office has not been appointed yet but Mr. Miyagi, Director of the Planning Department, will be the Acting Director for the time being. Personnel will total 34 officials, including an assistant to the GRI Alternate (Mr. Zakimi of the GRI Element) and seven counselors. He also explained that even though his staff members, except for Mr. Zakimi, a secretary, a driver, and an assistant to the Director of the Joint Secretariat, had been assigned to the various Departments of his Government; they will stay at the PrepCom until tentatively planned 7 October Principals' meeting. He added that the Director of the new Office will attend the Alternates' regular meetings and that the counselors would attend subcommittee meetings of the PrepCom as regular members. The GRI Alternate also expressed the view that the Office will assign more persons to his staff if necessary. The U S Alternate expressed interest in knowing who will be performing in various capacities at the subcommittee meetings.

2. The U S Alternate said that last April Mr. Togo had asked Minister Sneider for information on foreign professionals in the Ryukyus. The latter passed on some of this information on 17 June and said the balance of it could be obtained through the PrepCom. The U S Alternate asked for a clear statement from the GOJ side about what additional information it wanted. Mr. Kaya

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replied that the GOJ just wanted the list of foreign professionals to be completed. The U S Alternate suggested that Mr. Kaya talk to Mr. Burke.

3. The U S Alternate raised for reconsideration the date of the next Principals' meeting. The GOJ Alternate said he felt the PrepCom was still bound by the tentative agreement of the Alternates that the Principals should hold a meeting on 7 October. He added, however, that there was a possibility of a postponement because of the visit of Defense Minister Nakasone and because the GOJ had a draft proposal on administrative transfer which would require time for study by the U S and GRI sides. He said a final decision about postponement would be made this afternoon when the U S and GOJ Representatives would meet at a luncheon. In response to a question by the U S Alternate as to whether or not a postponement would cause problems for the GRI, the GRI Alternate said it would depend on the reasons for the postponement.

4. The GOJ Alternate distributed copies of the GOJ "comprehensive reaction" (attached) to the U S proposal on administrative transfer, and said this might offer a reason for the postponement of the 7 October meeting. In reply to the U S Alternate, the GOJ Alternate said it would be correct to describe the paper as a GOJ version of the implementation schedule. The GOJ Alternate explained the general outline of the paper as follows:

a. The first two pages are a guideline or basic principle of the agreement; the first to the sixth pages follow more or less the same classification as the U S proposal.

b. The paper excluded examples of functions which would be transferred and mentioned only the exceptions that the U S would retain until reversion day; other areas not positively mentioned as being reserved by the USG would be transferred to the GOJ.

c. The paper also excluded the item concerning advice and assistance to Ryukyuan owned and operated business enterprises; the GOJ believes this item belongs under advice and assistance to the GRI Trade and Industry Department.

d. The item concerning the GRI Construction Department has been made shorter than in the U S paper.

e. The date of implementation should be decided by the PrepCom upon consultation with the Director General of the Okinawa Bureau, Okinawa and Northern Territories Agency of the GOJ.

5. The U S Alternate expressed appreciation for the GOJ Alternate's explanation. He said he had noticed that paragraph 2 regarding "significant alterations," which appeared at the end of the "Draft Agreed

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Minutes," had been made shorter and that the negative expression in the U S transfer proposal had been omitted. He also said that the basic document follows the pattern of the U S transfer proposal but that his Government would have to study the suggested changes and that the three governments could not possibly reach agreement by 7 October.

6. The U S Alternate suggested that, because the GOJ paper required further study and also because of Minister Nakasone's visit to Okinawa the Alternates agree to postpone the PrepCom meeting until 14 October, subject to possible change by the Principals. In this connection, he said he had been informed that the tentatively scheduled ConCom meeting had been postponed from mid-October until mid-November, so that the PrepCom had another month before implementation schedules for the ConCom would become due. The GOJ Alternate said his latest information was that the ConCom meeting would be held in mid-October, to which the U S Alternate replied that his information had come from Embassy Tokyo.

7. The GRI Alternate said he also thought it was necessary to postpone the 7 October meeting. He added that the technique of listing only exceptions reserved to the U S, with everything not in this category to be delegated to the U S, required more study. He indicated that the exceptions of advice and assistance on foreign trade controls and on foreign investment controls are based on U S legislation, and if they are mentioned then other exceptions such as aviation, navigation, etc., under HICOM Ordinance 62 should be mentioned accordingly; however, if it is not necessary to list items such as the latter, it might not be necessary to list the foreign trade and foreign investment exceptions. The U S Alternate said that the U S would transfer to the GOJ advice and assistance functions outside of the areas where there was some legal requirement. The GRI Alternate said that appropriate language could be placed in the preamble of the document; otherwise there would be an inconsistency in this respect. He added that the GOJ document was an improvement over the U S proposal but that it should be improved even more.

8. The U S Alternate asked if, in view of the discussion this morning, the other Alternates could agree that the 7 October meeting should be postponed. The GOJ and GRI Alternates agreed.

9. The U S Alternate suggested that the Joint Secretariat be instructed to orally notify the press of the postponement of the Principals' meeting from 7 October to 1500 hours 14 October. The GRI Alternate said he could not agree to notify the press until he had consulted with his Principal. The Alternates agreed that the Joint Secretariat would not contact the press until instructed by the U S Alternate after he heard from the other Alternates. The Alternates also agreed that if the press asked about the holding of a press conference after the Principals' meeting, the Joint

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Secretariat should say there would be one but that the details would be announced later.

10. The U S Alternate reiterated that the new wording proposed by the U S for paragraph 3b, regarding the Social Insurance Agency, in the "Draft Agreed Minute" on the GRI Welfare Department, was agreed to by the U S side but not by other Governments; and noted that this proposed wording had been used in the GOJ transfer paper. He said this makes GOJ participation in advising and assisting on social insurance programs consistent with its participation in the three fiscal items on the Trust Fund Bureau Fund, budgets, and taxation and revenue. The U S Alternate added that the GRI Alternate might wish to discuss social insurance with the Department Directors in connection with the above three fiscal items, all of which awaited approval by the GRI. Mr. Walters of the U S Element said logic would dictate the removal of the social insurance paragraph from the item on the GRI Welfare Department and its inclusion with the other three "GOJ will participate with the USG" items on pages 19 and 20 of the GOJ proposal. The GRI Alternate said the phrase "Social Insurance Agency" should be changed because that Agency, due to the GRI reorganization of 1 October, would not handle all social insurance programs; unemployment insurance and workmen's compensation would go to the Labor Department and the Public Service Personnel Mutual Aid Association Program would go to the General Affairs Department. The U S Alternate commented that it was possible the reorganization might affect other items in the proposal, and that in view of this possibility the current preference on the U S side would be to put a general statement in the preambular part of the GOJ proposal.

11. The Alternates agreed to hold their next meeting at 1000 hours, 6 October, 1970.

1 Incl  
as

APPROVED:

*H. Sumaga*      *John G. Schiwe*      *Edie W. Schmitt*  
GRI Alternate      GOJ Alternate      U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File

Submitted on  
2 October 1970

(Draft)

An Agreement to Facilitate a Smooth  
Transfer of Civil Administrative Rights  
of the United States to Japan on Reversion

October 7, 1970

With respect to the "Proposal to Facilitate the  
Transfer at Reversion of Civil Administrative Rights"  
proposed by the United States at the Alternates' meeting  
of the Preparatory Commission on July 14, 1970, the  
representatives of the Government of Japan and the  
Government of the United States, after careful study  
in the Alternates' meeting and in the related sub-  
committees, have agreed at the Preparatory Commission  
as follows:

1. Although ultimate authority and responsibility  
for administration in the Ryukyu Islands will continue

to

- 2 -

to rest with the United States until reversion, the United  
States Government (hereinafter referred to as the USG)  
agrees, in order to facilitate a smooth transfer of  
administrative rights at the time of reversion, that a  
part of the functions of the United States Civil  
Administration be transferred to the Government of the  
Ryukyu Islands (hereinafter referred to as the GRI) prior  
to the day of reversion, and that the Government of Japan  
(hereinafter referred to as the GOJ) extend advice and  
assistance to the GRI in the latter's carrying out of  
these functions.

In providing such advice and assistance to the GRI,  
the GOJ will consult with the USG in the event the advice  
and assistance would entail significant alterations of  
~~part~~ <sup>part</sup> policies or practices of the United States Civil  
Administration.

2.



2. The phases of transfer

The transfer of the civil administrative functions of the USG will be carried out in accordance with the purposes set forth in section 1. above and be accomplished according to the following phases:

(1) Phase 1 - From the present until the date of signature of a reversion agreement between Japan and the United States.

(2) Phase 2 - From the date of signature of the above-mentioned reversion agreement until the date when the necessary legislative support will be obtained.

(3) Phase 3 - From the date when the necessary legislative support will be obtained until the day immediately preceding the date of reversion.

(4) Remaining functions - On the date of reversion.

3. Functions for which GOJ will extend its advice and assistance.

In connection with the transfer of civil administrative functions mentioned above, the conditions under which the GOJ will <sup>provide</sup> ~~implement~~ its advice and assistance to the GRI would be negotiated on an item-by-item basis in the Preparatory Commission.

(1) The following functions have been agreed upon as coming under Phase 1:

(a) Supervision over administration of the GOJ aid program to the GRI.

This supervisory <sup>is a</sup> function would be carried out as soon as possible under conditions to be agreed upon between the GOJ and the USG.

(b) Advice and Assistance on Specified GRI Department Activities.

Such advice and assistance would be provided as soon as possible under conditions to be agreed upon between the GOJ and the USG.

(i) Advice and assistance to the following

GRI Departments:

Agriculture and Forestry, Construction,

(except for those projects financed by the USG),

Education, Legal Affairs, General Affairs,

Planning (except for administration of U.S.

aid funds), Trade and Industry, Welfare, and

Labor (administration of labor programs and

development of labor unions.)

(ii) Advice and assistance to the GRI on collection, analysis and reporting of economic statistics and forecasts.

(iii)

(iii) Advice and assistance to prisons, reformatories and fire departments.

(iv) Advice and assistance to the GRI on operation and maintenance of non-U.S. owned maritime navigational aids.

(v) Advice and assistance on the formulation of the GRI General Account and Special Account budgets.

(vi) Advice and assistance on management of the Trust Fund Bureau Fund.

(vii) Advice on Taxation and Revenue matters.

(2) Phases 2 and 3 and Remaining Functions

Functions falling under Phases 2 and 3 and Remaining Functions will be discussed and examined further in the Preparatory Commission.

4.

3. Implementation of Advice and Assistance

As a result of negotiations in the Preparatory Commission as referred to in the first paragraph of section 2. above, the GCI and the USG have agreed that the GCI advice and assistance on the foregoing functions be carried out under the conditions mentioned below.

It has further been agreed that the ~~modalities~~ <sup>modalities</sup> for implementation concerning those functions which are not enumerated in (1) below would be decided upon later through consultations in the Alternates' Meeting of the Preparatory Commission:

(1) It has been agreed that the advice and assistance by the GCI on the following functions would be first undertaken.

(a) Supervision over Administration of the GCI

Aid Program to the GRI.

This

This does not include <sup>the</sup> final approval of the proposed Japanese aid program and ~~the approval of the conclusion and amendment of advice and assistance on the implementation~~ of the "Memorandum" between the GCI and the GRI. <sup>concerning the GCI's aid program</sup>

(b) Advice and Assistance to the Agriculture and Forestry Department of the GRI.

This does not include the following functions:

(i) Advice and assistance to the GRI on the preparation and submission to the United Nations of annual reports on agriculture, forestry and fishing matters. <sup>(This)</sup> ~~This~~ advice and assistance function will be ~~transferred~~ <sup>made by</sup> the GCI <sup>in and after Phase 2.</sup> ~~for utilization of the revolution~~

(ii)



(ii) Advice and assistance to the GRI concerning preparation of the annual forestry activities report prepared by the GRI for submission to the USC Ryukyuan property custodian.

(c) Advice and Assistance to the Construction Department of the GRI.

This does not include advice and assistance on the construction projects financed wholly or in part with U.S. aid funds.

(d) Advice and Assistance to the Education Department of the GRI.

This does not include:

(i) Advice and assistance concerning the U.S. funded Ryukyuan scholarship program until all the students presently enrolled <sup>will</sup> have completed their course of training,

(ii)

(ii) Advice and assistance concerning U.S. funded construction projects in the education field until completion of these projects, and

(iii) Advice and assistance concerning the U.S. funded PL480 school lunch program until termination of this program at reversion.

(e) Advice and Assistance to the Legal Affairs Department of the GRI.

~~The functions of the U.S. Ryukyuan registration screening committee shall in no way be abridged or restricted by virtue of the transfer by the United States of the advice and assistance function cited above.~~

~~However, this includes the advice and assistance on preparation of family registers.~~

(F)

*This does not include the control of entry and exit of individuals into and from the Ryukyu Islands.*

(f) Advice and Assistance to the General Affairs

Department of the GRI.

This does not include advice and assistance  
*to the U.S. - Ryukyuan Legislation screening committee*  
~~rendered by the USG to the General Affairs Report-~~  
~~ment concerning proposed GRI legislative-~~

(g) Advice and Assistance to the Trade and Industry

Department of the GRI.

A. This does not include advice and assistance  
to the GRI concerning the following USG foreign trade/  
investment controls, which will remain in effect until  
reversion:

(i) Foreign trade controls, including:

Approval of trade transactions in <sup>*currency*</sup> other than U.S.

<sup>*dollars*</sup> ~~currency~~; review and approval of all GRI trade

announcements placing restrictions on imports

and exports; surveillance over fair trade

practices to prohibit dumping, rebates, etc.,

USG

USG foreign assets control regulations; and

controls placed on the export of cotton textile  
products to the U.S. such as those prescribed for  
by the current long term cotton textile arrange-  
ment.

(ii) Foreign investment controls, including:

Approval of all foreign investment applications,

determination of eligibility for exemption from

licensing requirements; and protection of the

right of licenses to remit funds abroad.

B. This does not include advice and assistance to

the GRI postal service agency of the Trade and

Industry Department until reversion. However, this

will not exclude the USG's advice and assistance on

postal services related to <sup>*reversion*</sup> ~~preparations for reversion~~

This

This does not include advice and assistance to the GRI Telecommunications Division of the Trade and Industry Department and approval or disapproval of the licensing of radio stations and the selection and assignment of radio frequencies in the Ryukyu Islands until reversion.

(h) Advice and Assistance to the Welfare Department of the GRI.

A. This does not include the following advice and assistance functions which the USG will continue to <sup>provide</sup> ~~perform~~ until the date to be agreed upon between the GOF and the USG:

(i) Advice and assistance concerning U.S.

funded construction of health centers, sub-

health centers and public health nurse stations

until

until completion of current programs (deadline for completion of all programs is end of FY 1970).

(ii) Advice and assistance concerning U.S.

funded construction equipping of general hospitals, aid stations, and institutionalized care hospitals for TB, mental and leprosy patients until completion of current programs

(deadline for completion of all programs is end of FY 1970).

(iii) Advice and assistance concerning U.S.

funded programs for eradication and/or control of communicable diseases, including development of environmental sanitation programs and facilities, until U.S. financial support ceases.

(iv)

(iv) Advice and assistance concerning the U.S. funded post-graduate medical education program for physicians at Gkinawa Central Hospital until completion of this program at the end of FY 1971.

(v) Advice and assistance concerning the U.S. Government "aid-in-kind" maternal/child feeding program until termination of the program at the end of FY 1971.

B. ~~...~~ *This neither does this either.* ~~...~~ *provide* following advice and assistance functions which the U.S. Government will continue to ~~provide~~ until reversion:

(i) Advice and assistance concerning the planning, programming and coordinating of ~~and~~ ~~WHO~~ ~~Health Organization~~ sponsored health trainees fellows

fellows and consultant services.

(ii) Advice and assistance *on all matters pertaining to* ~~concerning~~ ~~administration of programs and development of~~ ~~legislation (including budgets) of the Social Insurance Agency.~~ The Japanese Government, however, will participate with the ~~U.S. Govern-~~ ~~ment in providing advice and assistance on~~ ~~all matters pertaining to budgets of the~~ ~~Social Insurance Agency.~~

(iii) Advice and assistance concerning coordination, as necessary, of money and materials given to Ryukyuan Government and private welfare institutions by private donor agencies.

(i)



*Labor Department of the*

- (1) Advice and Assistance to the GRI in administration of labor programs and development of labor unions.

This does not include advice and assistance to the GRI on labor matters and labor legislation related to U.S. forces interests. The USG will continue to provide advice and assistance to the GRI in this area of its operations until reversion.

- (2) Advice and Assistance to the GRI in collection, analysis and reporting of economic statistics and forecasts.

This does not include the following advice and assistance ~~function~~:

- (i) United Nations Reports. The USG will continue to advise the GRI concerning the development

development of statistical information required by USCAR for inclusion in annual and quarterly statistical reports submitted by USCAR to the United Nations.

- (ii) National Income Statistics. The USG will continue to assist the GRI in its preparation of national income estimates by providing information concerning U.S. forces expenditures.

- (iii) Demographic statistics. The USG will continue to assist the GRI in its collection of demographic statistical data by providing information on <sup>non</sup>~~non~~-U.S. forces persons residing in U.S. military base areas.

(k) Advice and Assistance to prisons and reformatories.

This does not include: (i) advice and assistance to the GRI concerning U.S. citizens in Ryukyuan penal or correctional institutions, and (ii) advice and assistance to Ryukyuan law enforcement agencies. The USG will continue to discharge the advice and assistance function respecting these matters until reversion.

(l) Advice and Assistance to Fire Department of the GRI.

(m) Advice and Assistance to the GRI on the operation and maintenance of non-U.S. owned maritime aids to navigation.

*(1)*  
~~with regard to the~~ Advice and assistance to  
the GRI on the formation of <sup>its</sup> ~~Ryukyuan Government~~  
*(2) The GOS will participate with the USA in the exercise of advice and assistance on the following matters:* budgets.

budgets.

(ii) Advice and assistance on the management of the Trust Fund Bureau Fund.

(iii) Advice and assistance to the Revenue Department of the GRI on taxation and revenue matters (excluding tax policy affecting non-Ryukyuan persons and firms in the Ryukyus.)

Note: The GOS has a great concern over the financial management of the GRI including its budgetary deficit, and these matters, notwithstanding the above-mentioned advice and assistance, should be negotiated between the GOS and the USG through the diplomatic channel. Although the functions of advice and assistance to tax policy affecting non-Ryukyuan persons and firms in the Ryukyus are reserved for the USG, this matter will also be taken up at the negotiation mentioned above, since such tax policy is related to the problem of GRI budgetary deficit.

(2) Such functions of advice and assistance as set forth in (1) above will be exercised under the close cooperation between the GOJ and the USC in accordance with the agreement as provided for in Section 1. above.

(3) With respect to matters cited in (1) above on which the USC continues to give advice and assistance to GRI, the GOJ, if it finds necessary to <sup>do</sup> so in relation to preparations for reversion, shall also be able to provide advice and assistance to the GRI on these matters upon full consultation in advance with the USC.

(4) The date of implementation of the foregoing agreement, in view of the necessary preparatory work to be done on the part of the GOJ, shall be decided in the Alternates' Meeting of the Preparatory Commission upon consultation with the Director General of the

Okinawa

Okinawa Bureau, Okinawa and Northern Territories Agency  
of the GOJ.



THE PREPARATORY COMMISSION  
Naha, Okinawa

22 October 1970

OFFICIAL MINUTES

SUBJECT: Fifty-fourth Meeting of PrepCom Alternates, 1000 hours,  
6 October 1970

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Kaya, GOJ  
Mr. Nakayama, GOJ  
Mr. Yamaguchi, GOJ  
Mr. Nitta, GOJ  
Mr. Burke, USG  
Mr. Walters, USG  
Mr. Billingsley, USG  
Mr. Zakimi, GRI  
Miss Sata, Recorder

Mr. Clark, Director of USCAR Liaison Department  
Mr. Shinn, USCAR Liaison Department

1. The U S Alternate urged, in the interest of efficient management, that requirements for use of joint facilities always be taken up with the Joint Secretariat. He reported that the new conference room would be ready for use by the time of the next Principals' meeting.
2. The Alternates tentatively agreed that the Principals would informally meet at 1430 and formally at 1500 on 16 October and that the press conference would be held at 1600 hours. In reply to the U S Alternate's question, the GOJ Alternate said he still had no recommendation as to whether the Principals or Alternates should meet the press.
3. The U S Alternate said the U S had studied the GOJ paper tabled on 2 October and had responded by preparing a substitute paper, not because there were major differences but because of a number of small ones. He then passed out copies of a U S paper entitled, "Principal Changes Contained in USG Revision of GOJ Draft Phasedown Agreement," (attached) and of a paper entitled, "Agreement to Facilitate a Smooth Transfer of Civil Administrative Rights of the United States to Japan on Reversion" (attached). He announced that Messrs. Clark and Shinn of the USCAR Liaison Department were present to explain the U S paper.

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4. It was agreed to go through the U S "Principal Changes" paper on an item by item basis. The U S Alternate said that from his Government's standpoint paragraph 4/ on page two of the U S paper includes the necessary requirements his Government feels must be expressed on the subject of obtaining advance U S approval for significant changes desired by the GOJ. Mr. Clark said the phraseology of the GOJ paper made no reference to U S concurrence in advance of changes, and limited the areas where the approval of the U S is required to past policies and practices of USCAR. Mr. Kaya pointed out that the U S paper had the wording "before tendering advice" in place of "in the event the advice and assistance would entail significant alterations" in the GOJ paper. Mr. Clark affirmed the reasons for the different wording in the U S paper and added that the U S paper refers to policies or practices "in the Ryukyus" since the GOJ will not be giving advice to USCAR but to the GRI; by contrast the GOJ paper refers to the past policies or practices of USCAR. Mr. Shinn said this wording was taken from the "Draft Agreed Minute." Mr. Clark added this had been modified in the U S draft, taking into account the GOJ objections to the negative phraseology. The GOJ Alternate indicated that obtaining the concurrence of the USG was self-explanatory so that there was no need to mention it in the GOJ paper. In reply to Mr. Clark's question, the GOJ Alternate said he would have to study the matter further before he could determine if he should continue to object to explaining the self-explanatory.
5. The U S Alternate explained that item 2 was largely a matter of form and that the difference between the two papers at this point was more presentational than substantive. The GOJ and GRI Alternates made no comments on this item.
6. The U S Alternate said item 3 concerned mainly language and that the U S phraseology was more precise. Mr. Clark added that legal difficulties would be involved in the use of the word "transfer" and that for the U S it would be easier to "relinquish" certain functions to the GOJ.
7. The U S Alternate and Mr. Clark said the wording on a "transitional period" had been discussed in the PrepCom on an earlier occasion and that the U S had proposed a change from the original. Mr. Clark added that the U S had deleted the reference to remaining functions to be transferred on the day of reversion, since this was understood, and also that the U S preferred to have a specific effective date for the transfer to go into effect. The GRI Alternate asked the GOJ side for its opinion on stating an effective date. Mr. Kaya said the GOJ would like to go along with a specific date but did not know if it could do so by the time of the Principals' meeting; however, the ConCom was supposed to approve the whole paper. The U S Alternate said there was nothing to stop the PrepCom from suggesting a date. He also said one possibility would be to present a paper to the Principals on 16 October without an effective date and to defer action on this point until later but that agreement would have to be reached before sending the paper to the ConCom. The GRI Alternate asked if the

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effective date could be on 16 October. The U S Alternate replied in the negative, explaining that the ConCom would have to approve the date; in view of the fact that it will not meet until mid-November, he assumed the effective date could not be earlier than the date of the ConCom meeting. He added that an effective date could be 30 November or 1 December, which would presumably be after the scheduled ConCom meeting, and expressed the hope that the PrepCom could arrive at an agreement expeditiously.

8. The GOJ Alternate asked if a formal ConCom meeting would be necessary to approve the PrepCom paper, or if the approval could be obtained before the ConCom meeting. The U S Alternate said his Government and the GOJ would have to agree in this case and that both Governments could explore the possibility of an earlier approval. He added that the U S would be happy to transfer advice and assistance functions as soon as agreement can be reached. The GOJ Alternate said he would also explore this question. The GRI Alternate said it would be desirable for the date to be set by the PrepCom, not in a forum that excluded the GRI. The U S Alternate explained that the PrepCom was required to make a recommendation to the ConCom about a date, and that in this action all three Governments would be involved.

9. The U S Alternate and Mr. Clark explained that item 5 was a general statement which was expanded on in items 6 and 7. The GOJ Alternate raised no question on this item, but the GRI Alternate said the U S intention was clear as far as the Labor Department was concerned but not clear with respect to the Planning Department. Mr. Clark answered that the U S did not include the Planning Department in its original submission because most of its work is in the area of budgets, which is covered in another item; however, the GOJ had mentioned the Department in its paper. He added that the U S would be willing to include the Department if the GOJ believes it represents an area for advice and assistance. The GRI Alternate said he thought it was the U S intention that the GOJ could advise in areas that were not specifically excluded. Mr. Clark replied that this was true for specific items within the competence of a particular department but not as an overall statement. The U S Alternate added that, within the framework of what had been described, everything not reserved to the U S would be relinquished to the GOJ or to the GRI.

10. The GRI Alternate asked if it would be possible for the GOJ to give advice on the long range economic plan worked out by the Planning Department. Mr. Clark replied that it was quite possible to include it in the paper as a specific item if the GRI so desired. The GRI Alternate asked if the U S intended to exclude the GOJ from giving advice and assistance to the Planning Department. Mr. Clark answered that his Government had no specific intention to exclude it, but it had proceeded from the assumption that budgets were the main areas in which the Department was involved; other functions of the Department could be included for GOJ advice and assistance, if this were desired. The GRI Alternate said the new Reversion Countermeasures Office was an independent organization, and asked if it was possible for the GOJ to advise and assist it. He added that

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it was not practicable to exclude it from such advice and assistance. The U S Alternate asked the GRI Alternate if the latter wanted a specific item about advice and assistance to the economic planning and non-budget areas of the Planning Department, and another one on the Reversion Countermeasures Office. The GRI Alternate replied affirmatively and said the PrepCom should stick to the original idea that what is not specifically reserved would be relinquished. Mr. Clark repeated that the principle applies only to specific parts of the paper; when there is no mention about the Labor Department in the paper, for example, this means the U S does not intend to relinquish its advice and assistance to that department. He added that the U S paper mentioned specific items within the competence of a particular department and that he would study the GRI Alternate's suggestions and questions.

11. The GRI Alternate asked why the U S paper did not make reference to the OHK (Okinawa Hoso Kyokai) which is an independent organization, and to the Ryukyu Telegraph and Telephone Public Corporation, the People's Finance Corporation, and the Central Bank for Agriculture, Forestry, and Fisheries, which are governmental organizations. He added that he had previously thought that, since the U S had not mentioned them as specific exceptions, the GOJ could give advice and assistance to them, but, according to the U S explanation today, he was afraid that his understanding was wrong. Mr. Clark said he would like to reserve his answer until he had studied the question further. The GRI Alternate further said the GOJ is already giving advice and assistance to these organizations which is necessary to enable them to prepare for reversion, so it would be unrealistic if these organizations were excluded.

12. The GRI Alternate asked if the GOJ could give advice and assistance to the University of the Ryukyus. Mr. Clark replied it could be included in the item on the Education Department in the U S proposal. The GRI Alternate said the University was considered to be independent from the Education Department. The U S Alternate said it was important to clarify what is and what is not included in the paper.

13. Regarding item 8, Mr. Kaya pointed out that there was "nothing substantial" in the paragraph on "modalities" which was in the GOJ paper, but that it was necessary to make some reference to phases 2 and 3 to make the paper complete. Mr. Clark said he would take a look at the possibility of adding the words desired by the GOJ.

14. Regarding item 9 on the GRI Postal Service Agency, the GRI Alternate said there should be a separate category of areas where the U S retains its advice and assistance function but where the GOJ could advise at the same time in preparation for post reversion conditions, and not only on postal service matters but also on such matters as police and immigration. Mr. Clark replied that the U S would eventually like to clarify such areas, but it would like to refrain from doing so until it had a better understanding of the GOJ desires.

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15. The GRI Alternate asked what was meant by the words "the GOJ will participate with the USG," i.e., whether it meant prior consultation on a coordinated basis or whether the U S and GOJ would give advice and assistance separately. Mr. Clark replied that "GOJ participation" would involve a degree of prior consultation; what the U S had in mind was the inclusion of GOJ representatives in sessions where the U S advises the GRI.
16. The GOJ Alternate asked if the wording, "a formal GOJ request," in item 9 referred to the Alternate level. The U S Alternate answered affirmatively, saying that the Alternates could determine whether they should handle proposals on their level or turn them over to a subcommittee. Mr. Clark said that he anticipates a number of areas in which the other Governments would wish to raise formal proposals. He also pointed out that the last sentence of the U S paper mentioned that additional functions could be added to the advice and assistance category.
17. Regarding item 10, the U S Alternate said this was in reference to advice and assistance to Ryukyuan businesses and enterprises which the GOJ paper subsumed under the Trade and Industry Department item. Mr. Clark explained the U S had been providing advice to Ryukyuan business organizations, both individual firms and groups of firms, without going through the Trade and Industry Department.
18. Concerning item 11, the U S Alternate said his Government desired to include two exceptions that had been deleted in the GOJ paper. The GOJ Alternate said he would study this matter.
19. Mr. Clark explained items 12 and 13 but no comments were made by the Alternates.
20. The GOJ Alternate asked the GRI Alternate if the Committee for the University of the Ryukyus was under the GRI Education Department. The latter said he did not know. The GOJ Alternate also asked whether the Central Board of Education was under the Education Department. The GRI Alternate replied that the Education Department was under the Central Board of Education. The GOJ Alternate said it seemed that the question of advice and assistance to these two organizations was not resolved. Mr. Clark said GOJ advice and assistance would be excluded unless it went through the Education Department; however, the U S would be willing to study other areas for advice and assistance if the other Governments brought them up. The GRI Alternate further explained that the Chief Executive had power to draft legislation for the above Committee and for the Central Board of Education but not administrative power; consequently any advice and assistance planned would have to go through the Education Department.
21. The GRI Alternate indicated that there were many committees, on personnel, management of elections, labor relations, and so on, which were beyond the

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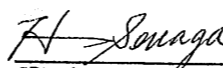
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- scope of advice and assistance because of their nature. Mr. Clark emphasized that the U S paper concentrated on the GRI Departments to which the U S provides advice and assistance; however, the U S was willing to take into account other areas.
22. Mr. Clark explained that the U S had tried to maintain in its new paper for most areas the same language used in the "Draft Agreed Minutes," but it had also tried to accommodate GOJ and GRI wishes. He expressed the hope that the other Governments would study the paper in that light. The U S Alternate added that the paper was not a rebuttal or counterproposal but an attempt to arrive at agreement.
23. The U S Alternate asked if the re-organization of the GRI presented any problems as far as the U S paper is concerned. The GRI Alternate answered that he would have to discuss this at a Department Directors' meeting 8 October at which he hoped to get the Directors' views.
24. The GRI Alternate asked if the U S had comments about the sentence concerning indebtedness on page 11 of its paper. Mr. Clark replied that it was only a rewording of the language in the GOJ paper. The GOJ Alternate said the GRI deficit is a serious problem that must be resolved before reversion; it is beyond the capacity of local resources. He said he would furnish more information on this matter later. The GRI Alternate asked if GRI indebtedness was considered to be U S indebtedness. The U S Alternate said international law would have to be looked to for an answer. The GOJ Alternate said that in order to study the overall problem of financial deficits, not only at this moment but for the prospective estimate until reversion, the general budget, the Trust Fund Bureau Fund and the taxation and revenue areas must be inter-relatedly considered; therefore, the "Note" portion of the GOJ paper covers all three items, and in that note the GOJ refers to the tax policy for non-Ryukyuan persons and firms. He said the U S wording did not cover all elements of this matter. The U S Alternate mentioned that indebtedness is a question for international negotiation but this is not necessarily true for taxation and revenue. The GOJ Alternate said that, since this matter is complicated, he would like to study it further.
25. The Alternates agreed to hold their next meeting at 1000 hours, 9 October 1970.

2 Incl  
as

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

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DISTRIBUTION:

USG  
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Preparatory Commission

*Submitted by USG  
on 6 October 1970*

1/ Agreement to Facilitate a Smooth  
Transfer of Civil Administrative Rights  
of the United States to Japan on Reversion

2/ With respect to the U. S. proposal for the transfer of civil administrative rights, the following has been agreed to by the Preparatory Commission after careful study in meetings of the Alternates and by the pertinent subcommittees:

3/ 1. Although ultimate authority and responsibility for administration within the Ryukyu Islands must continue to rest with the United States until Reversion, the United States Government (hereinafter referred to as the USG) agrees, in the interest of a smooth passage of administrative rights at the time of Reversion, that certain United States Civil Administration functions be delegated to the Government of the Ryukyu Islands (hereinafter referred to as the GRI) prior to Reversion and that the participation of Government of Japan (hereinafter referred to as the GOJ) officials in the work of the GRI be increased, to assist the GRI in carrying out these additional functions. Further, the USG will cease to perform certain functions and the GOJ will undertake to carry out these

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functions to the extent and in a manner deemed acceptable to the United States. The USG and GOJ agree that the GOJ will participate with the USG in certain functions which the USG will retain. The conditions under which GOJ officials' participation would occur in those functions, under which functions would be delegated to the GRI, and under which the USG would relinquish and the GOJ assume certain functions will be negotiated on an item-by-item basis in the Preparatory Commission.

<sup>#1</sup> In the exercise of the advisory functions cited above, the GOJ will consult with and obtain the concurrence of the USG before tendering advice calling for significant alteration of policies or practices in the Ryukyu Islands prior to reversion.

<sup>#2</sup> 2. The delegation and relinquishment of civil administrative functions will be accomplished according to the following phases:

a. Phase I - from the present until the date of signature of a reversion agreement between Japan and the United States.

<sup>#1</sup> b. Phase 2 - from the date of signature of a reversion agreement until the date when necessary legislative support will be obtained.

<sup>#1</sup> c. Phase 3 - from the date when necessary legislative support will be obtained until reversion day.

After reversion, even though Japanese law will become fully applicable to the Ryukyu Islands on reversion day, there may, in the interest of a smooth reversion, be a need to make provision for a transitional period in these laws.

<sup>#1</sup> 3. As a result of negotiations in the Preparatory Commission it has been agreed that in accordance with the conditions in sections 1 and 2 above, the GOJ will assume, subject to the exceptions and conditions noted below, the following listed functions which the USG will relinquish. The GOJ will assume these Phase I functions effective \_\_\_\_\_.

a. Supervision over administration of the Japanese Government Aid Program to the Ryukyus.

<sup>#1</sup> The relinquishment does not include the function of review and approval of the proposed annual GOJ aid program prior to its submission to the Japanese Ministry of Finance. Also, the USG will continue to perform the function of final review and approval of the proposed GOJ aid program before it is submitted to the Japanese Cabinet for approval. Furthermore, any changes in the aid program, once it has received Cabinet approval, will be subject to USG concurrence.

<sup>10/</sup> b. Provision of Advice and Assistance to the Agriculture and Forestry Department, GRI.

The relinquishment does not include:

(1) Advice and assistance to the GRI on the preparation and submission to the United Nations of annual reports on agriculture, forestry and fishing matters. This advice and assistance function will be relinquished to the GOJ after ratification of the reversion agreement.

(2) Advice and assistance to the GRI concerning preparation of the annual Forestry Activities Report prepared by the GRI for submission to the United States Government Ryukyuan Property Custodian.

<sup>11/</sup> c. Provision of Advice and Assistance to the Construction Department, GRI.

The relinquishment does not include advice and assistance on construction projects financed wholly or in part with U.S. aid funds. The USG will continue to provide advice and assistance in this area until all expenditures for these projects are completed.

<sup>12/</sup> d. Provision of Advice and Assistance to the Education Department, GRI.

The relinquishment does not include:

(1) Advice and assistance concerning the U.S. funded Ryukyuan Scholarship Program until all students

presently enrolled have completed their course of training.

(2) Advice and assistance concerning U.S. funded construction projects in the education field until completion of these projects.

(3) Advice and assistance concerning the U.S. funded PL 480 School Lunch Program until termination of this program at reversion.

<sup>13/</sup> e. Provision of Advice and Assistance to the Legal Affairs Department, GRI.

The functions of the U.S.-Ryukyuan Legislation Screening Committee shall in no way be abridged or restricted by virtue of the relinquishment by the United States of the advice and assistance/<sup>on</sup>this function.

Nor shall the relinquishment include the provision of advice and assistance on the entry and exit of persons into and from the Ryukyu Islands.

<sup>14/</sup> f. Provision of Advice and Assistance to the General Affairs Department, GRI.

The relinquishment does not include advice tendered by the USG to the General Affairs Department concerning proposed GRI legislation.

<sup>15/</sup> g. Provision of Advice and Assistance to the Trade and Industry Department, GRI.

The USG will, however, continue to advise and assist the Trade and Industry Department concerning the following



foreign trade/investment controls, which will remain in effect until reversion:

(1) Foreign trade controls, including: approval of trade transactions in other than U.S. currency; review and approval of all GRI Trade Announcements placing restrictions on imports and exports; surveillance over fair trade practices to prohibit dumping, rebates, etc.; USG Foreign Assets Control Regulations; and controls placed on the export of cotton textile products to the U.S., such as those prescribed by the current Long Term Cotton Textile Arrangement.

(2) Foreign investment controls, including: approval of all foreign investment applications; determination of eligibility for exemption from licensing requirements; and protection of the right of licensees to remit funds abroad.

The USG will continue to advise and assist the Postal Service Agency of the Trade and Industry Department until Reversion.

The USG will also continue to advise and assist the Telecommunications Division of the Trade and Industry Department and approve or disapprove the licensing of radio stations and the selection and assignment of radio frequencies in the Ryukyu Islands until reversion.

h.. Provision of Advice and Assistance to the Welfare Department, GRI.

The relinquishment does not include the following advice and assistance functions which the USG will continue to perform until the date indicated:

(1) Advice and assistance concerning U.S. funded construction of health centers, sub-health centers and public health nurse stations until completion of current programs (deadline for completion of all such programs is end CY 1970).

(2) Advice and assistance concerning U.S. funded construction/equipping of general hospitals, aid stations, and institutionalized care hospitals for TB, mental and leprosy patients until completion of current programs (deadline for completion of all such programs is end CY 1970).

(3) Advice and assistance concerning U.S. funded programs for eradication and/or control of communicable disease, including development of environmental sanitation programs and facilities, until U.S. financial support ceases.

(4) Advice and assistance concerning the U.S. funded post-graduate medical education program for physicians at Okinawa Central Hospital until completion of this program at the end of FY 1971.

(5) Advice and assistance concerning the U.S. Government "aid-in-kind" maternal/child feeding program until termination of the program at the end of FY 1971.



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The relinquishment also does not include the following advice and assistance functions which the USG will continue to perform until Reversion:

(1) Advice and assistance concerning the planning, programming and coordinating of World Health Organization sponsored health trainee fellowships and consultant services.

(2) Advice and assistance on all matters pertaining to the Social Insurance Agency. The GOJ, however, will participate with the USG in the exercise of this advice and assistance function.

(3) Advice and assistance concerning coordination, as necessary, of money and materials given to the GRI and private welfare institutions by private donor agencies.

i. Provision of Advice and Assistance to the GRI in Administration of Labor Programs and Development of Labor Unions.

This relinquishment does not include advice and assistance to the GRI on labor matters and labor legislation impinging on U.S. Forces interests. The USG will continue to provide advice and assistance to the Ryukyuan Government in this area of its operations until Reversion.

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j. Provision of Advice and Assistance to the GRI in collection, analysis and reporting of economic statistics and forecasts:

The relinquishment does not include the following advice and assistance:

(1) United Nations Reports. The USG will continue to advise the GRI concerning the development of statistical information required by USCAR for inclusion in annual and quarterly statistical reports submitted by USCAR to the United Nations.

(2) National Income Statistics. The USG will continue to assist the GRI in its preparation of national income estimates by providing information concerning U.S. Forces expenditures.

(3) Demographic Statistics. The USG will continue to assist the GRI in its collection of demographic statistical data by providing information on non-U.S. Forces persons residing in U.S. military base areas.

k. Provision of Advice and Assistance to Prisons and Reformatories.

The relinquishment does not include:

(1) Advice and assistance to the GRI concerning U.S. citizens in Ryukyuan penal or correctional institutions.

(2) Advice and assistance to Ryukyuan law enforcement agencies.

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The USG will continue to discharge the advice and assistance function respecting these matters until reversion.

1. Provision of Advice and Assistance to Fire Departments in the Ryukyu Islands.

m. Provision of Advice and Assistance to the GRI on the operation and maintenance of non-U.S. owned maritime aids to navigation.

n. Provision of Advice and assistance to Ryukyuan owned and operated business enterprises.

This relinquishment does not include:

(1) Advice and assistance concerning application of U.S. Government regulatory measures in foreign trade including: Foreign Assets Control Regulations; currency control regulations; and Fair Trade practices.

(2) Advice and assistance concerning application of quota limitations on cotton textile exports as provided for under the Long Term Cotton Textile Arrangement.

(3) Advice and assistance concerning U.S. suppliers of basic materials required by Ryukyuan enterprises.

4. It was further agreed that in accordance with the provisions of section 1 and 2 above, the GOJ will participate with the USG effective \_\_\_\_\_ in the following functions:

a. Provision of Advice and Assistance to the GRI on the formulation of GRI budgets.

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b. Provision of Advice and Assistance to the GRI on the management of the Trust Fund Bureau Fund.

NOTE: Any indebtedness of the GRI will be discussed between the GOJ and the USG through diplomatic channels.

c. Provision of Advice and Assistance to the GRI on Taxation and Revenue Matters.

The following functions relating to taxation and revenue matters will continue to be performed exclusively by USCAR:

(1) Final approval or disapproval of proposed Ryukyuan Government tax legislation and budget revenue estimates.

(2) Control over tax policy affecting non-Ryukyuan persons and firms in the Ryukyus.

(3) Although the Ryukyuan Government will continue day-to-day administration of the Foreign Assets Control Regulations to the U.S. Treasury Department, the USG will retain final decision-making authority over their application, until reversion.

5. It was agreed that further functions may be added to this schedule by agreement of the parties.

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*Submitted by US  
on 6 Oct 70*

Principal Changes Contained in USG  
Revision of GOJ Draft Phasedown Agreement

1. GOJ preambular statements on pages 1-2 have been revised to more completely describe the conditions governing the delegation of, participation in, or relinquishment of U.S. civil administrative functions.
2. The GOJ draft lists Phase 1 functions twice (pages 4-6 and 7-20). USG lists, and describes, Phase 1 functions only once (pages 3-11).
3. GOJ draft refers in several places to the "transfer" to the GRI or GOJ of USCAR functions. This has been changed to read "delegation" of certain functions to GRI and "relinquishment" by USG and "assumption" by GOJ of certain other functions.
4. USG draft includes a statement anticipating the possibility of a transitional period in the application of Japanese law after reversion (page 3).
5. The description of Phase 1 functions on pages 3-11 of the USG draft duplicates exactly the wording and exceptions contained in the USG draft agreed minutes for these items. The wording in the GOJ draft approximates the wording in the USG draft minutes but in several instances is incomplete, or revises slightly the original USG wording.

6. The USG draft deletes any reference to advice and assistance to the GRI Planning Department and Labor Department (pages 5 and 17 in the GOJ draft). The only advice which the USG presently gives to the Planning Department is on GRI budget matters. (This is already covered in the item on GRI budgets.) The USG is not relinquishing its advisory function concerning the GRI Labor Department. The USG is only relinquishing its advice to the GRI on the development of labor unions and administration of labor programs.
7. The GOJ draft refers to the GOJ Aid item as an advice and assistance function (page 7). This is a supervisory function and is listed as such in the USG draft.
8. GOJ draft (page 7), refers to "modalities" to be decided upon at a later date for implementation of Phase 2 and 3 functions. This wording has been deleted from USG draft in the absence of GOJ explanation re necessity for its inclusion.
9. GOJ reference (page 12) to providing advice and assistance to the GRI Postal Services Agency is deleted in USG draft. USG would be willing, however, to consider a formal GOJ request in this regard.
10. USG draft includes the item (page 10) on advice and assistance to Ryukyuan Businesses. This top has been deleted from the GOJ draft.

11. GOJ draft deletes two exceptions under the Taxation and Revenue participatory functions. These have been included in the USG draft (page 11).

12. USG draft rewords the note on page 20 of the GOJ draft. It is not anticipated that the question of tax policy affecting non-Ryukyuan firms will be a matter for negotiations at the diplomatic level in Tokyo.

13. USG draft deletes comments on page 21 of GOJ draft in absence of further explanation from the GOJ clarifying the reference for these comments and the reasons for their inclusion.

THE PREPARATORY COMMISSION  
Naha, Okinawa

23 October 1970

OFFICIAL MINUTES

SUBJECT: Fifty-fifth Meeting of PrepCom Alternates, 1000 hours,  
9 October 1970

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Kaya, GOJ  
Mr. Mabuchi, GOJ  
Mr. Nakayama, GOJ  
Mr. Numakoshi, GOJ  
Mr. Yamaguchi, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, USG  
Mr. Billingsley, USG  
Mr. Adaniya, GRI  
Mr. Zakimi, GRI  
Mr. Oroku, GRI  
Mr. Kugai, GRI  
Mr. G. Higa, GRI  
Mr. Tomita, GRI  
Mr. Asato, GRI  
Mr. Uechi, GRI  
Mr. S. Higa, GRI  
Miss Sata, Recorder

Mr. Clark, Director of USCAR Liaison Department  
Mr. Shinn, USCAR Liaison Department

1. The GRI Alternate introduced nine staff members of the recently established Reversion Countermeasures Office. He also explained the specialized areas of these members and which subcommittees of the PrepCom they will attend. The Alternates officially welcomed them.
2. The U S Alternate passed out copies of the interim report on the disposal of the cultural centers. He said this is not in the advice or assistance category and is only intended to bring the other Alternates' attention to the U S plan. He added he would welcome any questions on the paper at a later meeting.
3. Referring to previous discussions about the agreement that official requests from the GOJ for information and information gathering activities should go through the PrepCom, the U S Alternate said he had a copy of a letter that was sent to an American insurance company in Okinawa from the Chief of the GRI Financial Inspection Agency at the request of the GOJ Ministry of Finance.

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4. The U S Alternate reported that only the SOFA Subcommittee has scheduled a meeting. It will meet at 1500 hours, 19 October to continue its work of comparing HICOM ordinances and proclamations with SOFA articles.
5. The U S Alternate reminded all that whenever the PrepCom common facilities are to be used for national or international purposes, the necessary arrangements should be made through the Joint Secretariat, which is officially responsible for them.
6. The U S Alternate asked if agreement could be arrived at today on the matter of holding a press conference immediately after the Principals' meeting on 16 October. The GRI Alternate suggested the possibility of the Principals holding it, with the Alternates' attending to answer technical questions. The GOJ Alternate agreed. The U S Alternate tentatively agreed and said he would so recommend to his Principal. The Alternates named Messrs. Walters and Billingsley of the U S Element, Nitta of the GOJ, and Zakimi of the GRI to an ad hoc press subcommittee. They also named Messrs. Zakimi, Walters, and Kaya to an ad hoc progress report subcommittee.
7. The U S Alternate said Messrs. Clark and Shinn were present again for the purpose of continuing discussions on the U S and GOJ versions of the transfer proposal. The U S Alternate distributed copies of replacement pages (attached) for the U S paper and asked Mr. Clark to explain the suggested changes in the text.
8. Referring to the GOJ wish to have a further explanation of Phases 2 and 3, Mr. Clark said the U S had added the following sentence, to paragraph 3 on page 3, to accommodate this desire: "The modalities and conditions for the delegation or relinquishment of civil administrative functions in Phases 2 and 3 and of any functions which may be added to Phase 1, will be decided later." The U S Alternate added that the proposed change was a response to a paragraph on page 7 of the GOJ draft. The GOJ Alternate expressed appreciation for the insertion of this phrase.
9. Mr. Clark explained that on page 4 the U S had added "and the Central Board of Education" to item d of the paper regarding the GRI Education Department. The GRI Alternate said reference to the Central Board of Education should be deleted. He said that advice and assistance to the Board should be made through the Education Department rather than directly to the Board itself, since the members of the latter are elected. Mr. Clark replied that the U S had apparently misunderstood what the GRI Alternate had indicated on this matter at the last Alternates' meeting. The U S Alternate added that the U S would make another effort to reformulate this sentence, taking into consideration the point made by the GRI Alternate.
10. Mr. Clark said the U S had inadvertently omitted the new title of item e on page 5; "Public Procurator's Office and Courts" should be added after

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- "Provision of Advice and Assistance to the GRI Legal Affairs Department."  
The GRI Alternate asked if it was possible to mention the courts in a separate paragraph, since they are not on the same level as the other two organs. The U S Alternate then suggested that courts be mentioned before the other agencies in the title of the item. The GRI Alternate said this would be acceptable. Mr. Clark said he did not think there would be a problem.
11. Mr. Clark explained that a replacement for page 6 was not available today but that the following phrase should be inserted before "Postal" in the penultimate paragraph on that page: "Financial Inspection Agency and the ...." He further explained that this agency had been mentioned in the original U S paper tabled on 14 July but had been inadvertently omitted from the pertinent "Draft Agreed Minute." In reply to the U S Alternate's question, the GOJ Alternate said his Government would agree to the phrase but that it might wish in the future to raise this item as an advice and assistance function under phase 1 of the U S proposal.
  12. Referring to an earlier question from the GRI Alternate on whether GOJ advice and assistance would be provided on long range economic planning, Mr. Clark said he did not have the specific wording today but that the U S would propose a new subparagraph "o" on page 10 of its draft to cover this point. He added that he would have the exact wording by 12 October. The GRI Alternate said that additional wording might not be necessary. He explained that he had raised the question to clarify the picture. Mr. Clark said the U S was responding to what it thought was a GRI requirement. In reply to the U S Alternate's question as to whether the new item should be added, the GOJ Alternate said he had no objection to it but would go along with GRI Alternate. The latter said he did not wish to add this statement, so Mr. Clark withdrew his oral proposal.
  13. The U S Alternate asked the GOJ Alternate how the latter saw the probable area of agreement for the 16 October Principals' meeting, which presumably would be included in the implementation schedules. The GOJ Alternate replied that his Government had no objection to the U S paper as a whole but wished to make the following points:
    - a. The U S paper excluded the description of functions in paragraph 3 on pages 4-6 of the GOJ paper and the GOJ wished to insert a reference to Phases 2 and 3 from page 6 of its paper. (Mr. Clark explained that the new U S sentence mentioned in paragraph 8 above addressed this point. The GOJ Alternate said he would refer this explanation to Tokyo.)
    - b. The phrase "to the extent and in a manner deemed acceptable to the United States" at the top of page 2 of the U S paper, and the sentence, "In the exercise of the advisory functions cited above, the GOJ will consult with and obtain the concurrence of the USG before tendering advice calling for significant alteration of policies or practices in the Ryukyu Islands prior to reversion," on the same page are not necessary. Instead, the GOJ prefers the sentence on page 21 of its own paper, namely, "Such functions of advice and assistance as set forth in (1) above will be exercised under close cooperation between the GOJ and the USG in accordance with the agreement as

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provided for in Section 1. above." The GOJ Alternate said that if a feeling of goodwill and mutual confidence could be expressed in the paper, it would not be necessary to mention concurrence. (Mr. Clark said consultation should occur prior to offering any advice and assistance and that the ultimate authority of HICOM until reversion should not be forgotten. The GOJ Alternate said this is self-explanatory, and the GOJ would not take action contrary to U S policy. The U S Alternate said the U S formulation in question was intended to be preventative rather than restrictive. The GOJ Alternate said he would refer the U S explanation to Tokyo and expressed a hope for getting a reaction by 12 October. Mr. Clark said he would take under reference the phrase mentioned at the beginning of this subparagraph.)

c. Tokyo wishes to delete the sentence on a transitional period from page 3 of the U S draft. (The U S Alternate explained that the wording is tentative so that nobody is committed. Mr. Clark said he preferred that the sentence remain but that he would take the GOJ suggestion under advisement.)

d. The GOJ questions the deletion by the U S of paragraph (3) on page 21 of the GOJ paper, that deals with preparatory work. There was mention of such preparatory work in the section on "Remaining Functions" in the 14 July U S paper and Tokyo wishes to refer briefly to this possibility. (Mr. Clark answered that the GOJ wording was more than a reference but if accepted would constitute an overall agreement by the U S; the U S is willing to accept proposals on types of advice and assistance but not to provide a blanket authorization for across-the-board advice. In reply to the GOJ Alternate's question as to whether the U S was willing to accept the proposals on an item-by-item basis, Mr. Clark said the U S would be willing to study them. The GOJ Alternate said he would refer this explanation to Tokyo.)

e. The "NOTE" regarding indebtedness on page 11 of the U S paper covers only subparagraph b on the Trust Fund Bureau Fund, whereas the similar wording in the GOJ paper covered budgets and taxation and revenue matters as well; to take up these three items in one package would be better. In thinking about a deficit its sources had to be considered. (The U S Alternate reiterated the distinction he had made at the previous meeting between indebtedness as a subject for diplomatic negotiation and taxation as being under the jurisdiction of local authorities. Mr. Clark added that the GOJ asserts that all matters concerning budgets, taxes, and the Trust Fund Bureau Fund should be left for diplomatic negotiation; the U S stand is that these three items are all local matters for local disposition.)

14. Regarding the taxation of non-Ryukyuan, Mr. Kaya asked if the GOJ could participate in discussions on this subject in the US-GRI Joint Taxation Committee since this matter "has something to do" with GRI indebtedness. Mr. Clark answered in the negative, saying he did not agree that the level of taxes for non-Ryukyuan had much to do with GRI indebtedness. He said he could agree only to the language of the U S paper, which refers to control over tax policy affecting non-Ryukyuan, but that he could not discuss the Joint Taxation Committee. He recommended that Mr. Kramer, Director of the USCAR Comptroller Department, be invited to the next Alternates' meeting to discuss this subject.

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The Alternates agreed.


15. The U S Alternate asked the GRI Alternate what areas his Government could agree to by 16 October. The latter replied that he could agree on all items except the one concerning taxation and revenue. In reply to the U S Alternate's question, the GOJ Alternate said perhaps agreement on the items for the progress report from the Alternates to the Principals could be reached by Monday, 12 October.


16. The Alternates agreed that they would meet next at 1530 hours, 12 October 1970.

1 Incl  
as

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

DISTRIBUTION:  
USG  
GOJ  
GRI  
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b. Phase 2 - from the date of signature of a reversion agreement until the date when necessary legislative support will be obtained.

c. Phase 3 - from the date when necessary legislative support will be obtained until reversion day.

After reversion, even though Japanese law will become fully applicable to the Ryukyu Islands on reversion day, there may, in the interest of a smooth reversion, be a need to make provision for a transitional period in these laws.

3. As a result of negotiations in the Preparatory Commission it has been agreed that in accordance with the conditions in sections 1 and 2 above, the GOJ will assume, subject to the exceptions and conditions noted below, the following listed Phase 1 functions which the USG will relinquish. The GOJ will assume these functions effective \_\_\_\_\_. The modalities and conditions for the delegation or relinquishment of civil administrative functions in Phases 2 and 3, and of any functions which may be added to Phase 1, will be decided later.

a. Supervision over administration of the Japanese Government Aid Program to the Ryukyus.

The relinquishment does not include the function of review and approval of the proposed annual GOJ aid program prior to its submission to the Japanese Ministry of Finance. Also, the USG will continue to perform the function of final review and approval of the proposed GOJ aid program before it is submitted to the Japanese Cabinet for approval. Furthermore, any changes in the aid program, once it has received Cabinet

approval, will be subject to USG concurrence.

b. Provision of Advice and Assistance to the Agriculture and Forestry Department, GRI.

The relinquishment does not include:

(1) Advice and assistance to the GRI on the preparation and submission to the United Nations of annual reports on agriculture, forestry and fishing matters. This advice and assistance function will be relinquished to the GOJ after ratification of the reversion agreement.

(2) Advice and assistance to the GRI concerning preparation of the annual Forestry Activities Report prepared by the GRI for submission to the United States Government Ryukyuan Property Custodian.

c. Provision of Advice and Assistance to the Construction Department, GRI.

The relinquishment does not include advice and assistance on construction projects financed wholly or in part with U.S. aid funds. The USG will continue to provide advice and assistance in this area until all expenditures for these projects are completed.

d. Provision of Advice and Assistance to the GRI Education Department, and the Central Board of Education.

The relinquishment does not include:

(1) Advice and assistance concerning the U.S. funded Ryukyuan Scholarship Program until all students



presently enrolled have completed their course of training.

(2) Advice and assistance concerning U.S. funded construction projects in the education field until completion of these projects.

(3) Advice and assistance concerning the U.S. funded PL 480 School Lunch Program until termination of this program at reversion.

*Added*  
e. Provision of Advice and Assistance to the GRI Legal Affairs Department, Public Prosecutor's Office and courts.

The functions of the U.S.-Ryukyuan Legislation Screening Committee shall in no way be abridged or restricted by virtue of the relinquishment by the United States of the advice and assistance on this function. Nor shall the relinquishment include the provision of advice and assistance on the entry and exit of persons into and from the Ryukyu Islands.

f. Provision of Advice and Assistance to the General Affairs Department, GRI.

The relinquishment does not include advice tendered by the USG to the General Affairs Department concerning proposed GRI legislation.

g. Provision of Advice and Assistance to the Trade and Industry Department, GRI.

The USG will, however, continue to advise and assist the Trade and Industry Department concerning the following

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#### CULTURAL CENTERS

(An Interim Paper for Submission to the Preparatory Commission)

USCAR presently operates five cultural centers in the Ryukyu Islands for the purpose of furthering Ryukyuan-American friendship and understanding. They are located in Naha, Nago, Ishikawa, Miyako, and Yaeyama. Budget cuts have necessitated terminating direct USCAR funding and operation of all but the Naha center as of October 19, 1970. It was decided, however, that means should be sought to enable the four centers to continue in operation at least until the end of FY 1971, and a portion of the High Commissioner's Special Assistance to Municipalities (SAM) Fund has been designated for this purpose.

Negotiations are presently underway between USCAR and the four municipalities aimed at enabling the municipalities to take over operation of the centers from October 20, 1970 until June 30, 1971 with one-time SAM grants. The municipalities would sign an agreement under which they will continue operating the centers in their present form, for their present purposes, and with their present staff (See Attachment A). The SAM grants will be in amounts calculated to cover all operating costs including staff salaries. No reimbursement on the part of the municipalities will be required for use of the buildings and equipment during this period.

All the employees of these four centers have received termination notices and are aware that their employment by USCAR will terminate as of October 19, 1970. The municipalities are working out details as to how they will utilize the SAM grants in continuing to pay salaries -- either by contracting with each staff as a group or by individual hire as temporary city employees.

Proposals have been solicited from the municipalities on how they would utilize the buildings and the equipment therein if such were made available to them from July 1, 1971 until reversion. All the municipalities have indicated a desire to utilize the buildings and equipment during this period as social education centers, libraries, citizens halls or various combinations thereof, but none have come in

with concrete proposals as yet. No commitments, stated or implied, have been made to the municipalities regarding the status of the buildings and equipment after reversion. The Naha Cultural Center is in a separate category from the other four in that USCAR intends to continue its direct funding and operation until reversion.

The U.S. Information Agency may wish to establish a USIS cultural center on Okinawa upon reversion but has not definitely advised whether it will wish to do so. If this is done, the center would presumably be staffed and operated in a manner similar to the eight cultural centers USIS operates in Japan. USCAR hopes to have a firm answer soon from USIS on this question.

All five cultural center buildings are U.S. Army property, as are the books in the libraries, furniture, air conditioners, movie projectors and other equipment.

AGREEMENT BETWEEN MAYOR OF \_\_\_\_\_ CITY AND USCAR

WHEREAS, the Mayor of \_\_\_\_\_ City has been informed that the United States Civil Administration of the Ryukyu Islands (USCAR) will soon cease its operation of the \_\_\_\_\_ Ryukyuan-American Cultural Center and the Mayor has requested permission to continue local use of the property in its present form and for its present  purposes; and

WHEREAS, the Mayor has requested USCAR assistance to the municipality for the purpose of helping defray the municipal expenses involved in an activity for which no municipal funds have been budgeted:

The Mayor and USCAR have mutually agreed as follows:

1. On 20 October 1970, USCAR will transfer to the municipality  of \_\_\_\_\_, the property known as the \_\_\_\_\_ Ryukyuan-American Cultural Center and its contents, more particularly described in  a list or inventory attached hereto, upon the terms and provisions herein set forth.

2. The Mayor agrees to accept custody of the property and to operate it for the purpose of furthering Ryukyuan-American friendship and understanding, it being understood that ownership of all the property will remain in USCAR and that the Mayor and the municipality have the right to possession and operation but no right to sell or dispose of any portion thereof.

3. The Mayor agrees to continue the present cultural and community relations activities of the cultural center and will retain all of the present employees of the center at their present salary level until 30 June 1971. The cultural center's operations shall be a municipal activity, and the municipality shall be responsible for the maintenance of the property, liability for all damages to employees or members of the public, and for any other claims arising from the activity, the municipality agreeing to save USCAR and the United States Government harmless from any and all such liability or claims. The municipality shall also take all reasonable measures to protect against losses from theft, fire, typhoon, riot or public disorder.

4. The Mayor agrees that USCAR may inspect the operation of the Center and the maintenance of the property at any time and that he will be responsive to all reasonable requests of USCAR to the end that the Center will remain operational and contribute to the desires of the community as well as to good Ryukyuan-American relations. Should any such inspection disclose a loss of property or damage to the buildings other than that resulting from reasonable use, fair wear and tear, the Mayor agrees to provide fair and expeditious compensation therefor.

5. In view of the purposes of this agreement and the commitments of the Mayor, USCAR shall claim no compensation as rental or otherwise for the use of its property.

6. To assist the municipality in its obligations hereunder, USCAR agrees to make a grant for the fiscal year ending 30 June 1971, in the amount of \_\_\_\_\_, it being understood that this is a one-time grant to the municipality, exclusively for operation and maintenance of the Center.

7. This agreement shall remain in effect until 30 June 1971. In the event of default on the part of the Mayor, this agreement may be terminated by USCAR without prior notice. A letter to the Mayor informing him of termination shall be sufficient. In addition, either party may terminate this agreement without cause therefor upon thirty days written prior notice. Upon termination of this agreement, whether with or without cause, or upon a finding by USCAR that any part of the grant of funds has not been used for the purposes of this agreement, the Mayor shall upon demand return to USCAR the unexpended portion of the grant.

1 Incl  
Inventory

THE PREPARATORY COMMISSION  
Naha, Okinawa

27 October 1970

OFFICIAL MINUTES

SUBJECT: Fifty-sixth Meeting of PrepCom Alternates, 1530 hours,  
12 October 1970

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Yamaguchi, GOJ  
Mr. Burke, USG  
Mr. Walters, USG  
Mr. Billingsley, USG  
Mr. Zakimi, GRI  
Mr. Kugai, GRI  
Mr. S. Higa, GRI  
Miss Sata, Recorder

Mr. Kramer, Director of the USCAR Comptroller Department  
Mr. Clark, Director of the USCAR Liaison Department  
Mr. Shinn, USCAR Liaison Department

1. The U S Alternate said Messrs. Clark and Shinn of the USCAR Liaison Department were at the meeting again and that Mr. Kramer of the USCAR Comptroller Department would arrive later to answer technical questions on the GRI budgets and on tax matters.
2. Referring to a point which the GOJ Alternate made at the last Alternates' meeting, Mr. Clark proposed to replace the phrase "to the extent and in a manner deemed acceptable to the United States" at the top of page 2 of the U S paper with the following: "in a manner mutually agreed upon between the two Governments." The GOJ Alternate said he could confirm the GOJ position on this change by tomorrow morning.
3. Mr. Clark also referred to the GOJ Alternate suggestion to delete the sentence on a transitional period from page 3 of the U S paper. He said that, since the language is very general and innocuous but serves to round out the reversion picture, the U S would prefer to retain the sentence. The U S Alternate added that a transitional period was closely related to the common objective of a smooth reversion, and that advance knowledge of a transitional period would be helpful to this end.
4. The GOJ Alternate restated that taxation and revenue matters must be considered along with budgets at the diplomatic level; otherwise, the problem of budgetary deficits will not be handled in a comprehensive way. It was for this reason he said that his Government had placed its "Note" on deficits in

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its draft transfer paper after the three fiscal items of budgets, Trust Fund Bureau Fund, and taxation and revenue matters. He also said that, since these subjects should be taken up in diplomatic negotiations, exclusion from the progress report of tax policies affecting non-Ryukyuan would be no problem. The U S Alternate reiterated his Government's response on the above-mentioned matters to the effect that only the GRI indebtedness should be left for diplomatic negotiations and that the others should be subjects for local discussion by competent authorities.

5. The U S Alternate, in clarification of the discussion underway, asked if the GOJ should concern itself with the taxation of non-Ryukyuan persons and firms as one of the aspects of its participation in the Joint Tax Committee. Mr. Kramer answered that the Committee had appointed a subcommittee which has agreed on certain actions to gradually raise tax rates to the Japanese level; it would complete its report on a three-year plan this week or next. However, he said the subcommittee had decided not to discuss Ordinances 114 concerning Ryukyuan Income Taxes and 115 concerning Corporation Taxes. He further explained that the GRI had agreed at the subcommittee level not to press for a change in the above-mentioned ordinances until reversion day.
6. In response to Mr. Yamaguchi's question on Ordinance 126 concerning "Payment of Taxes on Private Vehicles for Use of Highways," Mr. Kramer said that, if all other tax consideration are agreed to, the Ordinance would be changed effective 1 July 1971 to raise the tax on yellow license plates from \$6.67 to \$20.
7. The GOJ Alternate said Mr. Kramer's explanation would be quite helpful for future consideration. However, he said that in view of the fact it might be difficult to get information within a day or so, it would be better to hold the taxation and revenue item for the next month's Principals' meeting; in the meantime the subcommittee can study it further if necessary.
8. The U S Alternate referred to the GOJ Alternate's proposal that the question of GRI indebtedness be raised at the diplomatic level together with other fiscal matters. The GOJ Alternate reiterated that the problem of GRI indebtedness should be considered comprehensively with budgets, the Trust Fund Bureau Fund, and taxation and revenue matters. The latter proposed that, since the GRI had not been able to reach agreement with the U S in the Joint Committee on the taxation matter, all of paragraph 4 in the U S paper, containing that item and also those on budgets and the Trust Fund Bureau Fund, be omitted for the 16 October meeting.
9. The GOJ Alternate said he had referred to Tokyo the U S explanation about "concurrence" on page 2 of the U S paper but that Tokyo was reluctant to accept it. The GOJ Alternate suggested that the new wording, "do so through consultation with" be substituted for "consult with and obtain the concurrence of" in that sentence. The U S Alternate noted that this point remains in disagreement.

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10. The GOJ Alternate said the legal people in Tokyo wished to distinguish between functions delegated to the GRI and those to the GOJ; when transferring to the GOJ, they preferred to use "role" instead of "function" throughout the U S paper, because "function" would involve authority, which will remain in the hands of the U S. He further explained that, when the GRI is involved, either "role" or "function" could be used. The U S Alternate said these suggestions would need careful study.

11. The GOJ Alternate said that the legal people in Tokyo also preferred the use of "disengagement" and "disengage" instead of "relinquishment" and "relinquish." The U S Alternate said the latter two words appeared often in the U S paper; each place where they were used would have to be studied to see if a change in wording would present problems.

12. Regarding the wording about a transitional period in the U S paper, the GOJ Alternate said Tokyo did not like to put it in the paper even though preparations are being made for such a period. He also said that, if the U S wishes to put this on the record, it can state its position at an Alternates' meeting where the GOJ can acknowledge the position and explain its views. Mr. Clark asked the GOJ Alternate if either the U S paper or the minutes of the Alternates' meeting would be made public. The latter replied negatively. Mr. Clark then said he could not understand why the GOJ wanted to use PrepCom minutes rather than the U S paper for going on record about a transitional period. The GOJ Alternate explained that this kind of idea is normally taken up on a diplomatic basis and does not properly belong in this paper. The U S Alternate said he was not aware that this question had been taken up on the diplomatic level, and said the Alternates would have to come back to it later.

13. The GOJ Alternate referred to the phrases on page 21 of the GOJ paper about preparations for reversion. He said the intention was to provide for GOJ advice and assistance until reversion, on an item-by-item basis at the Alternate level, by relying on the following sentences in the U S paper:

a. On page 3, "The modalities and conditions for the delegation or relinquishment of civil administrative functions in Phases 2 and 3, and of any functions which may be added to Phase 1, will be decided later."

b. The last sentence on page 11, "It was agreed that further functions may be added to this schedule by agreement of the parties."

14. The U S Alternate asked if the GOJ Alternate wished the addition of a statement to the sentence on page 3 to the effect that items could be raised at the Alternate level, as substitute for the wording in the GOJ paper. The GOJ Alternate replied affirmatively and said these were difficult problems which had to be resolved expeditiously. The U S Alternate said he would look for wording that would be mutually acceptable.

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15. The GOJ Alternate said the effective date for the relinquishment of functions should be decided at the Alternates' meeting but that it was not necessary to refer to OBONTA in the transfer proposal, as had been done in the original GOJ draft paper of 2 October. The U S Alternate said the U S would consider the suggestion. He added that, from the U S standpoint, it was important to have as definite a date as possible. Mr. Clark explained that the U S preferred a specific date if possible because of budgetary consideration. However, he added that the effective date did not have to be the same for all items. The GOJ Alternate said it would be difficult to agree to include any dates in the progress report for the 16 October Principals' meeting but that he would refer this problem to Tokyo.

16. The U S Alternate said that, judging from the present status of the PrepCom work, it would be impossible to agree on the U S paper for the 16 October meeting. He then suggested that further action on the issues in dispute be deferred and that the progress report from the Alternates merely state that the Alternates had reached agreement on a certain number of items but that the wording of the implementation schedules and related matters remain under discussion. He added that another possibility, in view of the stage of discussion on the transfer proposal, was for the Alternates rather than the Principals to hold the press conference. The Alternates tentatively agreed and said they would discuss the matter of a press conference with their respective Principals.


17. The GRI Alternate asked about the phrase "and the Central Board of Education" that the U S had added to the item on the Education Department, GRI. Mr. Clark mentioned that the U S had deleted the phrase in accordance with the GRI request.

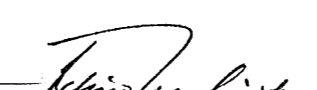
18. The GOJ Alternate said the GOJ preferred 9 November as the date of the next meeting of the Principals. The GRI Alternate said he had no comment. The U S Alternate said 9 November would be acceptable to the U S.


19. The U S Alternate announced that the sign for the PrepCom building had been installed, according to a report from the General Affairs Subcommittee.

20. The Alternates agreed to hold their next meeting at 1600 hours, 13 October 1970.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

PREPCOM 27 October 1970  
SUBJECT: Fifty-sixth Meeting of PrepCom Alternates, 1530 hours, 12 October 1970

DISTRIBUTION:

USG  
GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

28 October 1970

OFFICIAL MINUTES

SUBJECT: Fifty-seventh Meeting of PrepCom Alternates, 1600 hours,  
13 October 1970

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Kaya, GOJ  
Mr. Mabuchi, GOJ  
Mr. Nakayama, GOJ  
Mr. Yamaguchi, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, USG  
Mr. Billingsley, USG  
Mr. Adaniya, GRI  
Mr. Zakimi, GRI  
Mr. S. Higa, GRI  
Miss Sata, Recorder

1. The U S Alternate passed out draft copies of the progress report from the Alternates to the Principals, press statement, and scenario for the 16 October meeting. He said these papers had been prepared by the ad hoc sub-committees, without the benefit of consultation with the respective Governments, and that each Alternate still had to get the approval of his own Principal.
2. The U S Alternate suggested taking up the draft progress report paragraph by paragraph. No substantive comments were made on the first and second paragraphs.
3. The U S Alternate raised a question on the sentence in paragraph 3 which reads, "The conditions under which the GOJ will provide its advice and assistance to the GRI will be negotiated on an item-by-item basis." He pointed out that it would be impossible for the Alternates to arrive at an agreement by 16 October on whether such conditions as effective dates would be handled on an item-by-item basis or as groups of items. Mr. Kaya suggested that the phrase "will be negotiated on an item-by-item basis" be replaced by "will remain to be completed."
4. The GOJ Alternate said he was instructed by Tokyo to make a last minute effort to get the GRI to agree on the item on taxation and revenue matters. He added that, although he was not optimistic, if he succeeded there could



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SUBJECT: Fifty-seventh Meeting of PrepCom Alternates, 1600 hours, 13  
October 1970

be 17 instead of 14 agreed upon items in paragraph 3. He reiterated the GOJ preference for the words "disengagement" to "relinquishment" and "roles" to "functions." The U S Alternate said these suggested substitute words were still under discussion at the Alternate level, and that an agreement might not be reached in time for the progress report. The GRI Alternate said he had no comments on these points.

5. The U S Alternate referred to one sentence in paragraph 3 reading, "The Alternates invite the Commission to direct them to continue their work toward an agreement on the implementation schedule..." Because of the fact that it was the first time the words "implementation schedule" were used in the progress report, he suggested that the following wording be inserted after "implementation schedule"; "to which the item will be attached for forwarding to the Consultative Committee." The GOJ Alternate suggested that "schedules" be used rather than the singular form. The Alternates agreed to this.

6. The U S Alternate said he had some difficulty with the statement in paragraph 4 regarding the functions in Phases 2 and 3 on the ground that it anticipates agreement on PrepCom work that might not be accomplished for another year. He said that, although he did not have alternate wording at the moment, he would like to reserve the right to come back with an appropriate sentence. Mr. Kaya suggested that the following sentence be added to the paragraph, "The modalities and conditions for the delegation or relinquishment of civil administrative functions in Phases 2 and 3, and of any functions which may be added to Phase 1, will be decided later." The GOJ Alternate said the actual intention of including this statement was that there was some possibility the GOJ would submit a proposal on advice and assistance on functions that the U S has reserved to itself. The U S Alternate reiterated that, because the suggested wording anticipates work which might not be accomplished for another year, a reference to Phases 2 and 3 would be more appropriate for the progress report for the November meeting of the Principals. He added, however, that he would try to develop alternate wording.

7. The Alternates did not comment on paragraphs five and six. The U S Alternate reiterated that everything in the progress report was still tentative and that he would be discussing it with his Principal tomorrow morning. The GRI Alternate said he had not yet had an opportunity to discuss the proposed press conference by the Alternates with his Principal, so he could not yet take a position on this point.

8. The Alternates discussed the draft press statement and agreed to make two grammatical changes. The U S Alternate said in this connection that the remarks he had made about Phases 2 and 3 in the progress report were equally pertinent to similar language in the draft press statement.

9. The U S Alternate recapitulated what the Alternates had previously agreed as follows:

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SUBJECT: Fifty-seventh Meeting of PrepCom Alternates, 1600 hours, 13  
October 1970

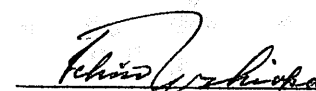
a. The informal meeting will begin at 1430 and be attended by the Principals, Alternates, and language aides.

b. The formal meeting will be held at 1500 hours and a press conference at 1545 hours.

10. Lastly, the Alternates agreed to hold their next meeting at 1430 hours, 14 October, to resolve the remaining differences in the draft papers.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

28 October 1970

OFFICIAL MINUTES

SUBJECT: Fifty-eighth Meeting of PrepCom Alternates, 1430 hours,  
14 October 1970

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Kaya, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, USG  
Mr. Billingsley, USG  
Mr. Adaniya, GRI  
Mr. Zakimi, GRI  
Mr. S. Higa, GRI  
Miss Sata, Recorder

1. The U S Alternate said the objective of this meeting was to achieve agreement on the progress report to the Preparatory Commission from the Alternates, on the press statement, and on the scenario. He suggested that the Alternates take up the progress report first.
2. The U S Alternate said the U S wants to substitute "fixed" for "rigid" in the first sentence of the report. Mr. Kaya, who was sitting in for the GOJ Alternate at the beginning of this meeting, said Tokyo had suggested the deletion of "rigid" and "fixed" was acceptable.
3. The U S Alternate suggested the substitution of "with" for "to hold meetings in continuation of" in the last sentence of paragraph 2. The Alternates agreed to this.
4. Mr. Kaya suggested the substitution of "U S comprehensive plan" for "comprehensive plan drawn up by the U S and tabled at the Alternate level on 14 July" in the first sentence of paragraph 3. The Alternates agreed to this.
5. Mr. Kaya asked the U S Alternate if the U S still wanted to use "relinquishment." The U S Alternate answered affirmatively and added that this suggestion should be discussed later at the Alternates' level.
6. Mr. Kaya said Tokyo was suggesting a change in the wording of the part of paragraph 3 reading, "The Alternates have agreed to recommend to the Principals for their approval the relinquishment by the USG to the GOJ, subject to certain conditions and exceptions, of 14 of 17 advice and

PREPCOM

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SUBJECT: Fifty-eighth Meeting of PrepCom Alternates, 1430 hours, 14 October 1970

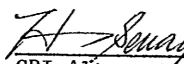
assistance and participation functions that have been under consideration." The Alternates asked Messrs. Zakimi (GRI), Nitta (GOJ), and Walters (US) to leave the room and draw up a substitute sentence. The latter recommended the following sentence, to which the Alternates agreed; "The Alternates have agreed to recommend to the Principals for their approval this progress report, in which 14 of the 17 advice and assistance and supervisory functions that will be relinquished by the USG to the GOJ, subject to certain conditions and exceptions, are enumerated."

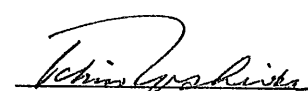
7. The U S Alternate suggested that the following sentence be added to paragraph 4: "They note that functions under Phases 2 and 3 will be considered in due course." Mr. Kaya said the wording "in due course" seemed to imply a rather long time. The U S Alternate said the meaning was flexible.
8. The U S Alternate asked the GRI Alternate if his Government would approve the Alternates holding a press conference instead of the Principals. The GRI Alternate replied affirmatively.
9. The U S Alternate said his Government would like to suggest the deletion of paragraph 2 in the press statement and to substitute "which, subject to certain conditions and exceptions could." Mr. Kaya said the GOJ had no objection but that it would prefer not to include it in the press statement. The U S Alternate explained that the U S concern was that omitting it might mislead the press by suggesting the conclusion that the U S had relinquished all functions without any exception. Mr. Kaya said he would convey this feeling to Tokyo.
10. The Alternates agreed that 9 November 1970 was a satisfactory date for the Principals' meeting next month.
11. Mr. Kaya suggested that the wording "time at which" be replaced by "time at, and conditions under which." The Alternates agreed to this wording.
12. Mr. Kaya proposed the adjournment of this session for a few minutes to allow the GOJ Alternate, who had just arrived, to speak to the GRI Alternate. The Alternates agreed.
13. After resuming the session, the GOJ and GRI Alternates said that their Governments could now agree to all 17 items. The Alternates agreed to change the progress report and the press statement accordingly. The U S Alternate suggested that any necessary discussion of the content of the two reports be held as soon as possible following the distribution of the retyped papers.
14. The Alternates agreed to hold their next meeting at 1000 hours, 20 October 1970.

PREPCOM  
SUBJECT: Fifty-eighth Meeting of PrepCom Alternates, 1430 hours, 14 October  
1970

28 October 1970

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

DISTRIBUTION:  
USG  
GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

28 October 1970

OFFICIAL MINUTES

SUBJECT: Fifty-ninth Meeting of PrepCom Alternates, 1000 hours,  
20 October 1970

Participants:

Members: Mr. Schott, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Kaya, GOJ  
Mr. Nakayama, GOJ  
Mr. Yamaguchi, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, USG  
Mr. Billingsley, USG  
Mr. Adaniya, GRI  
Mr. Zakimi, GRI  
Mr. G. Higa, GRI  
Mr. S. Higa, GRI  
Miss Sata, Recorder

Mr. Clark, Director of the USCAR Liaison Department  
Mr. Shinn, USCAR Liaison Department

1. The U S Alternate announced that he would be leaving for Tokyo this afternoon and would be back on Thursday morning.
2. The U S Alternate suggested having a post-mortem on the 16 October Principals' meeting and invited comments. He expressed his own view that the PrepCom still suffers from last minute changes in the progress report and in the press statement. He attributed part of the problem to a failure to re-set a cut-off date after postponing the meeting from 7 October. He said he still thought that a cut-off date is valid for preparations for the future meetings of the PrepCom. The GRI Alternate said efforts should be made to finalize everything three or four days prior to the meeting. The GOJ Alternate said he shared these views on procedures, particularly on the last minute changes. He commented that he thought the informal discussion by the Principals before the formal meeting was successful. The GOJ Alternate added that this kind of useful, informal meeting was quite welcome to his side.
3. The GRI Alternate noted that a heavy burden had been placed on the Joint Secretariat shortly before the meeting, and suggested that something be done to improve this situation. The U S Alternate agreed and suggested that

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SUBJECT: Fifty-ninth Meeting of PrepCom Alternates, 1000 hours, 20 October 1970

the Alternates hold an ad hoc meeting on organizational matters after this meeting. The other Alternates agreed.

4. The U S Alternate brought the other Alternates' attention to inconsistencies in some of the titles of the 17 items. He said the Alternates did not have to decide on them today but suggested the following new titles:

a. Provision of Advice and Assistance to the Education Department, GRI.

b. Provision of Advice and Assistance to the GRI Courts, Legal Affairs Department, and Public Procurator's Office.

c. Provision of Advice and Assistance to GRI Prisons and Reformatories.

5. The U S Alternate said the major business for this meeting was to resume discussion on the following points, which were put aside after 13 October due to the necessity of preparing for the 16 October meeting:

a. Obtaining U S concurrence or agreement in the event of significant changes.

b. The GOJ preference for "role" and "disengagement" instead of "function" and "relinquishment," respectively.

c. Advice and assistance by the GOJ, in preparation for the post-reversion period, in areas reserved to the U S.

d. Reference, and wording of the reference, to a transitional period.

e. Fiscal matters, in particular, the GOJ desire to raise to the level of diplomatic negotiation not only GRI indebtedness but also the taxation of non-Ryukyuan.

The GOJ Alternate added that another point in question was that of an effective date for the transfer of functions. The Alternates agreed that these were the points of difference.

6. The GRI Alternate said he would like to answer some of the questions raised at the previous meeting about the scope of jurisdiction of the GRI Education Department. He explained the relationship between said department with the Central Board of Education, the Committee for the University of the Ryukyus, and with the Committee for Private Universities. He also explained the composition of the personnel in the above-mentioned agencies and their relationship to the Chief Executive. The GRI Alternate said advice and assistance to the Education Department would cover the Central Board of Education, since the Department advises the Board by law; however, such advice and assistance would not cover the committees for the University of the Ryukyus and private universities. The GOJ Alternate asked if it was necessary to have a separate item

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or if it could automatically give advice to these committees unless the U S retains the functions in that area. The U S Alternate and Mr. Clark, Director of the USCAR Liaison Department, said that if the GOJ desired to provide advice and assistance to these two committees it would necessitate either drafting a separate item or expanding the title of the present item on the GRI Education Department. The GRI Alternate said he would have to check to see which possibilities would be acceptable. After lengthy discussion, the GOJ Alternate said he would consider drafting a separate item.

7. The GRI Alternate said perhaps some other areas of administration should be investigated; as examples he pointed out the GRI Personnel Committee, Okinawa Broadcasting Association (Okinawa Hōsō Kyōkai), Ryukyu Telegraph and Telephone Public Corporation, Okinawa Sewerage Corporation, Okinawa Tourism Development Corporation, and Maritime Accident Inquiry Agency. Mr. Clark said the U S did not know the GRI and GOJ requirements for advice and assistance to these largely autonomous agencies but would be willing to consider proposals on them. The GOJ Alternate said he would study the needs of these agencies and draft a proposal by the next meeting if necessary.

8. The U S Alternate said he wanted to go back to page 6 of the U S transfer paper. Mr. Clark reiterated what he had mentioned about paragraph (2) on that page at the previous meeting, namely, that the wording "Financial Inspection Agency and the" should be inserted before "Postal Service Agency." He asked if the GOJ Alternate was now ready to agree. The latter said his idea was that the GOJ would give advice and assistance to the Financial Inspection Agency in Phase 1 and asked if the U S wished to retain this function until a certain day in the future. Mr. Clark replied that the Agency is the central point for the control of financial institutions and is an important factor in HICOM's administrative authority. The GOJ Alternate said he did not know how strongly Tokyo felt about this, but that he would check and confirm by the next meeting.

9. The U S Alternate said it had become obvious that all points in question could not be resolved today, and asked if the GOJ Alternate had any different views from those he expressed earlier on the remaining issues. The latter replied in the negative.

10. The GOJ Alternate asked for the U S views on the words "role" and "disengagement." The U S Alternate replied that the U S had studied the GOJ suggestions but nevertheless was opposed to the proposed change. The GRI Alternate said he had no comment on "disengagement" vs. "relinquishment" but that he preferred "function" to "role" because the former is more precise. Mr. Clark said that "relinquishment" implies a giving up whereas "disengagement" seems to connote the possibility of a re-engagement; he preferred the former term as more definitive. The GOJ Alternate repeated that he felt "function" was based on legal authority or responsibility, but that "role" is not, and so the latter term better described the GOJ position. He also said that the GOJ would not insist on these changes and that he would convey the negative response of the U S to Tokyo.

PREPCOM

28 October 1970

SUBJECT: Fifty-ninth Meeting of PrepCom Alternates, 1000 hours, 20 October 1970

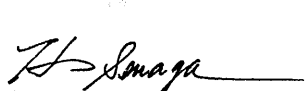
11. The GOJ Alternate said that even if the fiscal area is excluded from the PrepCom agreement, he would like to confirm that any such areas may be taken up in diplomatic discussion. The U S Alternate said he would like to defer discussion on this subject until the next meeting.


12. The GOJ Alternate said he would prepare positions on the other five points in question by the next meeting. He added that as a result of the recent GRI reorganization social insurance programs were now divided among the GRI Welfare, Labor, and General Affairs Departments, and that social insurance, therefore, should be discussed further at the subcommittee level. Mr. Clark replied that since the reorganization has an impact on other areas and further reorganization might be expected next year, he would prefer to include appropriate words in the transfer proposal to avoid having to rewrite several items. He agreed to present suggested wording at the next meeting.


13. The GRI Alternate passed out copies of a paper the CE had given to the U S and GOJ Representatives at the free discussion period prior to the formal meeting on 16 October, entitled "Release of the State and Prefectural Land for an Expansion of the Naha Commercial Senior High School Campus." The U S Alternate said he would give consideration to the paper but could not agree to formally accept it for tabling; however, he expressed the hope that he could address this matter at the next meeting. The GOJ Alternate said he had sent the paper to Tokyo immediately after the 16 October meeting and asked them to study it carefully.

14. The Alternates agreed to hold their next meeting at 1000 hours, 23 October 1970.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

DISTRIBUTION:

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GRI  
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THE PREPARATORY COMMISSION  
Naha, Okinawa

11 November 1970

OFFICIAL MINUTES

SUBJECT: Sixtieth Meeting of PrepCom Alternates, 1000 hours, 23 October 1970

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Kaya, GOJ  
Mr. Yamaguchi, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, USG  
Mr. Billingsley, USG  
Mr. Adaniya, GRI  
Mr. Zakimi, GRI  
Mr. G. Higa, GRI  
Mr. S. Higa, GRI  
Miss Sata, Recorder

Mr. Clark, Director, USCAR Liaison Department  
Mr. Shinn, USCAR Liaison Department

1. The U S Alternate referred to a paper which he tabled on 9 October entitled "Cultural Centers (Interim Paper for Submission to the Preparatory Commission)." He said members of the GOJ Element of PrepCom had made separate inquiries to USCAR about the cultural centers this week and suggested that a more efficient arrangement might be to work through the U S Element.

2. Upon invitation from the U S Alternate, Mr. Clark, Director of the USCAR Liaison Department, referred to paragraph b (1) on page 4 of the U S paper saying, "Advice and assistance to the GRI on the preparation and submission to the United Nations of annual reports on agriculture, forestry and fishing matters. This advice and assistance function will be relinquished to the GOJ after ratification of the reversion agreement." He explained that USCAR had been directed by Washington to continue to send the reports in question, so the last quoted sentence should be deleted. The GOJ Alternate pointed out that the original wording in the GOJ paper was "in and after Phase 2" rather than "after ratification." He said that he would reply later after receiving clarification from Tokyo.

3. Mr. Clark said the U S would like to insert the following new subparagraph on page 8 of the draft paper: "(2) Advice and assistance on the collection of statistical data concerning narcotics consumption in the Ryukyus. The USG

PREPCOM 11 November 1970  
SUBJECT: Sixtieth Meeting of PrepCom Alternates, 1000 hours, 23 October 1970

will continue to submit periodic reports on narcotics consumption in the Ryukyus to the United Nations until reversion." The GOJ Alternate said he had no objection to the insertion. The GRI Alternate said he had no comment.

4. Referring to the past discussions about the possible need to change some of the transfer items because of the recent GRI reorganization, the U S Alternate distributed copies of a draft general statement to cover the situation. Mr. Clark suggested that this should become paragraph 5 on page 11 of the U S paper. He explained that it would cover and prevent any function from disappearing from the PrepCom agreement but would not cover the dissolution of certain functions in the future. The GRI Alternate said dissolved or newly-created functions would not be covered but rearrangements of functions would be. The GOJ Alternate said he needed time to study this new language.

5. The U S Alternate suggested forming an ad hoc subcommittee to work on the uniformity of the titles of the 17 items under discussion and to report to the Alternates by the next meeting. He said that Mr. Walters would be available for the subcommittee from the U S side. The other Alternates agreed to this and named Messrs. Zakimi (GRI) and Nitta (GOJ).

6. The U S Alternate reviewed briefly the six points of difference in the draft transfer proposal. He then passed out draft copies of a statement intended to meet the GOJ and GRI desire for GOJ advice and assistance in areas the U S has reserved to itself, for example, to the Postal Service Agency. Mr. Clark explained that the proposed wording applied only to functions which were discussed and listed, as well as to exceptions to those functions, but not to areas omitted from the draft transfer proposal. The GRI Alternate said the new wording required discussion at the Department Directors' meeting so he would have to reserve his position. The GOJ Alternate said his Government's intention was to obtain assurance that it can give advice and assistance in all areas, not only those specifically reserved to the U S; the GOJ purpose was not to change present policies or procedures but to carry out studies essential to the preparations for post-reversion changes. The U S Alternate said the GOJ requests would be considered on a case-by-case basis. The GOJ Alternate asked if a sentence could be added about the case-by-case procedure. Mr. Clark replied that this could be explored but that he did not think it was necessary. The GRI Alternate asked if the U S would welcome any new proposals about any new area but would not issue a blanket approval. Mr. Clark replied in the affirmative but said that most areas are now covered and that it would be helpful if the other Governments would point out anything specific the U S has missed.

7. The GRI Alternate said his Government would like to know the U S intentions concerning the English Language Center. He said there are over 20 Ryukyuan members and they are worried about their future. Mr. Clark replied that he would check to see if the U S could provide a status report, if not a definitive one.

PREPCOM 11 November 1970  
SUBJECT: Sixtieth Meeting of PrepCom Alternates, 1000 hours, 23 October 1970

8. The GOJ Alternate referred to the language in the new wording that the U S Alternate passed out at this meeting as mentioned above, and said that it mentioned "any" alteration, not just significant ones. Mr. Clark said that within the reserved areas the U S wanted to know about "any" changes. The U S Alternate added that if there was to be further discussion of this new wording it might be desirable for it to take place in the Administrative Transfer Subcommittee. The GOJ Alternate said he would study this wording and make a reply at the next meeting.

9. The U S Alternate noted that there were other points of difference to be discussed but that the time factor prevented further discussion today. He suggested that perhaps some of these points should be turned over to the appropriate subcommittees so that meetings could be held simultaneously.

10. The GOJ Alternate said Tokyo was insisting on its original position on some of the points in question; he would try to get clarification from Tokyo and report by the next meeting because some of them are substantial points. He pointed out that the following were "less substantial" comments on the U S paper:

a. Tokyo prefers, "in Okinawa will remain intact and unimpaired until the time of reversion," from page 2 of the "Principles and Guidelines," to "within the Ryukyu Islands must continue to rest with the United States until reversion," on page 1 of the U S paper.

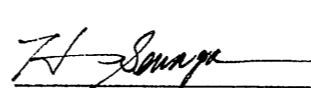
b. The phrase, "any changes in the aid program" in the last sentence on page 3, is vague and should read something like, "any changes in the aid program requiring the approval of the Cabinet."


c. Tokyo wishes to delete the phrase "which will remain in effect until reversion" from the first two lines of page 6.


In this connection, he indicated that Tokyo agreed to insert the phrase regarding the Financial Inspection Agency on page 6. The U S Alternate said he would address himself at the next meeting to these suggested changes. He also said the U S would prepare an up-to-date draft of the U S proposal for the next meeting.

11. The Alternates agreed to hold their next meeting at 1000 hours, 27 October 1970.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate



PREPCOM 11 November 1970  
SUBJECT: Sixtieth Meeting of PrepCom Alternates, 1000 hours, 23  
October 1970

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GOJ  
GRI  
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THE PREPARATORY COMMISSION  
Naha, Okinawa

11 November 1970

OFFICIAL MINUTES

SUBJECT: Sixty-first Meeting of PrepCom Alternates, 1000 hours,  
27 October 1970

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Kaya, GOJ  
Mr. Nakayama, GOJ  
Mr. Yamaguchi, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, USG  
Mr. Billingsley, USG  
Mr. Adaniya, GRI  
Mr. Zakimi, GRI  
Mr. G. Higa, GRI  
Mr. S. Higa, GRI  
Miss Sata, Recorder

Mr. Clark, Director of the USCAR Liaison Department  
Mr. Shinn, USCAR Liaison Department

1. The U S Alternate recalled that the Alternates had discussed in the past the subject of a possible change to driving on the left in Okinawa on reversion day. He raised for possible consideration the question of whether the GOJ might change the system of distance measurement in Okinawa from miles to kilometers, which would subsequently necessitate changes in speedometers, among other things.
2. The U S Alternate noted that there are only two more Alternates' regular meeting days before the 9 November Principals' meeting, since 3 November is a GOJ and GRI holiday. He suggested 30 October as the cut-off date for material for the Principals' meeting.
3. Mr. Clark, USCAR Liaison Department Director, said that USCAR was still studying the final disposition of the English Language Center and that the U S would inform the PrepCom as soon as a decision is made.
4. The U S Alternate passed out copies (attached) of the ad hoc subcommittee's agreement on the titles for the 17 items under discussion. He suggested the other Alternates should study the list and that agreement could then be arrived at later.

PREPCOM

SUBJECT: Sixty-first Meeting of PrepCom Alternates, 1000 hours, 27  
October 1970

11 November 1970

5. The U S Alternate also distributed copies of a retyped draft of the U S paper entitled "Agreement to Facilitate a Smooth Transfer of Civil Administrative Rights of the United States to Japan on Reversion" (attached). He added that the U S draft incorporates language that it has proposed to insert, some of which has not been agreed to by the other Governments. He suggested that the Alternates take up the points of difference.
6. The U S Alternate referred to the U S explanation at the last meeting that it had to continue to submit reports on agriculture, forestry, and fishing matters to the United Nations until reversion. He pointed out that the pertinent language was on page 4 of the new U S draft and invited the other Alternates' comments on it. The GOJ Alternate said he agreed to this wording. The GRI Alternate said he had no comment.
7. The U S Alternate referred to the discussion at the previous meetings on the GRI reorganization and possible effect this might have on the wording of the various transfer items. He noted that the following sentence proposed by the U S appeared on page 13 of its new draft: "It is understood that the conditions and modalities for the relinquishment or delegation of civil administrative functions described above shall remain valid and shall not be affected by reorganizations within the Government of the Ryukyu Islands on or after 1 October 1970." The GOJ Alternate said he had no objection to the substance of the statement but that he would have to refer it to the legal people in Tokyo to see if the language about the date would pose any problems. The GRI Alternate said he had no comment.
8. The U S Alternate referred to the language on the second page, which was carried over from the last meeting, on GOJ pre-reversion advice and assistance, in preparation for the post-reversion period, on areas reserved to the U.S. The GOJ Alternate said he had not received confirmation from Tokyo and would have to reserve his position until the next meeting.
9. The U S Alternate took up the three "less substantial points" described by the GOJ Alternate at the last meeting:
- a. The GOJ proposed a change from the wording of the previous U S draft to wording taken from the "Principles and Guidelines." He indicated that the U S had accepted this suggestion. The new language now reads "Although the administrative rights of the United States in Okinawa will remain intact and unimpaired until the time of reversion," on page 1 of the new U S draft.
- b. The GOJ proposed to change the sentence reading "Furthermore, any changes in the aid program, once it has received Cabinet approval, will be subject to USG concurrence." The GOJ Alternate asked if such phrase as "any changes in the aid program requiring the approval of the Cabinet" could be used. Mr. Clark said that the U S would take a negative position on this, because some significant changes might not require Cabinet approval. He

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added that the U S thus had retained the original sentence on page 4 of its new draft. The GOJ Alternate said he would refer this explanation to Tokyo.

- c. The GOJ proposed to delete the phrase "which will remain in effect until reversion" from page 6 of the U S draft. The GOJ Alternate said he was still awaiting more detailed reasoning from Tokyo on this point and wanted to leave it pending. Mr. Clark pointed out that the U S was only suggesting a statement of fact and consequently had retained the phrase on page 6 of the new draft.
10. The U S Alternate said there were still six substantive points of difference and briefly reviewed them. The GOJ Alternate suggested that differences over wording should be studied by an ad hoc subcommittee. He said he was waiting for additional guidance from Tokyo but that the subcommittee could proceed with its work in the meantime. The U S Alternate suggested giving the matters under dispute to the Administrative Transfer Subcommittee rather than to an ad hoc one. The other Alternates agreed to this. The GOJ Alternate said his Element would begin translation of the points which had been agreed upon.
11. The GOJ Alternate said he had discussed with OBONTA the question of an effective date. He said there was a USCAR-GRI memo on the GOJ aid program which may require changes based on the PrepCom agreement; preparations for any such changes should be started in parallel with the PrepCom agreement but no particular preparations are needed for the other 16 items. Therefore, it is possible, he said, that there should be one effective date for the 16 items and another date for the item on the GOJ aid program. He said he was expecting to obtain from Tokyo some counter-proposal or reaction to the U S draft as soon as possible.
12. The U S Alternate referred to a subject which was discussed at the Alternate level several weeks ago, namely, the GOJ request for a complete list of non-Ryukyuan in professional fields in Okinawa. He gave the GOJ Alternate a copy of data from the GRI Labor Department and explained that there is no single source for the information the GOJ wants, even though the GRI Labor and GRI Taxation and Revenue Departments and the Immigration Agency have pertinent data. He suggested that, after studying the document, the GOJ should ask the GRI directly for any additional information it needs. However, he added that, keeping in mind the established procedures of the PrepCom, the GOJ should notify the PrepCom of the information obtained from the GRI so that the PrepCom can maintain its position as the sole official channel. The GRI Alternate said he had no comment.
13. The U S Alternate suggested that the Alternates hold an ad hoc meeting immediately after this regular meeting to pursue one aspect of improving the procedures for meetings of the Principals, i.e., the free discussion period and the handling of the press. The other Alternates agreed to this.

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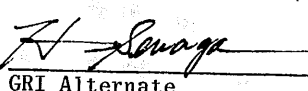
SUBJECT: Sixty-first Meeting of PrepCom Alternates, 1000 hours, 27 October 1970

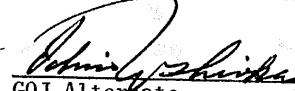
11 November 1970

14. The Alternates agreed to hold their next regular meeting at 1000 hours on 29 October 1970. They expressed the hope that the Administrative Transfer Subcommittee would meet once or more before then to obtain tentative agreement on the points of difference.

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as

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U.S. Alternate

DISTRIBUTION:

USC  
GOJ  
GRI  
File

- 27 Oct 1970
1. Supervision over Administration of the Japanese Government Aid Program to the Ryukyus.
  2. Provision of Advice and Assistance to the Agriculture and Forestry Department, GRI.
  3. Provision of Advice and Assistance to the Construction Department, GRI.
  4. Provision of Advice and Assistance to the Education Department, GRI.
  5. Provision of Advice and Assistance to GRI Courts, Legal Affairs Department, and Public Procurator's Office.
  6. Provision of Advice and Assistance to the General Affairs Department, GRI.
  7. Provision of Advice and Assistance to the Trade and Industry Department, GRI.
  8. Provision of Advice and Assistance to the Welfare Department, GRI.
  9. Provision of Advice and Assistance to the GRI in Administration of Labor Programs and Development of Labor Unions.
  10. Provision of Advice and Assistance to the GRI in Collection, Analysis, and Reporting of Economic Statistics and Forecasts.
  11. Provision of Advice and Assistance to GRI Prisons and Reformatories.
  12. Provision of Advice and Assistance to Fire Departments in the Ryukyu Islands.
  13. Provision of Advice and Assistance to the GRI on the Operation and Maintenance of non-U S Owned Maritime Aids to Navigation.
  14. Provision of Advice and Assistance to Ryukyuan Owned and Operated Business Enterprises.
  15. Provision of Advice and Assistance to the GRI on the Formulation of GRI Budgets.
  16. Provision of Advice and Assistance to the GRI on the Management of the Trust Fund Bureau Fund.

17. Provision of Advice and Assistance to the GRI on Taxation and Revenue Matters.

27 Oct 1973  
Agreement to Facilitate a Smooth  
Transfer of Civil Administrative Rights  
of the United States to Japan on Reversion

With respect to the U.S. proposal for the transfer of civil administrative rights, the following has been agreed to by the Preparatory Commission after careful study in meetings of the Alternates and by the pertinent subcommittees.

1. Although the administrative rights of the United States in Okinawa will remain intact and unimpaired until the time of Reversion, the United States Government (hereinafter referred to as the USG) agrees, in the interest of a smooth passage of administrative rights at the time of Reversion, that certain United States Civil Administration functions be delegated to the Government of the Ryukyu Islands (hereinafter referred to as the GRI) prior to Reversion and that the participation of Government of Japan (hereinafter referred to as the GOJ) officials in the work of the GRI be increased, to assist the GRI in carrying out these additional functions. Further, the USG will cease to perform certain functions and the GOJ will undertake to carry out these functions in a manner mutually agreed upon between the two governments. The USG and GOJ agree

that the GOJ will participate with the USG in certain functions which the USG will retain. The conditions under which GOJ officials' participation would occur in those functions, under which functions would be delegated to the GRI, and under which the USG would relinquish and the GOJ assume certain functions will be negotiated on an item-by-item basis in the Preparatory Commission.

In the exercise of the functions cited above, the GOJ will consult with and obtain the concurrence of the USG before tendering advice calling for significant alteration of policies or practices in the Ryukyu Islands prior to Reversion.

Recognizing that the GOJ may have a need to provide pre-reversion advice and assistance to the GRI concerning post-reversion changes in civil administrative areas specifically reserved to the USG until Reversion Day, it is agreed that the GOJ shall secure advance USG agreement before providing advice and assistance which could involve any alteration of existing procedures, institutions or activities in the pre-reversion period.

2. The delegation and relinquishment of civil administrative functions will be accomplished according to the following phases:

a. Phase I - from the present until the date of signature of a reversion agreement between Japan and the United States.

b. Phase 2 - from the date of signature of a reversion agreement until the date when necessary legislative support will be obtained.

c. Phase 3 - from the date when necessary legislative support will be obtained until Reversion Day.

After Reversion, even though Japanese law will become fully applicable to the Ryukyu Islands on Reversion Day, there may, in the interest of a smooth reversion, be a need to make provision for a transitional period in these laws.

3. As a result of negotiations in the Preparatory Commission it has been agreed that in accordance with the conditions in sections 1 and 2 above, the GOJ will assume, subject to the exceptions and conditions noted below, the following listed Phase 1 functions which the USG will relinquish. The GOJ will assume these functions effective \_\_\_\_\_. The modalities and conditions for the delegation or relinquishment of civil administrative functions in Phases 2 and 3, and of any functions which may be added to Phase 1, will be decided later.

a. Supervision over the administration of the Japanese Government Aid Program to the Ryukyus.

The relinquishment does not include the function of review and approval of the proposed annual GOJ aid program prior to its submission to the Japanese Ministry of Finance. Also, the USG will continue to perform the function of final review and approval of the proposed GOJ aid program before it is submitted to the Japanese Cabinet for approval. Furthermore, any changes in the aid program, once it has received Cabinet approval, will be subject to USG concurrence.

b. Provision of Advice and Assistance to the Agriculture and Forestry Department, GRI.

The relinquishment does not include the following advice and assistance functions which the USG will continue to perform until Reversion:

(1) Advice and assistance to the GRI on the preparation and submission to the United Nations of annual reports on agriculture, forestry and fishing matters.

(2) Advice and assistance to the GRI concerning preparation of the annual Forestry Activities Report prepared by the GRI for submission to the United States Government Ryukyuan Property Custodian.

c. Provision of Advice and Assistance to the Construction Department, GRI.

The relinquishment does not include advice and assistance on construction projects financed wholly or in part with U.S. aid funds. The USG will continue to provide advice and assistance in this area until all expenditures for these projects are completed.

d. Provision of Advice and Assistance to the Education Department, GRI.

The relinquishment does not include:

(1) Advice and assistance concerning the U.S. funded Ryukyuan Scholarship Program until all students presently enrolled have completed their course of training.

(2) Advice and assistance concerning U.S. funded construction projects in the education field until completion of these projects.

(3) Advice and assistance concerning the U.S. funded PL 480 School Lunch Program until termination of this program at Reversion.

e. Provision of Advice and Assistance to the GRI courts, Legal Affairs Department and Public Procurator's Office.

The functions of the U.S.-Ryukyuan Legislation Screening Committee shall in no way be abridged or restricted by virtue of the relinquishment by the United States



of the advice and assistance on this function. Nor shall the relinquishment include the provision of advice and assistance on the entry and exit of persons into and from the Ryukyu Islands.

f. Provision of Advice and Assistance to the General Affairs Department, GRI.

The relinquishment does not include advice tendered by the USG to the General Affairs Department concerning proposed GRI legislation.

g. Provision of Advice and Assistance to the Trade and Industry Department, GRI.

The USG will, however, continue to advise and assist the Trade and Industry Department concerning the following foreign trade/investment controls, which will remain in effect until Reversion:

(1) Foreign trade controls, including: approval of trade transactions in other than U.S. currency; review and approval of all GRI Trade Announcements placing restrictions on imports and exports; surveillance over fair trade practices to prohibit dumping, rebates, etc.; USG Foreign Assets Control Regulations; and controls placed on the export of cotton textile products to the U.S., such as those prescribed by the current Long Term Cotton Textile Arrangement.

(2) Foreign investment controls, including approval of all foreign investment applications; determination of eligibility for exemption from licensing requirements; and protection of the right of licensees to remit funds abroad.

The USG will continue to advise and assist the Financial Inspection Agency and the Postal Service Agency of the Trade and Industry Department until Reversion.

The USG will also continue to advise and assist the Telecommunications Division of the Trade and Industry Department and approve or disapprove the licensing of radio stations and the selection and assignment of radio frequencies in the Ryukyu Islands until Reversion.

h. Provision of Advice and Assistance to the Welfare Department, GRI.

The relinquishment does not include the following advice and assistance functions which the USG will continue to perform until the date indicated:

(1) Advice and assistance concerning U.S. funded construction of health centers, sub-health centers and public health nurse stations until completion of current programs (deadline for completion of all such programs is end CY 1970).

(2) Advice and assistance concerning U.S. funded construction/equipping of general hospitals, aid stations, and institutionalized care hospitals for TB, mental and leprosy patients until completion of current programs (deadline for completion of all such programs is end CY 1970).

(3) Advice and assistance concerning U.S. funded programs for eradication and/or control of communicable disease, including development of environmental sanitation programs and facilities, until U.S. financial support ceases.

(4) Advice and assistance concerning the U.S. funded post-graduate medical education program for physicians at Okinawa Central Hospital until completion of this program at the end of FY 1971.

(5) Advice and assistance concerning the U.S. Government "aid-in-kind" maternal/child feeding program until termination of the program at the end of FY 1971.

The relinquishment also does not include the following advice and assistance functions which the USG will continue to perform until Reversion:

(1) Advice and assistance concerning the planning, programming and coordinating of World Health

Organization sponsored health trainee fellowships and consultant services.

(2) Advice and assistance concerning the collection of statistical data on narcotics consumption in the Ryukyus. The USG will continue to submit periodic reports on narcotics consumption in the Ryukyus to the International Narcotics Control Board of the United Nations.

(3) Advice and assistance on all matters pertaining to the GRI Social Insurance Agency. The GOJ, however, will participate with the USG in the exercise of this advice and assistance function.

(4) Advice and assistance concerning coordination, as necessary, of money and materials given to the GRI and private welfare institutions by private donor agencies.

i. Provision of Advice and Assistance to the GRI in Administration of Labor Programs and Development of Labor Unions.

This relinquishment does not include advice and assistance to the GRI on labor matters and labor legislation impinging on U.S. Forces interests. The USG will continue to provide advice and assistance to the Ryukyuan Government in this area of its operations until Reversion.

j. Provision of Advice and Assistance to the GRI in collection, analysis and reporting of economic statistics and forecasts.

The relinquishment does not include the following advice and assistance functions which the USG will continue to perform until Reversion:

(1) United Nations Reports. The USG will continue to advise and assist the GRI concerning the development of statistical information required by USCAR for inclusion in annual and quarterly statistical reports submitted by USCAR to the United Nations.

(2) National Income Statistics. The USG will continue to advise and assist the GRI in its preparation of national income estimates by providing information concerning U.S. Forces expenditures.

(3) Demographic Statistics. The USG will continue to advise and assist the GRI in its collection of demographic statistical data by providing information on non-U.S. Forces persons residing in U.S. military base areas.

k. Provision of Advice and Assistance to GRI Prisons and Reformatories.

The relinquishment does not include the

following advice and assistance functions which the USG will continue to perform until Reversion:

(1) Advice and assistance to the GRI concerning U.S. citizens in Ryukyuan penal or correctional institutions.

(2) Advice and assistance to Ryukyuan law enforcement agencies.

l. Provision of Advice and Assistance to Fire Departments in the Ryukyu Islands.

m. Provision of Advice and Assistance to the GRI on the operation and maintenance of non-U.S. owned maritime aids to navigation.

n. Provision of Advice and Assistance to Ryukyuan owned and operated business enterprises.

This relinquishment does not include the following advice and assistance functions which the USG will continue to perform until Reversion:

(1) Advice and assistance concerning application of U.S. Government regulatory measures in foreign trade including: Foreign Assets Control Regulations; currency control regulations; and Fair Trade practices.

(2) Advice and assistance concerning application of quota limitations on cotton textile exports as provided for under the Long Term Cotton Textile Arrangement.

(3) Advice and assistance concerning U.S. suppliers of basic materials required by Ryukyuan enterprises.

4. It was further agreed that in accordance with the provisions of section 1 and 2 above, the GOJ will participate with the USG effective \_\_\_\_\_ in the following functions:

a. Provision of Advice and Assistance to the GRI on the formulation of GRI budgets.

b. Provision of Advice and Assistance to the GRI on the management of the Trust Fund Bureau Fund.

NOTE: Any indebtedness of the GRI at Reversion will be discussed between the USG and the GOJ through diplomatic channels.

c. Provision of Advice and Assistance to the GRI on Taxation and Revenue matters.

The following functions relating to taxation and revenue matters will continue to be performed exclusively by USCAR.

(1) Final approval or disapproval of proposed Ryukyuan Government tax legislation and budget revenue estimates.

(2) Control over tax policy affecting non-Ryukyuan persons and firms in the Ryukyus.

(3) Although the Ryukyuan Government will continue day-to-day administration of the Foreign Assets Control Regulations of the U.S. Treasury Department, the USG will retain final decision-making authority over their application until Reversion.

5. It is understood that the conditions and modalities for the relinquishment or delegation of civil-administrative functions described above shall remain valid and shall not be affected by reorganizations within the Government of the Ryukyu Islands on or after 1 October 1970.

6. It was agreed that further functions may be added to this schedule by agreement of the parties.

THE PREPARATORY COMMISSION  
Naha, Okinawa

12 November 1970

OFFICIAL MINUTES

SUBJECT: Sixty-second Meeting of PrepCom Alternates, 1000 hours,  
29 October 1970

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Kaya, GOJ  
Mr. Mabuchi, GOJ  
Mr. Nakayama, GOJ  
Mr. Yamaguchi, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, USG  
Mr. Billingsley, USG  
Mr. Zakimi, GRI  
Mr. S. Higa, GRI  
Miss Sata, Recorder

Mr. Clark, Director of the USCAR Liaison Department  
Mr. Shinn, USCAR Liaison Department

1. The U S Alternate referred to the paper prepared by the ad hoc subcommittee that was appointed to arrive at a tentative agreement on uniformity in the titles of the 17 items under discussion. The Alternates agreed to accept the subcommittee version for the official titles.(attached)
2. The U S Alternate distributed copies of the U S transfer proposal with all of the unresolved points underlined. He briefly reviewed the six points of difference. Mr. Clark of USCAR said the first full paragraph on page 2 concerning the obtaining of U S concurrence was not underlined because it had not been raised as a point of difference at the Administrative Transfer Subcommittee meeting yesterday. The GOJ Alternate said this is a less substantial matter so it can be left as a "working problem."
3. The U S Alternate suggested that, keeping in mind the progress report to the Principals at their 9 November meeting, the Alternates tentatively agree that tomorrow be the cut-off date. He also suggested that the Alternates review the points of difference page-by-page and invited the other Alternates' comments. The GOJ Alternate said Tokyo wishes to substitute "below" for "between the two Governments" after the phrase "in a manner mutually agreed upon" in the last sentence on page 1. Mr. Clark said a compromise would be to put a full stop after "upon." The Alternates agreed to take another look at this later.

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12 November 1970

SUBJECT: Sixty-second Meeting of PrepCom Alternates, 1000 hours, 29 October  
1970

4. The GOJ Alternate commented on the points in question on page 3:
  - a. His Government strongly urged the deletion of the sentence on a transitional period.
  - b. His Government still insisted on its original idea that the effective date should be left for a decision at the Alternates' meeting.
  - c. The sentence on "modalities and conditions" is acceptable.
5. The U S Alternate referred to the statement he made at the previous meeting to the effect that the justification for the wording on the transitional period is the need and interest in the economic community here for knowledge in making decisions on investments that might not be completed for three or four years. The GOJ Alternate said his Government understood this problem but that it seemed illogical to handle it in this kind of paper that deals mostly with Phase 1. The U S Alternate suggested for consideration the following alternate wording: "In addition, the Japanese Government may enact special legislation which would ease the application of Japanese law to Okinawa after reversion." No response having been made by the GOJ Alternate, it was agreed to set this part aside and go on to other points.
6. The GOJ Alternate said that, when an effective date is decided at the Alternate level, his Government would take into full consideration the U S budgetary and other needs. The U S Alternate said it would be to USCAR's convenience to make the effective date as early as possible. In response to the Alternate's question, Mr. Clark said he did not see a particular problem on this matter but that it would be much tidier for the PrepCom if the effective dates were presented to the ConCom in the paper under discussion. The GOJ Alternate indicated that the effective date for most of the items could be 1 December; because of the need for a change in the memorandum on the GOJ aid program between the GRI and USCAR, it would take time and the date might be delayed until 20 or 25 December. The Alternates agreed to put this matter aside for the time being.
7. The GOJ Alternate indicated that the Administrative Transfer Subcommittee should handle the problem of the language on page 4 about changes in the GOJ aid program, since some explanation from the U S has to be obtained. He added that this was less substantial and would be clarified through his Government soon.
8. Mr. Kaya raised the question of the wording on page 5 concerning continuing to provide U S advice and assistance "until all expenditures for these projects are completed," and "until completion of these projects." He said that advice and assistance to Okinawa prefecture in the post-reversion period is debatable and that the wording might be changed to say that the U S would be held responsible for expenditures within the framework of its own regulations. Mr. Clark

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SUBJECT: Sixty-second Meeting of PrepCom Alternates, 1000 hours, 29 October 1970

said that, if the GOJ holds the U S responsible, the latter should be able to give advice and assistance. Mr. Kaya said Tokyo insisted on deleting this sentence and coming up with alternate wording. Mr. Clark said that if the alternate wording he offered at yesterday's subcommittee meeting was not acceptable any other alternate wording he could think of would probably be less acceptable to the GOJ. Mr. Kaya said Tokyo thinks continuing advice and assistance after reversion on U S funded projects would amount to the continued exercise of administrative rights in Okinawa. The U S Alternate suggested that the Administrative Subcommittee should discuss this problem and that the Alternates should come back to it later. The other Alternates agreed to this.

9. The GOJ Alternate said he was awaiting clarification from Tokyo on their reasons for wanting to delete the phrase "which will remain in effect until reversion" from page 6.

10. The GOJ Alternate said the new paragraph on page 9 concerning narcotics is acceptable.

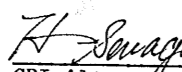
11. Mr. Kaya said Tokyo wanted to change the title of item i on page 9 to "Provision of Advice and Assistance to the GRI Labor Department" without reference to labor programs and labor unions. Mr. Clark said it was not the U S intention to relinquish all advice and assistance to the Labor Department. The U S Alternate said this problem warranted more discussion at the subcommittee level.

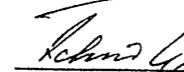
12. The U S Alternate referred to the problem of getting a meaningful translation into Japanese of "law enforcement agencies" as mentioned on page 11. Mr. Clark said that since this is an overall phrase even though it is only Police Headquarters that is intended, the U S has no objection to changing the language accordingly. The U S Alternate suggested referring this matter to the Subcommittee for technical discussion. The other Alternates agreed.


13. The Alternates agreed that their next meeting would be held at 1000 hours on 30 October 1970 and that the Administrative Transfer Subcommittee should meet in the meantime.

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APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

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29 Oct '70

1. Supervision over Administration of the Japanese Government Aid Program to the Ryukyus.
2. Provision of Advice and Assistance to the Agriculture and Forestry Department, GRI.
3. Provision of Advice and Assistance to the Construction Department, GRI.
4. Provision of Advice and Assistance to the Education Department, GRI.
5. Provision of Advice and Assistance to GRI Courts, Legal Affairs Department, and Public Procurator's Office.
6. Provision of Advice and Assistance to the General Affairs Department, GRI.
7. Provision of Advice and Assistance to the Trade and Industry Department, GRI.
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16. Provision of Advice and Assistance to the GRI on the Management of the Trust Fund Bureau Fund.



17. Provision of Advice and Assistance to the GRI on Taxation and Revenue Matters.

THE PREPARATORY COMMISSION  
Naha, Okinawa

25 November 1970

OFFICIAL MINUTES

SUBJECT: Sixty-third Meeting of PrepCom Alternates, 1000 hours,  
30 October 1970

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Kaya, GOJ  
Mr. Nakayama, GOJ  
Mr. Yamaguchi, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, USG  
Mr. Billingsley, USG  
Mr. Adaniya, GRI  
Mr. Zakimi, GRI  
Mr. S. Higa, GRI  
Miss Sata, Recorder

Mr. Clark, Director of the USCAR Liaison Department  
Mr. Shinn, USCAR Liaison Department

1. The U S Alternate said the Administrative Transfer Subcommittee had met yesterday and made some adjustments in the U S draft transfer proposal. He suggested that the Alternates proceed through the draft page-by-page and take up the points of difference.
2. The U S Alternate said the Subcommittee had agreed that the phrase in issue in the last full sentence on page 1 should be changed from "in a manner mutually agreed to." The Alternates agreed to accept this change.
3. Mr. Kaya said Tokyo preferred to change the last sentence on page 2 which reads, "Recognizing that the GOJ may have a need to provide advice and assistance for the purpose of reversion preparations in civil administrative areas specifically reserved to the USG until reversion day it is agreed that the GOJ will obtain advance USG concurrence before providing advice and assistance which could involve any alteration of existing procedures, institutions or activities in the pre-reversion period." He said Tokyo wants to delete the phrase "until reversion day" although the GOJ Element of PrepCom thinks it should be retained. The U S Alternate said that even though there were only a few changes in the suggested wording, he would like to give them careful consideration.
4. The GOJ Alternate said Tokyo had instructed him officially to say that the statement on page 3 about a transitional period was not a proper subject

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25 November 1970

SUBJECT: Sixty-third Meeting of PrepCom Alternates, 1000 hours, 30 October 1970

for inclusion in the agreement. However, he said his Government suggests as a compromise that the U S side make an appropriate statement which the other Alternates could acknowledge at the Alternates meeting. The U S Alternate said he would take this suggestion into consideration. The U S Alternate asked for the GOJ Alternate's views on the manner in which information about an agreement on dealing with a transitional period might be conveyed to the business community. The GOJ Alternate replied that he would explore this matter further but that his own idea was that the HICOM could refer briefly to the point during the free discussion period or on some other occasion; it could also be stated in a press conference. The U S Alternate reiterated that his Government would be willing to consider alternatives.

5. The U S Alternate referred to the question about effective dates on page 3 and invited the GOJ Alternate's comment. The latter said he needed more time to answer.

6. In response to the U S Alternate's question, the GOJ Alternate reaffirmed that the sentence on page 3 about "modalities" was acceptable.

7. The U S Alternate said the Subcommittee had tentatively agreed to change the last sentence of subparagraph a on page 4 to read "Furthermore, any changes other than minor changes in the aid program, once it has received Cabinet approval, will be subject to USG concurrence." The GOJ Alternate said he did not anticipate any difficulties but was still awaiting formal confirmation of this from Tokyo.

8. The U S Alternate referred to the discussion revolving around items on page 5 on the GRI Construction and Education Departments. The GOJ Alternate said his Government feels that some sort of arrangement for projects not completed by reversion day must be made and is now studying possible expressions. He added that he was also waiting for new wording from the U S side, and suggested that when both sides get substitute wording then a comparison can be made on an ad hoc basis.

9. The U S Alternate said the Subcommittee had tentatively agreed to delete "which will remain in effect until reversion" from page 6. Mr. Kaya said that if the U S is agreeable to the rewording of paragraph 3 on page 2, the GOJ would not insist on the deletion of the phrase at issue on page 6. The U S Alternate said he preferred to look at suggested changes in that sentence independently and to delete the phrase from page 6. Mr. Kaya suggested that the two items be considered together. The U S Alternate said that if Mr. Kaya insisted on retaining words the U S side was offering to remove, he would be happy to leave the wording as it is now. The Alternates tentatively decided to retain the phrase in question.

10. The U S Alternate recalled that the GOJ Alternate was going to convey to Tokyo the U S views on item i on page 9, Provision of Advice and Assistance to the GRI in Administration of Labor Programs and Development of Labor Unions. The GOJ Alternate said he had done so, but that there has been no reaction so far.

PREPCOM

25 November 1970

SUBJECT: Sixty-third Meeting of PrepCom Alternates, 1000 hours, 30 October 1970

11. The U S Alternate said the Subcommittee had recommended "the GRI Police Headquarters" instead of "Ryukyuan law enforcement agencies" in paragraph 2 on page 11. The Alternates agreed to accept this.

12. The U S Alternate reiterated his Government's position on the fiscal items on pages 12 and 13, namely, that debt is an appropriate subject for diplomatic negotiations but that budgets, taxation and revenue, and particularly the taxation of non-Ryukyuan, are within the authority of local officials. He also said that if the GOJ does accept the invitation to participate in the Joint Tax Committee, it may raise for discussion the subject of taxation of non-Ryukyuan if it wishes. The GOJ Alternate said this matter is still being coordinated among the Ministries concerned. He added that if the possibility of discussion of the taxation of non-Ryukyuan is not excluded from diplomatic negotiations it would not be necessary to have the "NOTE" on page 12. He added that his Government had no intention to enter into actual discussion of taxation of industries or business enterprises or taxation policies but that it would like to use the "NOTE" which "covers all" in the GOJ draft transfer proposal. The U S Alternate said he recognized that Japan, as a sovereign government, can raise anything in diplomatic negotiation; however, the U S does not wish to state in writing in this paper that the taxation of non-Ryukyuan can be raised at the diplomatic level. The GRI Alternate raised the possibility of deleting the U S "NOTE." The GOJ Alternate said he would refer to Tokyo today's clarification of the point at issue.

13. Mr. Kaya said Tokyo suggests removing "shall remain valid and" from paragraph 5 on page 13. The U S Alternate said he did not foresee any particular problem and would tentatively accept this suggestion.

14. Regarding the three statements beginning with "until" on page 5 on incomplete construction projects, the GRI Alternate raised again the question of whether it was absolutely necessary to retain them. He suggested that it might be sufficient for the U S to reserve these areas for separate future discussion. The U S Alternate referred to Congressional requirements and to the specific accounting procedures that are necessary. Mr. Clark said the U S would study the possibility of deleting these phrases. Both U S and GOJ Alternates said they would look into this subject carefully.

15. The GOJ Alternate suggested that the subcommittee should study the wording in the second paragraph on page 2. He said Tokyo proposed the deletion of "obtain the concurrence of." If this is not acceptable, Tokyo would like to say "In the exercise of the certain functions cited above, the GOJ will give, through consultation with the U S, such advice calling for significant alteration of policies or practices in the Ryukyu Islands prior to reversion."

16. The Alternates agreed that translation into Japanese could proceed on the parts of the paper that were not underlined and that a final decision could be made on Monday as to whether the underlined parts could be translated.

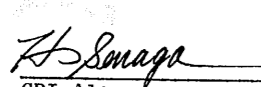
PREPCOM 25 November 1970  
SUBJECT: Sixty-third Meeting of PrepCom Alternates, 1000 hours, 30 October 1970

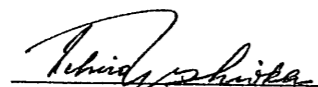
17. The GRI Alternate asked the other Alternates to explore how the PrepCom agreement could be publicized. He said all GRI officials should know the agreement and that this would consequently lead to making it public.


18. The GRI Alternate suggested that the progress report from the Alternates and the press statement should begin to be formulated even before agreement is reached on the transfer proposal. The Alternates agreed to this and appointed Messrs. Zakimi (GRI), Kaya and Nitta (GOJ), and Walters and Billingsley (US) to start this work at a time that was mutually agreeable to them.

19. The Alternates agreed to hold their next meeting at 1400 hours, 2 November 1970, and asked the Administrative Transfer Subcommittee to meet in the meantime.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

DISTRIBUTION:  
USG  
GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

25 November 1970

OFFICIAL MINUTES

SUBJECT: Sixty-fourth Meeting of PrepCom Alternates, 1400 hours, 2 November 1970

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Senaga, GRI Alternate  
Mr. Kaya, Acting GOJ Alternate

Others: Mr. Yamaguchi, GOJ  
Mr. Walters, USG  
Mr. Billingsley, USG  
Mr. Adaniya, GRI  
Mr. Zakimi, GRI  
Mr. S. Higa, GRI  
Miss Sata, Recorder

Mr. Clark, Director of the USCAR Liaison Department

1. The U S Alternate and the Acting GOJ Alternate extended congratulations to the GRI Alternate on his appointment today to the concurrent position of Director of the GRI Reversion Countermeasures Office. The latter said he hoped to carry out the new job satisfactorily with the cooperation and support of the other Governments.
2. The U S Alternate then listed the following points of remaining difference in the pending agreement:
  - a. Regarding a transitional period, the U S is willing to accept the alternate wording in the statement for the record suggested by the GOJ.
  - b. The U S is willing to consider a GOJ counterproposal on the effective date or dates in the agreement.
  - c. Concerning advice and assistance to the GRI Construction and Education Departments where U S funded projects are involved, the U S had proposed alternate language at an Administrative Transfer Subcommittee meeting this morning.
  - d. As of the last Alternates' meeting, the GOJ was checking with Tokyo on the item on advice and assistance in the area of labor programs and labor unions.
  - e. Regarding the fiscal item, the GOJ is coordinating with Tokyo.
  - f. Regarding advice and assistance on preparations for post-reversion

PREPCOM

25 November 1970

SUBJECT: Sixty-fourth Meeting of PrepCom Alternates, 1400 hours, 2 November 1970

changes, the U S has accepted most of the changes proposed by the GOJ at the last Alternates' Meeting.

g. Regarding USG concurrence in the wording about U S approval prior to significant changes by the GOJ, no particular progress has been made. This is the only point on which differences are sharp.

3. The Acting GOJ Alternate said he had nothing to add to what he said at the Subcommittee meeting this morning, and asked about the U S position on the program of a statement about a transitional period. The U S Alternate referred to the GOJ Alternate's suggestion at an earlier meeting that the former make a pertinent statement for the record at an Alternates' meeting, and said the U S is willing to make an adjustment to reach compromise on this point. The Acting GOJ Alternate said he would have to refer to Tokyo for final approval but that he expected a favorable reaction from his Government. Mr. Clark of USCAR returned to the problem of notifying the business community in the event agreement should be reached on a reference to a transitional period. The Acting GOJ Alternate said the U S could make a confidential statement to the persons concerned. The U S Alternate said he would formulate wording for the statement for the record, including a suggested GOJ reply, that the GOJ could try to clear with Tokyo.

4. The Acting GOJ Alternate said he was pressing Tokyo for a 1 December effective date for all 17 items and hoped that Tokyo would agree by 9 November. The U S Alternate said the Alternates could not wait until then because of the agreed procedures on the cut-off date for the progress report. The Acting GOJ Alternate responded that he might have an answer in a day or two.

5. Regarding the point at issue on advice and assistance to the GRI Construction and Education Departments in the event of incompleting U S-funded projects, the U S Alternate indicated that the U S side had submitted more specific alternate wording at the Administrative Transfer Subcommittee meeting this morning in an effort to meet the particular needs of U S "stewardship." The Acting GOJ Alternate said his Government definitely preferred the GRI Alternate's earlier suggestion that reference to incompleting projects and training courses be deleted from the draft agreement, with the understanding that the problem could be discussed at the time of reversion. Mr. Clark said he could not agree to delete this language because without it the U S financial people might not let USCAR enter into future contracts. The Acting GOJ Alternate said the new U S language had an authoritarian touch but he would convey it to Tokyo. The GRI Alternate reiterated his earlier suggestion that reference to this matter should be discussed at a later date. The Acting GOJ Alternate said he was in favor of the GRI Alternate's suggestion. He added that the furthest the GOJ might be able to go would be to take note of U S procedural requirements. The U S Alternate and Mr. Clark suggested that the GOJ side draft language that would be satisfactory from its standpoint, but no response was made.

PREPCOM

25 November 1970

SUBJECT: Sixty-fourth Meeting of PrepCom Alternates, 1400 hours, 2 November 1970

6. The U S Alternate said that until this meeting he had thought the major point of difference was only the wording on page 2 about "concurrence," a point on which the U S was not able to change its position. The Acting GOJ Alternate said Tokyo thinks "prior consultation" in the Security Treaty means "concurrence" and that the same meaning would be used for the draft agreement. Mr. Clark indicated that "prior consultation" meant "concurrence" in the Security Treaty only because President Eisenhower said so; however, the word "consultation" does not connote "concurrence."

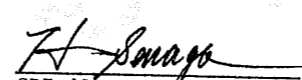
7. The U S Alternate mentioned that the Alternates were approaching agreement on 6 of the 7 points under discussion; nevertheless, despite the fact that today is the cut-off date, he said that much work remains to be done. In response to the U S Alternate's question, the GOJ Acting Alternate said he was optimistic about completing the work by 9 November. He suggested the postponing of the cut-off date until 5 November. However, the U S and GRI Alternates said this would make it very difficult for them and that 4 November would be the latest date on which they should ask for clearance from their respective Principals.

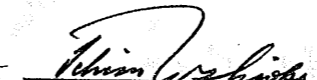
8. The Acting GOJ Alternate said his side was waiting for a response from the Ministry of Finance about the fiscal items on pages 12 and 13 of the draft agreement, and that he hoped to obtain an answer by noon on 4 November at the earliest. He also said his Government wished to retain its version of the "NOTE" in fiscal matters. In response to the GRI Alternate's question, the Acting GOJ Alternate said his Element was trying to get the Ministry of Finance to leave the "NOTE" in the agreement or to delete the U S version of the "NOTE." Mr. Clark said he had to check with his Government before agreeing to a deletion but added that he foresaw no difficulty.

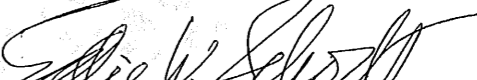
9. Referring to the press report that appeared over the weekend on GOJ planning for a transitional period, Mr. Clark said that OBONTA's statement about a transitional period might be quoted in the draft agreement. The U S Alternate said he would make available a U S statement on a transitional period and a suggested GOJ response before the meeting on 4 November.

10. The Alternates agreed to hold their next meeting at 1030 hours, 4 November 1970.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

25 November 1970

OFFICIAL MINUTES

SUBJECT: Sixty-fifth Meeting of PrepCom Alternates, 1030 hours,  
4 November 1970

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Kaya, GOJ  
Mr. Yamaguchi, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, USG  
Mr. Billingsley, USG  
Mr. Adaniya, GRI  
Mr. Zakimi, GRI  
Mr. S. Higa, GRI  
Miss Sata, Recorder

Mr. Clark, Director of the USCAR Liaison Department  
Mr. Shinn, USCAR Liaison Department

1. The U S Alternate briefly reviewed the seven points at issue. He said that in the interest of arriving at an agreement the U S had made adjustments on six of the seven points, but added that it could not compromise on the item on page 2 about the GOJ securing advance U S approval before making significant changes. He said there were no longer any differences on the last paragraph on page 3 on the subject of pre-reversion preparation for post reversion changes in areas reserved to the U.S. He then passed out copies (attached) of U S-drafted language for the Alternates to consider about a transitional period and about incomplete U S-funded projects. The GOJ Alternate suggested leaving the subject of a transitional period aside until he had time to study the new language.

2. In response to the U S Alternate's question, the GOJ Alternate said his Government cannot agree to the U S rewording of the language about U S-funded projects. He suggested leaving this problem for future discussion. Mr. Clark of USCAR said he foresaw some difficulties in leaving the fiscal area for future discussion and would have to check with his Government. He asked if the GOJ Alternate would consider handling this problem in the same way as the transitional period problem, that is, to include a statement for the record in an Alternates' meeting. The GOJ Alternate said this was worth considering and asked for more time to explore and get clarification from Tokyo.

3. Regarding effective dates, the GOJ Alternate said all except two or three

PREPCOM

25 November 1970

SUBJECT: Sixty-fifth Meeting of PrepCom Alternates, 1030 hours,  
4 November 1970

of the Ministries in Tokyo have agreed to 1 December 1970 for all items; he hoped for final confirmation by this evening.

4. The GOJ Alternate said his Government could now go along with the original U S wording of the labor item on page 9.

5. The Alternates agreed that no reference would be made to the "NOTE" on GRI indebtedness on page 12 of the Agreement.

6. Mr. Clark indicated that at the last Administrative Transfer Subcommittee meeting Mr. Kaya had suggested a number of minor changes in the wording of the Agreement. He explained them to the Alternates. The latter agreed to all except the one on the subject of a change in the language about Phase 1 functions.

7. The GOJ Alternate asked about the phrase "until reversion day" in the last paragraph on page 2. Mr. Clark said the U S would prefer to retain it. He passed out copies (attached) of the latest version of the paragraph in question, which had been distributed at the earlier Subcommittee meeting.

8. The GRI Alternate asked if the Alternates had agreed to delete "shall remain valid and" from paragraph 5 on the last page of the Agreement. Both GOJ and U S Alternates replied in the affirmative.

9. The U S Alternate said he would undertake to prepare clean copies of the Agreement, with all changes agreed to plus the four points which are still not acceptable to the GOJ.

10. The Alternates agreed to ask the ad hoc subcommittees to prepare drafts of the progress report from the Alternates and of the press statement by 1630 hours today.

11. The U S Alternate said agreement should be reached by this afternoon on how the Principals should sign the Agreement and forward it to the Consultative Committee.

12. The Alternates agreed to recommend to their respective Principals that the latter hold a press conference following the meeting on 9 November 1970.

13. The GRI Alternate reiterated his earlier opinion in favor of announcing the complete Agreement to the public. The GOJ Alternate said he favored distributing it to the GRI officials only, and the U S Alternate expressed support for this view in the interest of obtaining an agreement. The GOJ Alternate said not all of the content should be released to the public and that there should be some minor changes in expression. The Alternates directed the subcommittee to draft a press release on the assumption that the Agreement in its entirety would not be announced publicly.

PREPCOM

25 November 1970

SUBJECT: Sixty-fifth Meeting of PrepCom Alternates, 1030 hours,  
4 November 1970


14. The GOJ Alternate said he agreed to the language on page 5 about U S-funded projects but wanted to make an oral statement about them for the record. The Alternates directed Messrs. Clark and Walters (US), Kaya (GOJ), and Zakimi (GRI) to meet at 1600 hours today to arrive at agreement on the proposed statement.

15. The Alternates agreed to meet next at 1630 hours today.

2:Incl  
as

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File

1030  
4 Nov 70

If the U S funded project or programme mentioned on page \_\_\_ of  
the Agreement should prove to be extended after reversion, the manner in  
which such contingency should be accomodated will be discussed at a later  
date mutually agreed on between USG and GOJ.



4 Nov. '70  
1030 hrs

Recognizing that the GOJ may have a need to provide advice and assistance to the GRI to facilitate post-reversion changes in civil administrative areas specifically reserved to the USG until Reversion Day, it is agreed that the GOJ will obtain advance USG concurrence before providing advice and assistance which could involve alteration of existing procedures, institutions or activities in those areas in the pre-reversion period.

THE PREPARATORY COMMISSION  
Naha, Okinawa

25 November 1970

OFFICIAL MINUTES

SUBJECT: Sixty-sixth Meeting of PrepCom Alternates, 1630 hours,  
4 November 1970

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Kaya, GOJ  
Mr. Yamaguchi, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, USG  
Mr. Billingsley, USG  
Mr. Zakimi, GRI  
Miss Sata, Recorder

Mr. Clark, Director of the USCAR Liaison Department

1. The U S Alternate passed out clean copies of the draft Agreement, with paper clips marking the parts still under discussion.
2. The GOJ Alternate said the first full paragraph on page 2 on obtaining U S approval before making significant changes is acceptable. He added that he is still hoping to get clearance on the issues of a transitional period and effective date.
3. The GOJ Alternate suggested possible language for an oral statement on U S-funded projects not completed by reversion day that he could make for the record at an Alternates' meeting. The U S Alternate suggested some changes in the statement. Mr. Kaya said he would advise Tokyo of the discussion on this point.
4. The GOJ Alternate said his Government could agree to distribute the Agreement to interested GRI officials for official use only, but that it could not approve public dissemination of it.
5. The U S Alternate passed out copies of a press statement that had been drafted on the assumption that the GOJ view, of not making the entire Agreement available to the public, would prevail. The Alternates suggested that the ad hoc subcommittee go over the press statement carefully since it had been prepared in great haste.
6. The GOJ Alternate said Tokyo had confirmed 1 December 1970 as the effective date for all 17 items. The Alternates tentatively agreed that the text of the

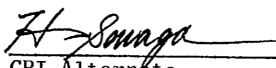
PREPCOM 25 November 1970  
SUBJECT: Sixty-sixth Meeting of PrepCom Alternates, 1630 hours, 4 November 1970

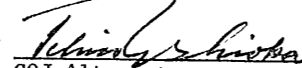
Agreement was now in its final form, even though clearance was still needed on the oral statements about U S-funded projects and on a transitional period, both to be made for the record at a subsequent Alternates' meeting.

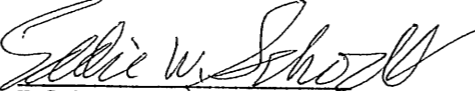
7. The U S Alternate distributed copies of the draft progress report from the Alternates that had been prepared by the ad hoc subcommittee. The Alternates agreed to make several minor changes in the text.

8. The Alternates agreed to meet next at 0830 hours, 5 November 1970.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

25 November 1970

OFFICIAL MINUTES

SUBJECT: Sixty-seventh Meeting of PrepCom Alternates, 0830 hours, 5 November 1970

Participants:

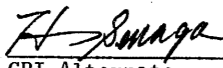
Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

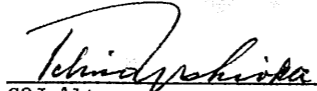
Others: Mr. Kaya, GOJ  
Mr. Yamaguchi, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, USG  
Mr. Billingsley, USG  
Mr. Zakimi, GRI  
Miss Sata, Recorder

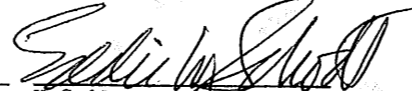
1. The U S Alternate distributed clean copies of the progress report from the Alternates which incorporated the changes agreed to yesterday. The GOJ Alternate said he had sent the draft to Tokyo yesterday and did not anticipate any difficulties in substance. The U S Alternate said he had not shown the draft to his Principal yet. The GRI Alternate said he had no problem with the draft.
2. The Alternates discussed several possible versions of the oral statement to be made for the record by the U S and GOJ Alternates, respectively, about a transitional period. The GOJ Alternate said he would refer the discussion on this point to Tokyo and that he expected a reply tomorrow morning. The Alternates agreed to put this subject aside until later.
3. The Alternates also discussed the oral statement the GOJ Alternate agreed to make for the record about U S-funded projects not completed by reversion day. The GOJ Alternate said he would refer the various versions to Tokyo. The GRI Alternate asked where the discussions would be held in the case agreement was reached on working out the modalities for U S-funded projects or programs. The GOJ Alternate said he had no clear idea. The U S Alternate said the logical place would be in Okinawa and presumably in the PrepCom. The GRI Alternate expressed his desire for them to be held here.
4. The U S Alternate passed out copies of a new draft of the press statement and explained the changes that had been made in yesterday's draft. The Alternates tentatively agreed to this draft.
5. The Alternates agreed to hold their next meeting at 1500 hours today. The GRI Alternate said Mr. Zakimi would be substituting for him this afternoon.

PREPCOM 25 November 1970  
SUBJECT: Sixty-seventh Meeting of PrepCom Alternates, 0830 hours,  
5 November 1970

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

27 November 1970

OFFICIAL MINUTES

SUBJECT: Sixty-eighth Meeting of PrepCom Alternates, 1600 hours,  
5 November 1970

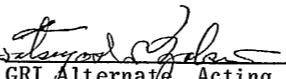
Participants:

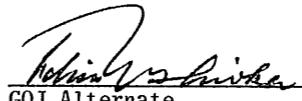
Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Zakimi, Acting GRI Alternate

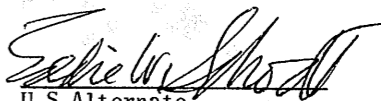
Others: Mr. Kaya, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, USG  
Mr. Billingsley, USG  
Miss Sata, Recorder

1. The U S Alternate asked the GOJ Alternate about the two remaining points of difference, namely, the statements for the record on a transitional period and on U S-funded projects not completed by reversion day. The GOJ Alternate replied that Tokyo was still studying the proposed oral statements. The Alternates agreed to put these items aside until there is a response from Tokyo.
2. The Alternates agreed to one minor change in the progress report from the Alternates and also to one change in the scenario.
3. The U S Alternate said the experts of the USCAR Public Affairs Department regard the draft press statement as not sufficiently appealing to professional press people and that they are working on a new draft for the PrepCom to consider. He added that this draft would be ready by tomorrow.
4. The Alternates agreed to hold their next meeting at 0830 hours, 6 November 1970.

APPROVED:

  
GRI Alternate, Acting

  
GOJ Alternate

  
U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

27 November 1970

OFFICIAL MINUTES

SUBJECT: ~~Sixty-ninth Meeting of PrepCom Alternates, 0830 hours,~~  
6 November 1970

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Kaya, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, USG  
Mr. Zakimi, GRI  
Miss Sata, Recorder

Mr. Clark, Director of the USCAR Liaison Department  
Mr. Shinn, USCAR Liaison Department

1. The U S Alternate distributed copies of the progress report from the Alternates and of the scenario, both of which incorporated the minor changes agreed to yesterday.
2. The Alternates discussed the oral statements to be made for the record by the U S and GOJ Alternates on the subjects of a transitional period and of incomplete U S-funded projects. The GOJ Alternate said he had discussed the remaining points with Tokyo last night and that they had proposed that the subjects be settled in a "package deal." The U S Alternate said he wished to look at the statements on their merits, rather than agreeing to a trade off, and pointed out that the first sentence of the oral statement for the record about U S-funded projects was illogical in relation to the remainder. No agreement was reached on the content of the proposed oral statements.
3. The U S Alternate apologized because the last full paragraph on page 2 of the Agreement had been overlooked because of the many recent meetings and the number of different drafts discussed; he said that differences remained. After some discussion of the wording preferred by the U S and GOJ, the Alternates tentatively agreed that the phrase in question should read "to facilitate changes at reversion in civil administrative areas."
4. The U S Alternate passed out copies of the draft press statement in which the first several paragraphs had been prepared by the USCAR Public Affairs Department. Mr. Clark explained the changes in the press statement and the grammatical changes that had been made. The Alternates agreed to recommend that their Principals approve this version.

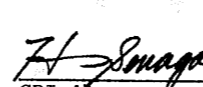
PREPCOM

27 November 1970


SUBJECT: Sixty-ninth Meeting of PrepCom Alternates, 0830 hours,  
6 November 1970

5. The Alternates tentatively agreed that the Principals should sign two copies of the Agreement so that the U S and the GOJ could each send a signed copy to the ConCom through their respective channels.
6. The Alternates agreed to hold their next meeting at 1200 hours today.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

27 November 1970

OFFICIAL MINUTES

SUBJECT: Seventieth Meeting of PrepCom Alternates, 1345 hours,  
6 November 1970

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Zakimi, Acting GRI Alternate

Others: Mr. Kaya, GOJ  
Mr. Walters, USG  
Mr. Billingsley, USG  
Miss Sata, Recorder

Mr. Clark, Director of the USCAR Liaison Department  
Mr. Shinn, USCAR Liaison Department

1. The U S Alternate distributed new copies of suggested wording for the last paragraph on page 2 of the Agreement, concerning advice and assistance in preparation for post-reversion changes in areas specifically reserved to the USG. The GOJ Alternate and Mr. Zakimi, who was representing the GRI Alternate, accepted this version.
2. The U S Alternate distributed copies of suggested wording for the oral statement for the record about incomplete U S-funded projects. He said the U S regarded the first sentence to be illogical but would be willing to accept it, in the spirit of harmony and good-will. The GOJ Alternate and Mr. Zakimi agreed to the entire statement.
3. The U S Alternate distributed copies of suggested language for the oral statement for the record about a transitional period. The GOJ Alternate and Mr. Zakimi agreed to accept this version.
4. The U S Alternate said he had been informed that the GOJ wished to delete the phrase "which will remain in effect until reversion" from page 6 of the Agreement. He added that his Government had agreed to delete it, to reinsert it, and would now agree to delete it, again in the spirit of cooperation, at the request of the GOJ. Mr. Zakimi also agreed to the deletion. It was also agreed that the pertinent phrase would be deleted from the press statement.
5. The U S Alternate said the GOJ wanted to remove the phrase "until reversion," wherever it appeared in the press statement. He said this would necessitate re-typing the whole statement. The GOJ Alternate said he would refer this explanation to Tokyo, and added that he was expecting

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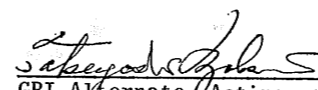
27 November 1970

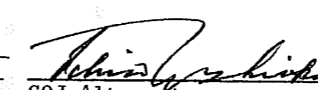
SUBJECT: Seventieth Meeting of PrepCom Alternates, 1345 hours,  
6 November 1970

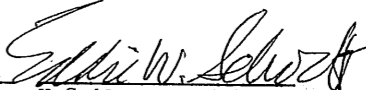
some less important additional comments from Tokyo on the press statement.

6. It was agreed that the next Alternates' meeting would be held at 0930 hours, 7 November 1970.

APPROVED:

  
GRI Alternate, Acting

  
GOJ Alternate

  
U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File

1345 hrs. 6 Nov. 1970

U S Alt: I would like to state for the record the U S view that the requirements of a smooth reversion, in particular the needs of the business community, will necessitate a transitional period after reversion to ease the application of Japanese law to Okinawa Prefecture.

GOJ Alt: It is the view of the GOJ that the subject you raised does not fall within the scope of the Agreement under discussion. However, I should like to add that the GOJ is examining necessary measures for a smooth reversion, including those for a transitional period after reversion.

THE PREPARATORY COMMISSION  
Naha, Okinawa

30 November 1970

OFFICIAL MINUTES

SUBJECT: Seventy-first Meeting of PrepCom Alternates, 1000 hours, 7 November 1970

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Zakimi, Acting GRI Alternate

Others: Mr. Kaya, GOJ  
Mr. Walters, USG  
Mr. Billingsley, USG  
Miss Sata, Recorder

Mr. Clark, Director of the USCAR Liaison Department

1. The U S Alternate distributed copies of the final version of the "Agreement to Facilitate a Smooth Transfer of Civil Administrative Rights of the United States to Japan upon Reversion" (attached). The U S and GOJ Alternates, and Mr. Zakimi for the GRI Alternate, agreed that the copies to be signed by the Principals should have the dates on both the first and last pages. They also confirmed that two copies would be signed by the Principals so the U S and GOJ can each forward one copy through their respective channels.

2. The U S Alternate also distributed copies of the press statement. He said the only substantial change was the following sentence, which had been added at GOJ request:

"Recognizing that the GOJ may have a need to provide advice and assistance to the GRI to facilitate changes at reversion in civil administrative areas specifically reserved to the USG prior to reversion day, it was agreed that the GOJ will obtain advance USG concurrence before providing advice and assistance which could involve alteration of existing procedures, institutions, or activities in the pre-reversion period."

The U S Alternate said he had not been able to explain this GOJ-suggested change to his Principal yet but that he thought the U S would be able to agree by 1100 hours. He also said he could foresee no difficulties. The U S Alternate explained a number of editorial changes, to which the GOJ Alternate and Mr. Zakimi agreed.

3. It was agreed that the Joint Secretariat would notify the press, immediately after this meeting, about the 9 November Principals' meeting



PREPCOM 30 November 1970  
SUBJECT: Seventy-first Meeting of PrepCom Alternates, 1000 hours,  
7 November 1970

and their immediately following press conference.

4. Regarding a transitional period after reversion, the U S and GOJ Alternates made the following statements respectively:

The U S Alternate's Statement: "I would like to state for the record the U S view that the requirements of a smooth reversion, in particular the needs of the business community, will necessitate a transitional period after reversion to ease the application of Japanese law to Okinawa Prefecture."

The GOJ Alternate's Statement: "It is the view of the GOJ that the subject you raised does not fall within the scope of the Agreement under discussion. However, I should like to add that the GOJ is examining necessary measures for a smooth reversion, including those for a transitional period after reversion."

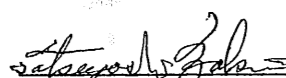
5. Regarding U S-funded projects, the GOJ Alternate made the following statement:

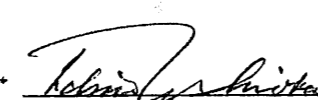
"The Agreement to Facilitate a Smooth Transfer of Civil Administrative Rights of the United States to Japan upon Reversion' deals only with the situation prior to reversion. In case the U S-funded projects or program mentioned in subparagraphs 3 c. and d. (1) (2) of 'The Agreement to Facilitate a Smooth Transfer of Civil Administrative Rights of the United States to Japan upon Reversion,' which will be adopted by the Preparatory Commission on 9 November 1970, should not be completed at the time of reversion, the GOJ will be prepared to enter into discussion with the USG prior to reversion concerning the mutually accepted modalities for completion of these projects or program."

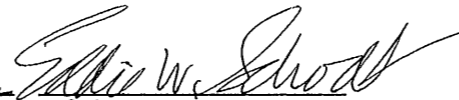
6. It was agreed that the Alternates would meet next at 1000 hours, 10 November 1970.

1 Incl  
as

APPROVED:

  
GRI Alternate, Acting

  
GOJ Alternate

  
U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File

AGREEMENT TO FACILITATE A SMOOTH TRANSFER OF CIVIL ADMINISTRATIVE  
RIGHTS OF THE UNITED STATES TO JAPAN UPON REVERSION  
9 NOVEMBER 1970

With respect to the U.S. proposal for the transfer of civil administrative rights, the following has been agreed to in the Preparatory Commission after careful study in meetings of the Alternates and in the pertinent subcommittees.

1. Although the administrative rights of the United States in Okinawa will remain intact and unimpaired until the time of reversion, the United States Government (hereinafter referred to as the USG) agrees, in the interest of a smooth transfer of administrative rights at the time of reversion, that certain United States Civil Administration functions be delegated to the Government of the Ryukyu Islands (hereinafter referred to as the GRI) prior to reversion and that the participation of Government of Japan (hereinafter referred to as the GOJ) officials in the work of the GRI be increased, to assist the GRI in carrying out these additional functions. Further, the USG will cease to perform, and the GOJ will undertake to carry out, certain functions in a manner mutually agreed to. The USG and GOJ agree that the GOJ will participate with the USG in certain functions which the USG will retain. The conditions under which GOJ officials' participation would occur in those functions, under which functions would be delegated to the GRI, and under which the USG would relinquish and the GOJ assume certain functions will be negotiated on an item-by-item basis in the Preparatory Commission.

In the exercise of the functions cited above, the GOJ will consult with and obtain the concurrence of the USG before tendering advice calling for significant alteration of policies or practices in the Ryukyu Islands prior to reversion.

Recognizing that the GOJ may have a need to provide advice and assistance to the GRI to facilitate changes at reversion in civil administrative areas specifically reserved to the USG prior to reversion day, it is agreed that the GOJ will obtain advance USG concurrence before providing advice and assistance which could involve alteration of existing procedures, institutions or activities in the pre-reversion period.

2. The delegation and relinquishment of civil administrative functions will be accomplished according to the following phases:

a. Phase 1 - from the present until the date of signature of a reversion agreement between Japan and the United States.

b. Phase 2 - from the date of signature of a reversion agreement until the date when necessary legislative support will be obtained.

c. Phase 3 - from the date when necessary legislative support will be obtained until reversion day.

3. As a result of negotiations in the Preparatory Commission it has been agreed that in accordance with the conditions in sections 1 and 2 above, the GOJ will assume, subject to the exceptions and conditions noted below, the following listed Phase 1 functions which the USG will relinquish. The GOJ will assume these functions effective 1 December 1970. The modalities and conditions for the delegation or relinquishment of civil administrative functions in Phases 2 and 3, and of any functions which may be added to Phase 1, will be decided later.

a. Supervision over the Administration of the GOJ Aid Program to the Ryukyus.

The relinquishment does not include the function of review and approval of the proposed annual GOJ aid program prior to its submission to

the Japanese Ministry of Finance. Also, the USG will continue to perform the function of final review and approval of the proposed GOJ aid program before it is submitted to the Japanese Cabinet for approval. Furthermore, once it has received Cabinet approval, any changes other than minor changes in the aid program, will be subject to USG concurrence.

b. Provision of Advice and Assistance to the Agriculture and Forestry Department, GRI.

The relinquishment does not include the following advice and assistance functions which the USG will continue to perform until reversion:

(1) Advice and assistance to the GRI on the preparation and submission to the United Nations of annual reports on agriculture, forestry and fishing matters.

(2) Advice and assistance to the GRI concerning preparation of the annual Forestry Activities Report prepared by the GRI for submission to the United States Government Ryukyuan Property Custodian.

c. Provision of Advice and Assistance to the Construction Department, GRI.

The relinquishment does not include advice and assistance on construction projects financed wholly or in part with U.S. aid funds. The USG will continue to provide advice and assistance in this area until all expenditures for these projects are completed.

d. Provision of Advice and Assistance to the Education Department, GRI.

The relinquishment does not include:

(1) Advice and assistance concerning the U.S. funded Ryukyuan Scholarship Program until all students presently enrolled have completed their course of training.

(2) Advice and assistance concerning U.S. funded construction projects in the education field until completion of these projects.

(3) Advice and assistance concerning the U.S. funded PL 480 School Lunch Program until termination of this program at reversion.

e. Provision of Advice and Assistance to the GRI Courts, Legal Affairs Department and Public Procurator's Office.

The functions of the U.S.-Ryukyuan Legislation Screening Committee shall in no way be abridged or restricted by virtue of the relinquishment by the United States of the advice and assistance on this function. Nor shall the relinquishment include the provision of advice and assistance on the entry and exit of persons into and from the Ryukyu Islands.

f. Provision of Advice and Assistance to the General Affairs Department, GRI.

The relinquishment does not include advice and assistance tendered by the USG to the General Affairs Department concerning proposed GRI legislation.

g. Provision of Advice and Assistance to the Trade and Industry Department, GRI.

The USG will, however, continue to advise and assist the Trade and Industry Department concerning the following foreign trade/investment controls:

(1) Foreign trade controls, including: approval of trade transactions in other than U S currency; review and approval of all GRI Trade Announcements placing restrictions on imports and exports; surveillance over fair trade practices to prohibit dumping, rebates, etc.; enforcement of USG Foreign Assets Control Regulations; and enforcement of controls placed on the export of cotton textile products to the U.S., such as those prescribed

by the current Long Term Cotton Textile Arrangement.

(2) Foreign investment controls, including approval of all foreign investment applications; determination of eligibility for exemption from licensing requirements; and protection of the right of licensees to remit funds abroad.

The USG will continue to advise and assist the Financial Inspection Agency and the Postal Service Agency of the Trade and Industry Department until reversion.

The USG will also continue to advise and assist the Telecommunications Division of the Trade and Industry Department and approve or disapprove the licensing of radio stations and the selection and assignment of radio frequencies in the Ryukyu Islands until reversion.

h. Provision of Advice and Assistance to the Welfare Department, GRI.

The relinquishment does not include the following advice and assistance functions which the USG will continue to perform until the date indicated:

(1) Advice and assistance concerning U.S. funded construction of health centers, sub-health centers and public health nurse stations until completion of current programs (deadline for completion of all such programs is end CY 1970).

(2) Advice and assistance concerning U.S. funded construction/equipping of general hospitals, aid stations, and institutionalized care hospitals for TB, mental and leprosy patients until completion of current programs (deadline for completion of all such programs is end CY 1970).

(3) Advice and assistance concerning U.S. funded programs for eradication and/or control of communicable disease, including development of environmental sanitation programs and facilities, until U.S. financial support

ceases.

(4) Advice and assistance concerning the U.S. funded post-graduate medical education program for physicians at Okinawa Central Hospital until completion of this program at the end of FY 1971.

(5) Advice and assistance concerning the USG "aid-in-kind" maternal/child feeding program until termination of the program at the end of FY 1971.

The relinquishment also does not include the following advice and assistance functions which the USG will continue to perform until reversion:

(1) Advice and assistance concerning the planning, programming and coordinating of World Health Organization sponsored health trainee fellowships and consultant services.

(2) Advice and assistance concerning the collection of statistical data on narcotics consumption in the Ryukyus. The USG will continue to submit periodic reports on narcotics consumption in the Ryukyus to the International Narcotics Control Board of the United Nations.

(3) Advice and assistance on all matters pertaining to the GRI Social Insurance Agency. The GOJ, however, will participate with the USG in the exercise of this advice and assistance function.

(4) Advice and assistance concerning coordination, as necessary, of money and materials given to the GRI and private welfare institutions by private donor agencies.

i. Provision of Advice and Assistance to the GRI in Administration of Labor Programs and Development of Labor Unions.

This relinquishment does not include advice and assistance to the GRI on labor matters and labor legislation impinging on U.S. Forces interests.

The USG will continue to provide advice and assistance to the GRI in this area of its operations until reversion.

j. Provision of Advice and Assistance to the GRI in Collection, Analysis and Reporting of Economic Statistics and Forecasts.

The relinquishment does not include the following advice and assistance functions which the USG will continue to perform until reversion:

(1) United Nations Reports. The USG will continue to advise and assist the GRI concerning the development of statistical information required by USCAR for inclusion in annual and quarterly statistical reports submitted by USCAR to the United Nations.

(2) National Income Statistics. The USG will continue to advise and assist the GRI in its preparation of national income estimates by providing information concerning U.S. Forces expenditures.

(3) Demographic Statistics. The USG will continue to advise and assist the GRI in its collection of demographic statistical data by providing information on non-U.S. Forces persons residing in U.S. military base areas.

k. Provision of Advice and Assistance to GRI Prisons and Reformatories.

The relinquishment does not include the following advice and assistance functions which the USG will continue to perform until reversion:

(1) Advice and assistance to the GRI concerning U.S. citizens in Ryukyuan penal or correctional institutions.

(2) Advice and assistance to GRI Police Headquarters.

l. Provision of Advice and Assistance to Fire Departments in the Ryukyu Islands.

m. Provision of Advice and Assistance to the GRI on the Operation and Maintenance of Non-U.S. Owned Maritime Aids to Navigation.

n. Provision of Advice and Assistance to Ryukyuan Owned and Operated Business Enterprises.

This relinquishment does not include the following advice and assistance functions which the USG will continue to perform until reversion:

(1) Advice and assistance concerning application of U. S. Government regulatory measures in foreign trade including: Foreign Assets Control Regulations; currency control regulations; and Fair Trade practices.

(2) Advice and assistance concerning application of quota limitations on cotton textile exports as provided for under the Long Term Cotton Textile Arrangement.

(3) Advice and assistance concerning U. S. suppliers of basic materials required by Ryukyuan enterprises.

4. It was further agreed that in accordance with the provisions of section 1 and 2 above, the GOJ will participate with the USG effective 1 December 1970 in the following functions:

a. Provision of Advice and Assistance to the GRI on the Formulation of GRI Budgets.

b. Provision of Advice and Assistance to the GRI on the Management of the Trust Fund Bureau Fund.

c. Provision of Advice and Assistance to the GRI on Taxation and Revenue Matters.

The following functions relating to taxation and revenue matters will continue to be performed exclusively by USCAR:

(1) Final approval or disapproval of proposed GRI tax legislation and budget revenue estimates.

(2) Control over tax policy affecting non-Ryukyuan persons and firms in the Ryukyus.

(3) Although the GRI will continue day-to-day administration of the Foreign Assets Control Regulations of the U.S. Treasury Department, the USG will retain final decision-making authority over their application until reversion.

5. It is understood that the conditions and modalities for the relinquishment or delegation of civil administrative functions described above shall not be affected by reorganizations within the GRI on or after 1 October 1970.

6. It was agreed that further functions may be added to this schedule by agreement of the parties.

\_\_\_\_\_  
USG Representative

\_\_\_\_\_  
GOJ Representative

\_\_\_\_\_  
Adviser

9 November 1970

THE PREPARATORY COMMISSION  
Naha, Okinawa

30 November 1970

OFFICIAL MINUTES

SUBJECT: Seventy-second Meeting of PrepCom Alternates, 1000 hours, 10 November 1970

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Walters, USG  
Mr. Billingsley, USG  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. Each Alternate expressed appreciation to his colleagues and their staffs for their hard work performed to get ready for the 9 November Principals' meeting.
2. The U S Alternate said that the PrepCom had not managed to hold to the cut-off date agreed on over successive days but that he could not think of a good substitute for agreeing on such a date. The GOJ Alternate said his side would try to do more efficient work in preparation for the next meeting. He hoped that preparations for the next two or three meetings of the Principals would be easier than those for yesterday's meeting. The GRI Alternate said his Element was not entirely satisfied with the way in which the Japanese language papers were prepared for the meeting and that the situation must be improved.
3. The GOJ Alternate referred to an article in today's newspapers about the GOJ and GRI coordinating views on reversion measures, including a transitional period after reversion, and said he hoped that this month his Government could announce the results of its studies. The U S Alternate said the report would be of great interest to the U S side. The GOJ Alternate said the Ministry of Foreign Affairs would inform the American Embassy after completing coordination within the GOJ.
4. The U S Alternate mentioned he had received the impression that the reporters wanted to end yesterday's press conference by the Principals quickly so they could attend the Chief Executive's press conference, which had been given the major attention in the newspapers today. The GRI Alternate said the Chief Executive held the press conference in the PrepCom conference room because he had another meeting at 1630 hours, and consequently there was no time for him to return to his office to hold it there. The GRI Alternate explained that the press always gets excited about unusual things, so the main subject of yesterday's meeting was treated as an aside and the more political issues that Mr. Yara had were given major attention. He further mentioned

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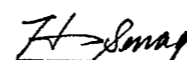
30 November 1970

SUBJECT: Seventy-second Meeting of PrepCom Alternates, 1000 hours, 10 November 1970


that the press thinks that fundamental and important matters are being discussed in Tokyo without public knowledge; therefore, the press has great interest in the requests the Chief Executive makes to the PrepCom.

5. The U S Alternate suggested that in planning for future Principals' meetings, days other than Monday or Friday should be preferred; taking into consideration work loads, Mondays should be avoided if possible. The Alternates agreed not to try to reach a decision today on a recommended date for the next meeting or on its subject. They agreed that it was necessary to set up a target within the next few days.
6. The U S Alternate announced that he would be leaving for Tokyo on 18 November and would return on the 21st, so he would have to miss the Alternates' meeting regularly scheduled for Friday, the 20th. The Alternates did not make a decision on a possible rescheduling of that meeting.
7. The GOJ Alternate mentioned that the latest information from Tokyo was that the ConCom will meet on 19 November. The U S Alternate said this was also his understanding.
8. The Alternates agreed that they would meet next at 1000 hours, 13 November 1970.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

30 November 1970

OFFICIAL MINUTES

SUBJECT: Seventy-third Meeting of PrepCom Alternates, 1000 hours,  
13 November 1970

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Yamaguchi, GOJ  
Mr. Walters, USG  
Mr. Billingsley, USG  
Mr. Adaniya, GRI  
Mr. Zakimi, GRI  
Mr. S. Higa, GRI  
Miss Sata, Recorder

1. In response to a query from the U S Alternate about the meaning of "prior to reversion," as used in the statement of the GOJ Alternate on 7 November 1970, the latter made the following statement for the record:

"The GOJ will be prepared to enter into the discussion prior to reversion whenever the USG may propose to the GOJ what the USG considers the modalities for completion of those projects or programme and also the GOJ may be ready to study such proposal as a basis of the negotiation."

The U S Alternate responded to this statement, that for internal budgeting purposes, the U S cannot begin effective discussions later than 1 September 1971 and that this policy statement will enable the discussions to begin earlier if necessary.

2. The U S Alternate reminded the GOJ Alternate about his request for information on foreign professionals in Okinawa, and asked if there were any other U S actions desired by the GOJ on the subject. The GOJ Alternate said he had received two kinds of information and would consult directly with the GRI, in accordance with the U S Alternate's suggestion of several weeks ago, to determine which is authentic. The U S Alternate repeated the desire of his Government to cooperate on this matter, and added that the PrepCom should be kept informed about developments in keeping with agreed upon procedures to use the PrepCom as the channel for official information-gathering activities.

3. The U S Alternate raised for discussion PrepCom's future work. In this conjunction he said an Okinawa Coordinating Committee meeting, which will

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30 November 1970

SUBJECT: Seventy-third Meeting of PrepCom Alternates, 1000 hours,  
13 November 1970

be held in Tokyo next week, would give him a better idea as to the next steps the PrepCom might take; in the meantime he invited the other Alternates' comments and ideas. He also said the one pending item, not officially tabled, concerns the Manneng Corporation land adjacent to Naha Commercial Senior High School.

4. The GOJ Alternate said he was studying the paper on the cultural centers that was tabled by the U S Alternate. He said that in the coming weeks he might be raising questions on this subject.

5. The U S Alternate recalled that the GRI Alternate had raised a question about the Ryukyuan employees of the English Language Center. He said he hoped to be able to give information as soon as possible but that the subject was still under study on the U S side.

6. The GOJ Alternate mentioned that his Government anticipates two or three additional items for Phase 1 even though no concrete ideas had emerged yet. He noted that advice and assistance functions over the Private Universities Committee and over the Okinawa Hōsō Kyōkai (Okinawa Broadcasting Corporation) are outside of the Agreement reached on 9 November 1970. In this connection, he said the Ministry of Postal Services was studying to see whether a part of the functions of the postal services could be taken up in Phase 1.

7. Referring to the previous newspaper report on transitional steps that the GOJ planned to announce on 20 November 1970 and to the GOJ Alternate's statements about them, the U S Alternate asked if the PrepCom would be involved at all. The GOJ Alternate said that after coordination by the GOJ with the various departments of the GRI, and by the Ministries concerned, the announcement would be delayed several days beyond the originally planned date. He added that the plan announced would be the "first picture," not the last one; it would give some general idea as to the situation after reversion. He explained, by mentioning as an example, that the GOJ would not change traffic regulations for 3 - 5 years after reversion but that speed measurement might be changed from miles to kilometers at reversion, even though this has not been confirmed officially. He reiterated that the Ministry of Foreign Affairs would be explaining the plan to the American Embassy, Tokyo.

8. The U S Alternate also asked if the above-mentioned announcement would be by the Prime Minister's Office only. The GOJ Alternate said the Office would make the announcement only after coordination by the Ministries and approval by the Cabinet. He added that announcement of the precise regulations could not be expected yet; the announcement would show in what areas the transitional measures would be applied but not the length of the transitional period. He anticipated there will be vague expressions, not for the purpose of concealing such things, but because the future situation itself is still vague; the GOJ still needs to study these matters. The U S Alternate said the announcement will be of great interest to the entire economic community here.

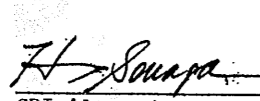


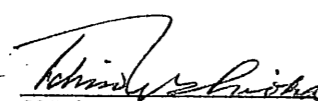
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SUBJECT: Seventy-third Meeting of PrepCom Alternates, 1000 hours, 13  
November 1970

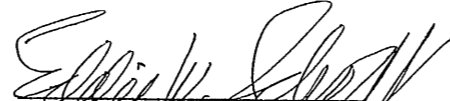
9. The GRI Alternate said he thought there would be no additional proposals to Phase 1 from his side; if the GOJ makes proposals the GRI will consider them.

10. The Alternates agreed that they would meet next at 1000 hours, 17 November 1970.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

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USG  
GOJ  
GRI  
File

13 Nov. 70

The GOJ will be prepared to enter into the discussion prior to reversion whenever the USG may propose to the GOJ what the USG considers the modalities for completion of those projects or programme and also the GOJ may be ready to study such proposal as a basis of the negotiation.

THE PREPARATORY COMMISSION  
Naha, Okinawa

30 November 1970

OFFICIAL MINUTES

SUBJECT: Seventy-fourth Meeting of PrepCom Alternates, 1000 hours,  
17 November 1970

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Nakayama, GOJ  
Mr. Yamaguchi, GOJ'  
Mr. Walters, USG  
Mr. Billingsley, USG  
Mr. Adaniya, GRI  
Mr. Zakimi, GRI  
Mr. S. Higa, GRI  
Miss Sata, Recorder

1. The U S Alternate said he had been reviewing the various matters suggested since March which PrepCom might be able to take up; however, he had nothing to suggest this morning. He invited suggestions for new matters from the other Alternates but they said they had none.
2. The U S Alternate referred to recent press articles to the effect that a new non-governmental organization, with a relationship to the Reversion Countermeasures Office, was to be formed and asked the GRI Alternate about the development and about how it might affect the PrepCom. The latter said that at the last GRI Department Directors' meeting, the Chief Executive proposed the establishment of an appropriate non-governmental organization to reflect the people's desires on reversion; housewives, students, professors, etc., have special interests and it is necessary to have an organization which can reflect them. He added that his office and all other GRI Departments are now working on many preparatory measures, e.g., analyzing GOJ, GRI, and pertinent U S legislation and dividing it into (a) GOJ legislation that can be applied immediately at reversion, (b) old laws that will need special measures to link them to new laws, and (c) laws that will need a post-reversion transitional period lasting variously from several months to several years. The GRI Alternate said his Government hoped to have some general ideas about the new organization within two or three weeks but expressed doubt that it can be established before the end of this year; the organization will not have much relationship to the PrepCom, but it will be interested in what the PrepCom does.
3. In response to questions raised by the U S and GOJ Alternates, the GRI Alternate said the composition and the name of the organization are not yet clear. It should represent all sectors, including business, labor, consumers,

PREPCOM

30 November 1970

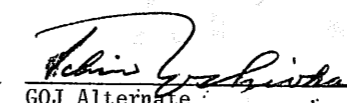
SUBJECT: Seventy-fourth Meeting of PrepCom Alternates, 1000 hours, 17  
November 1970

women, professors, etc. The secretarial work for the organization, he explained, will be done by the Reversion Countermeasures Office. In this connection, the GRI Alternate expressed his preference for "Reversion Preparation Office" to a direct English translation of Fukki Taisaku Shitsu. Also, in response to the GOJ Alternate's question, the GRI Alternate said his Government may provide the organization with money from its contingency funds; the organization should not have a political color because the Chief Executive does not think of reversion preparations in terms of reformists or conservatives. He added that is why the CE appointed the GRI Alternate to the head of the Reversion Preparation Office, even though the latter honestly told the Chief Executive that the GRI Alternate was not a reformist.

4. The GRI Alternate asked what the Consultative Committee would do at its meeting on 19 November, other than approve the PrepCom agreement. The U S Alternate said he did not know but said the press had mentioned the GOJ aid program and a free discussion period. The GOJ Alternate said all he knew was that Ambassador Takase would attend. The U S Alternate said that on the U S side, the High Commissioner, the U S Alternate, and Mr. Knowles, HICOM Political Adviser, would attend.
5. The U S Alternate expressed his willingness to meet before Tuesday, 24 November after his return on 21 November from Tokyo. However, the Alternates agreed to meet next at 1000 hours, 24 November 1970.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

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GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

9 December 1970

OFFICIAL MINUTES

SUBJECT: Seventy-fifth Meeting of PrepCom Alternates, 1000 hours,  
24 November 1970

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Kaya, GOJ  
Mr. Numakoshi, GOJ  
Mr. Yamaguchi, GOJ  
Mr. Walters, USG  
Mr. Billingsley, USG  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. Referring to a newspaper report on the GOJ Outline for Reversion Measures announced on 20 November, the U S Alternate asked the GOJ Alternate for comment on its significance for the PrepCom. The latter said he had not received the official document yet and could not add anything to the newspaper reports. However, he offered to inform the other Alternates at a later date.
2. The GRI Alternate said he was glad to notice in the GOJ announcement that the University of the Ryukyus will become a national university at reversion. He recalled that he had brought this matter up at the Advisory Committee and had wanted to table it at the PrepCom but had been prevented from doing so; however, the basic question was now resolved although the details remain to be worked out.
3. The GRI Alternate noted that most of the qualifications and licenses that would be affected by reversion were covered in the GOJ announcement but that some remain to be added; e.g., qualifications for technical experts (gijutsushi) were not covered. He mentioned that this is important because the GOJ has a qualification system for this area while the GRI does not, and that the GOJ deals only with those who are duly qualified. The U S Alternate said he was told by an American businessman on Okinawa that certain technicians, e.g., auto mechanics, must have a license under Japanese law but are not required to have one under GRI law. The U S Alternate also said he wondered if the PrepCom should look into this as a matter affecting a smooth reversion, or whether it should be handled bilaterally. The GOJ Alternate said he thought technicians would be able to work for the time being even after reversion. The GRI Alternate expressed no comment on the subject.

PREPCOM

9 December 1970

SUBJECT: Seventy-fifth Meeting of PrepCom Alternates, 1000 hours,  
24 November 1970

4. The GRI Alternate pointed out that the GOJ announcement included a statement to the effect that dollars would be exchanged for yen at the prevailing rate. He said this was all right but that if the yen should be revaluated before currency conversion took place, it would cause economic turmoil in Okinawa because of its heavy dependence on foreign trade. The GOJ Alternate said revaluation of the yen before reversion is most unlikely. The present yen position is supported by the Foreign Trade and Investment Control Law, and therefore, before revaluation of the yen is possible, there will be a few steps to be taken, for example, the wider liberalization or practical elimination of the controls exercised under the above law. The U S Alternate asked if the GOJ statement issued on 20 November referred to the rate of ¥360 to \$1. The GOJ Alternate said the announcement referred only to the "official rate" but that the newspapers had added the current rate as explanatory material.
5. The U S Alternate returned to the subject of licenses for Okinawan auto mechanics and asked whether more information would be available now on this subject. The GRI Alternate replied in the negative.
6. The U S Alternate mentioned that the Consultative Committee at its meeting on 19 November had approved the "Agreement to Facilitate a Smooth Transfer of Civil Administrative Rights of the United States to Japan upon Reversion." He then noted that there would be Japanese and U S holidays at the end of December and the beginning of January and wondered what the future work of the PrepCom would be while awaiting the further progress of diplomatic negotiations in Tokyo. The GRI Alternate said he had told the Chief Executive that his Government had no items to table formally at the PrepCom. He added that if there would be a Principals' meeting in December the GRI might have some items for the free discussion period. The GOJ Alternate said he thought there should be a Principals' meeting before Christmas but that he had no items for it. He mentioned that Ambassador Takase would be back from Tokyo on 27 November and might bring some ideas. The GOJ Alternate added that he himself might go to Tokyo in the first week of December for consultation.
7. The GOJ Alternate said the PrepCom would have to study items in Phase 2 from the end of February or the beginning of March, because the reversion agreement will be signed before June of next year. He said that, since Phase 2 is more complicated, the Alternates and the subcommittees would need considerable time for study; the current problem is what to concentrate on in December and January.
8. The U S Alternate said that, with respect to the problem of the next Principals' meeting, the PrepCom should keep in mind the Chief Executive's Hawaii trip from the 8th to the 18th of December. He also said that, if the PrepCom decides to have no meeting in December, it should consider an appropriate statement to be issued to the press. He added that he would tell his Principal that the Alternates were tentatively of the opinion that it would not be desirable for the Principals to meet in December but that they were

PREPCOM 9 December 1970  
SUBJECT: Seventy-fifth Meeting of PrepCom Alternates, 1000 hours,  
24 November 1970

leaving the door open for Ambassador Takase's views. The GRI Alternate said the decision should be made soon but that any announcement should be made later so that the date of the next meeting could be given.

9. The GRI Alternate asked if any local reversion matters to be handled by the PrepCom would be coming from Tokyo, depending on the course of diplomatic negotiations. The U S Alternate replied that this was still the U S position but said the PrepCom would have to wait until the negotiations were farther along before definite conclusions would be possible.


10. The GRI Alternate raised a question about preparations for an indirect hire system for military employees in the post-reversion period. He said he had wanted to table this item at the PrepCom but had been told it was a matter for diplomatic negotiations. He added that he had been given no information on the progress of the negotiations and that he was quite worried because an office had to be established here before reversion day, to handle military employees and this would require legislation, money, training of personnel, etc. He further mentioned that, if the basic agreement is reached in Tokyo, preparatory work must be discussed in Okinawa and GRI action would be required. The U S Alternate said he appreciated the expression of concern about this matter and that the subject was under negotiation. The GOJ Alternate said his Government was studying this problem very seriously.

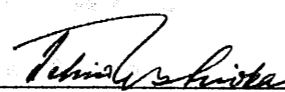
11. The GRI Alternate pointed out the reversion problem arising from the lease of land to the U S military. He said that much work must be done to prepare new contracts with an effective date on reversion day, in the event there is no blanket extension of contracts by the GOJ. The GOJ Alternate said his Government was also studying this problem seriously; two or three survey teams had been here, and the data they collected are under study. The GRI Alternate asked whether it would be possible for him to have any printed reports by these teams. The GOJ Alternate said he would look into what is available.

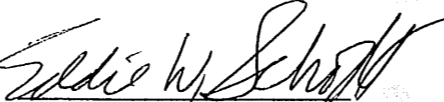
12. The U S and GRI Alternates said they had no objection to the use of the PrepCom conference room for a press conference by General Kinugasa on 25 November 1970.

13. The Alternates agreed that they would meet next at 1000 hours, 27 November 1970.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

PREPCOM 9 December 1970  
SUBJECT: Seventy-fifth Meeting of PrepCom Alternates, 1000 hours,  
24 November 1970

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GRI  
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THE PREPARATORY COMMISSION  
Naha, Okinawa

9 December 1970

OFFICIAL MINUTES

SUBJECT: Seventy-sixth Meeting of PrepCom Alternates, 1000 hours,  
27 November 1970

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Zakimi, Acting GRI Alternate

Others: Mr. Kaya, GOJ  
Mr. Numakoshi, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, USG  
Mr. Billingsley, USG  
Miss. Sata, Recorder

1. The U S Alternate raised for discussion the question of postponing the December meeting of the Principals and of issuing a statement to the press about the postponement. The GOJ Alternate said he had discussed with Tokyo yesterday the possibility of postponing the December meeting; Tokyo reported, after consulting with Ambassador Takase, that they wish to have a meeting in December between the 19th and the 22nd; the reasoning is that the meeting itself has meaning, regardless of the lack of substance. The GOJ Alternate added that, although not new, the following items could be reported to the Principals at an end-of-the-year meeting:

- a. The fact that a partial transfer of functions began on 1 December.
- b. The GOJ "Outline of Reversion Measures."
- c. A status report on the common budget of PrepCom.
- d. A review of PrepCom achievements, including a report on the visits of at least ten GOJ survey teams.
- e. A report on the signing of the personnel exchange program.
- f. Recognition of the amendment of the memorandum on the GOJ aid program.
- g. A statement of the tasks ahead for the PrepCom.

Regarding the GOJ Outline of Reversion Measures, the GOJ Alternate said Mr. Kato, Director of the Okinawa Bureau of Okinawa and Northern Territories Agency (OBONTA), could give explanatory remarks at the 1 December 1970

PREPCOM

9 December 1970

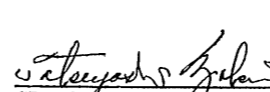
SUBJECT: Seventy-sixth Meeting of PrepCom Alternates, 1000 hours,  
27 November 1970

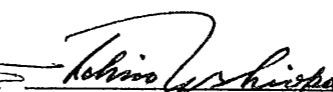
Alternates' meeting, and then this could be included in the progress report of the Alternates to the Principals.

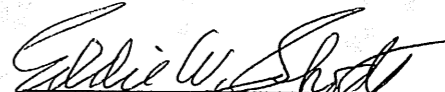
2. The U S Alternate expressed appreciation for the thought the GOJ had given to a December meeting. He suggested, however, that the GOJ objectives could be realized just as well at a January meeting, perhaps on the second Wednesday, the 13th. He also mentioned that if a meeting were held around 22 December, it would then not be possible for PrepCom to develop anything significant between then and the next meeting in January. Mr. Zakimi, who was sitting in for the GRI Alternate, said that even though the latter could manage to brief the Chief Executive in one day after the Chief Executive's return from Hawaii it would be better to have four or five days for coordination in his Government, and that in this event a PrepCom meeting would conflict with the Christmas and New Year's holidays. The GOJ Alternate said he would report the U S and GRI views to Tokyo.

3. It was tentatively agreed that the next Alternates' meeting would be held at 1130 hours, 1 December 1970.

APPROVED:

  
GRI Alternate Acting

  
GOJ Alternate

  
U S Alternate

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THE PREPARATORY COMMISSION  
Naha, Okinawa

9 December 1970

OFFICIAL MINUTES

SUBJECT: Seventy-seventh Meeting of PrepCom Alternates, 1030 hours,  
1 December 1970

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Kaya, GOJ  
Mr. Nakayama, GOJ  
Mr. Numakoshi, GOJ  
Mr. Yamaguchi, GOJ  
Mr. Suzuki, GOJ  
Mr. Nitta, GOJ  
Mr. Burke, USG  
Mr. Walters, USG  
Mr. Billingsley, USG  
Mr. Harada, USG  
Mr. Adaniya, GRI  
Mr. Zakimi, GRI  
Miss Sata, Recorder

Mr. Kato, Director, Okinawa Bureau of Okinawa Northern  
Territories Agency  
Mr. Clark, Director of the USCAR Liaison Department  
Mr. Shinn, USCAR Liaison Department  
Mr. Moy, Reversion Coordination Group

1. The GOJ Alternate introduced Mr. Kato, Director of OBONTA, who was present to explain the contents of the Outline of Reversion Measures (translation is attached), which was announced by the GOJ on 20 November 1970. The U S Alternate introduced Messrs. Clark and Shinn from USCAR Liaison Department and Mr. Moy from the Reversion Coordination Group who attended to hear the explanation.

2. Mr. Kato gave briefly the background of the Outline and then explained, on an item-by-item basis, its contents. The major items are (1) Education and Culture, (2) Welfare and Labor, (3) Currency and Banking, (4) Industry and Economics, (5) Traffic and Communication, (6) Licenses, Qualifications, Etc., and (7) Public Service Personnel. He briefed on each of the sub-items under the seven major items. Mr. Kato mentioned that additional items would be appearing in Phases 2 and 3 of the Outline.

3. In replying to a question from the U S Alternate about third country national doctors and dentists, Mr. Kato said that he hoped that these professionals would remain to continue their practices in Okinawa because of the

PREPCOM

9 December 1970

SUBJECT: Seventy-seventh Meeting of PrepCom Alternates, 1030 hours,  
1 December 1970

shortage of medical personnel here. He said, however, that this matter would probably be handled at the diplomatic level.

4. The GRI Alternate said yen revaluation in Japan proper could take place without much difficulty because foreign trade constitutes only 10% of the GNP. However, he said, revaluation before currency conversion would have a greatly adverse impact in Okinawa, so he said he wanted to request the Japanese Government to avoid such a revaluation before currency conversion. Mr. Kato said any revaluation would depend on the international situation but that he did not anticipate a revaluation before the conversion of U S dollars to yen at the time of reversion, or in the foreseeable future.

5. The GRI Alternate also made comments to the effect that application to Okinawa of the Agriculture Land Act might be a big mistake; there are few tenants in Okinawa so benefits from the Act would be small, whereas the Act's restrictions on changing agricultural land to other land categories and on the use of land as collateral when borrowing money would adversely affect almost all Okinawa farmers. Mr. Kato replied that he believed application of the Act to Okinawa would be beneficial, if accompanied by special measures.

6. The GOJ Alternate said that, if the Chief Executive's schedule for December is too tight, his Government had no choice but to agree to postpone the next Principals' meeting from December until early January. The other Alternates agreed. The Alternates also agreed that they would decide at their next meeting on a statement for the press and on a tentative date for the next Principals' meeting.

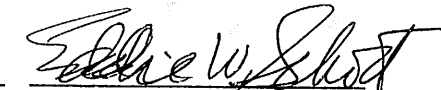
7. The Alternates agreed that they would meet next at 1000 hours, 8 December 1970.

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APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

DISTRIBUTION:

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GOJ  
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UNCLASSIFIED

December 2, 1970

TO: SA/J

HICOM ✓

FROM: A/SA - Mr. Killion

Enclosed is a copy of the Embassy's translation of the General Outline of Okinawa Reversion Countermeasures (First Round Draft Plan); and a copy of *77-44 Report* (Part IV.) on the establishment of the Okinawa Defense Facilities Preparations Office.

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*Hicom*

*by ONTA to Council*

General Outline of Okinawa Reversion Countermeasures  
(First Round) Draft Plan

Preface

I. Education and Culture

1. Educational Administration System
2. Transfer of the University of the Ryukyus to National University
3. State Scholarship System for Okinawan Students
4. School Lunch System
5. Protection of Cultural Property

II. Welfare and Labor

1. Medical Insurance
2. Medical Treatment at Health Clinics
3. Sanatoriums for Hansen's Disease Patients
4. Standard for Livelihood Protection
5. Annuity Insurance
6. Employment Countermeasures
7. Minimum Wages
8. Public Occupational Training Facilities
9. Natural Parks

III. Currency and Financing

1. Exchange of Currencies
2. Bank of Japan
3. Interest Rates, Etc., for Bank Deposits and Savings
4. Agriculture-Forestry-Fisheries Central Bank

IV. Industry and the Economy

1. Food Control System
2. Farmland System
3. Sugar Industry
4. Pineapple Industry
5. Tobacco Monopoly System
6. Export and Import System



7. Tourist Tax System
8. Dollar-Receipt System
9. Enterprise Countermeasures

V. Transportation and Communications

1. Traffic Division of Roads
2. Automobile Damage Compulsory Insurance System
3. Postal Services Business
4. Telephone and Telegram Services

VI. Qualifications for Licenses, Etc.

1. Teachers
2. Social Education Superintendents
3. Medical Doctors, Dentists, and Pharmacists
4. <sup>Medical</sup> Doctors' Assistants and Dentists' Assistants
5. Other Persons Connected with Medical Treatment
6. Instructors for Occupational Training  
Business
7. Real Estate Assessing/and Real Estate Assessors
8. Customs Inspectors

VII. Public Service Personnel

Postscript

General Outline of Okinawa Reversion Countermeasures  
(First Round) Draft Plan

The Government decided earlier the "Basic Policy for Okinawa Reversion Countermeasures," in order to realize the reversion of Okinawa to the fatherland smoothly and in order to ensure the construction of an affluent Okinawa Prefecture. At the present time, it is making utmost efforts to serious study of concrete reversion countermeasures, along the line of this Basic Policy. Especially as a result of giving repeated study with priority to matters which are considered to have important effects on the livelihood of the Prefectural people and industrial activities, plans have been formulated in regard to the following points. Consequently, the following decisions have been made.

It goes without saying that, in deciding on these measures, utmost efforts were made to reflect the wishes of the Government of the Ryukyus and the people of Okinawa Prefecture.

I. Education and Culture

1. Educational Administration System

Measures will be taken so that, in regard to the educational administration system, the related homeland laws will be applied at the time of the reversion.

2. Transfer of the University of the Ryukyus to National University

Necessary consolidation of the educational organization, etc., will be made in regard to the University of the Ryukyus (including the Junior College of the University of the Ryukyus), and on the occasion of reversion, it will be transferred to the State and be made a national university.

As regards the New Naha Hospital, it will be attached to the said University.

3. State Scholarship System for Okinawan Students

For a certain fixed period after the reversion, the purport of this State scholarship system for Okinawa students will be retained, and scholarship measures generally similar to this system will be taken.

#### 4. School Lunch System

In order to contribute to the improvement of the physical well-being of Okinawan pupils and students, and in order to avoid a sharp and sudden increase in the burden of school lunch costs on the parents, the supplying of basic materials for school lunches at State expense will be continued for a certain fixed period of time, even after the reversion:

Also, the Ryukyu School Lunch Association will be consolidated, and it will be used to carry out the smooth supplying of materials needed for the school lunch program in Okinawa.

#### 5. Protection of Cultural Property

In view of the important nature of the cultural assets in Okinawa, restoration of war-damaged cultural property, repair and the recording and preservation of invisible cultural assets will be promoted. In regard to important cultural assets in particular, they will be designated the cultural property of the State quickly, after their restoration.

## II. Welfare and Labor

#### 1. Medical Insurance

In regard to the medical insurance system in Okinawa, efforts will be made to make the chances for receiving medical treatment in Okinawa more wide-spread, and also, in order to ensure the improvement of the Prefectural people's health, measures will be taken in the direction of application of the homeland laws, at the same time as its reversion.

#### 2. Medical Treatment at Health Clinics

Special exception measures will be taken so as to enable medical treatment of tuberculosis and venereal diseases at health clinics as in the past, in for some time to come, in view of the actual situation that the consolidation of the medical treatment system in Okinawa is still not adequate.

#### 3. Sanatoriums for Hansen's Disease Patients

The Ryukyu Government's Okinawa Airakuen and Miyako Nanseien will be shifted to national sanatoriums at the time of the reversion.

#### 4. Standard for Livelihood Protection

The standard for livelihood protection will be made the same as in the homeland, after its reversion.

#### 5. Annuity Insurance

On the occasion of the shifting of the welfare annuity insurance in Okinawa and the national ~~annuity~~ annuity system to various types of employees' annuity system and the national annuity system in the homeland at the same time as the reversion, necessary measures will be taken in regard to various problems entailing the lagging behind of the ~~annuity~~ consolidation of the annuity system in Okinawa, compared with the homeland, while respecting the rights of the recipients of annuity and the beneficiaries of the insurance system in Okinawa as much as possible, and while giving consideration to a balance with the principles of the homeland laws.

#### 6. Employment Countermeasures

In regard to the changes in the employment system after the reversion, re-employment in various types of public projects and new enterprises in the area, which will be carried out as a part of the Okinawa development project, will be ~~promoted~~ promoted. The training of skilled workers and the re-development of the capabilities of dismissed workers will be promoted, and efforts will be made to widen the scope ~~and to make more active the activities~~ and to make more active the activities to introduce new jobs. Various employment countermeasures based on homeland laws, including the payment of subsidies to change jobs and the securing of housing, will be promoted.

#### 7. Minimum Wages

In regard to the minimum wage system, until <sup>a</sup> decision is made on minimum wages based on homeland laws, after the reversion, ~~minimum~~ measures will be taken to have the minimum wages designated on the basis of Okinawa laws to remain in effect.

#### 8. Public Occupational Training Facilities

The general occupation training institutes and the comprehensive occupation training institutes based on Okinawan laws will become specialized occupational training schools and advanced occupation training schools, based on homeland laws, after the reversion. On this basis, persons who have completed training at ~~xxxx~~ these training institutes will be treated as persons who have completed the courses of the general <sup>al</sup> occupation/training institutes and the comprehensive occupational training institutes, under the old homeland Occupational Training Law.

#### 9. Natural Parks

In order to protect the valuable natural scenery of Okinawa and in order to utilize <sup>it</sup> them effectively, consolidation of natural park systems will be hastened. For this purpose, <sup>a</sup> park areas and park plans for the currently existing Ryukyu Government parks, and Iriomote Island and its nearby sea areas will be studied quickly, and in regard to necessary areas, designation as state parks or state-designated parks will be made, and consolidation of facilities for the utilization of these parks will be pushed.

### III. Currencies and Financing

#### 1. Exchange of Currencies

For the exchange of currencies, the official exchange rate will be made the standard for exchange. As regards the exchange procedures, smooth exchange will be carried out, so as to avoid causing difficulties <sup>to</sup> the prefectural people's livelihood.

#### 2. Bank of Japan

In order to promote monetary policies which are in keeping with the actual state of the Okinawan economy smoothly, a business office of the Bank of Japan will be set up in Okinawa.

#### 3. Interest Rates, Etc., for Bank Deposits and Savings

The kinds of bank deposits and savings, the interest rates and the length of time will be unified with those in the homeland at the time of the reversion. Necessary transitional measures will be taken, however, depending on need.

#### 4. Agriculture-Forestry-Fisheries Central Bank

~~xxxx~~ In regard to the investments in the Ryukyu Government's Agriculture-Forestry-Fisheries Central Bank, they will be shifted to loans to the Prefectural Federation of Agricultural (Fisheries) Credit Co-operative Unions, to be newly established, so that they will not pose obstacles to the business of the said Prefectural Federation.

### IV. Industry and the Economy

#### 1. Food Control System

The consumer rice price (including the prices of rice as raw materials), the producer rice price and the Government selling price of wheat and ~~xxxxx~~ barley will be kept at the level at the time of the reversion for a fixed period of time, even after the reversion. They will be unified with the homeland prices in the future. In this case, necessary exception measures <sup>for the rice distribution setup,</sup> will be taken, such as the continuation of the present system of payments for shortages via purchases through agricultural co-operatives, in regard to ~~xxxxxxxxxxxxxxxxxxxx~~ the purchase of Okinawa-produced rice.

In the case of shifting to other key agricultural products from rice production, necessary assistance measures will be taken.

Exports and imports of rice, wheat and barley will be treated in the same way as in the homeland.

#### 2. Farmland System

In view of the special circumstances in Okinawa, such as war-time evacuation and using of land as military bases, necessary special exception measures will be taken in regard to the Farmland Law, concerning the limiting of possession of tenant farms. Efforts will be made for smooth operation, giving consideration to the actual state of land utilization in Okinawa.

#### 3. Sugar Industry

Okinawa will be designated an area for production promotion, under the Sugar Resources Special Measures Law. Efforts will be made for the rationalization of sugar-cane production, through the consolidation of sugar plantation land, introduction of superior kinds of sugar-

cane, and mechanization of ~~agri~~ farm work. At the same time, in regard to the purchase of centrifugal sugar, by the Sugar Price Stabilization Corporation, purchases will be made on the basis of ~~the Law~~ concerning the stabilization of sugar prices, etc.

#### 4. Pineapple Industry

Concerning the pineapple industry, the Orchard Farming Promotion Special Measures Law will be actively utilized after the reversion, and processing enterprisers will be organized, in accordance with the Law concerning the organization of medium and small enterprises and organizations. In addition, measures will be taken to guide the prices of raw material fruit, and efforts will be made to promote the stabilization and rationalization of management, through the implementation of various measures for production, distribution and processing.

As regards the liberalization of canned pineapples, ~~the question of~~ and the handling of provisional tariff rates on them, the question will be ~~handled~~ handled with great care, taking into ~~a~~ consideration their relations <sup>to</sup> to the measures for rationalization of the pineapeal industry.

#### 5. Tobacco Monopoly System

a. Proper measures will be taken in connection with the treatment toward tobacco manufacturing companies and their employees, entailing the application of the Tobacco Monopoly Law.

b. The retailers of manufactured tobacco will be designated the Monopoly Corporation's designated retailers, for some time to come, even after the reversion. In regard to wholesale dealers, too, proper consideration will be given, such as to designate them also as designated retailers, etc.

c. In regard to leaf ~~tobacco~~ tobacco, about the same amount as the actual records of the previous year will be purchased in fiscal 1971. In regard to leaf tobacco to be produced in 1972 and after, improvement of quality and concentration of producing areas will be promoted, and efforts will be made so that leaf tobacco cultivation can be continued.

#### 6. Export and Import System

The various homeland laws will be applied simultaneously with reversion on the export and import system (including the tariff system and the domestic consumption tax system). However, in order to ease the effects of this on the prefectural people's livelihood and on related enterprises, various measures will be taken, when necessary, with regard to each specific commodity or industry, such as the respecting of the actual records of exports, special consideration for imports and toward medium and small enterprises.

#### 7. Tourist Tax System

In order to ~~contribute~~ contribute to the promotion of the <sup>o</sup> tourist industry of Okinawa, special measures will be taken in regard to the tariffs and domestic consumption tax for specified items to be purchased by ~~ex~~ persons leaving the Okinawan <sup>area</sup> region, for a fixed period of time, even after the reversion, within the scope of tax exemption for personal effects, so that the present degree of tax burden can be maintained.

#### 8. Dollar-Receipt System

In the present state of daily transactions of shops and stores in Okinawa, measures will be taken so as to enable their receiving dollars, by such methods as the flexible operation of the currency exchangers' system, for some time <sup>to</sup> come.

#### 9. Enterprise Countermeasures

a. In order to promote the establishment of enterprises in Okinawa, efforts will be made for ~~the~~ the consolidation and improvement of the industrial foundation, including electric power, water, industrial land, roads and port facilities, and measures will be taken toward newly established enterprises in Okinawa, in the aspect of taxation and financing. In this case, attention will be given to co-ordination with already existing enterprises, and consideration will be given to types of industries which have employment effects and spreading effects toward related industries.

B. As countermeasures toward medium and small enterprises in Okinawa, various medium and small enterprise countermeasures, ~~which~~ which are the same as those implemented in the homeland, will be taken after the reversion, and efforts will be made to promote the modernization of medium and small enterprises, promotion of diagnosing and guidance projects, promotion of their organization. Especially in order to <sup>necessary</sup> step up their rapid modernization, ~~special measures~~ special measures will be taken toward ~~them~~ when applying the Medium and Small Enterprises Modernization Promotion Law. At the same time, various systems entailing reversion will be consolidated and improved.

V. Transportation and Communications

1. Traffic Division on Roads

The traffic division on roads for vehicles and pedestrians in Okinawa will continue to present setup for ~~some~~ a fixed period of time, even after the reversion ~~for~~ (vehicles on the right, and pedestrians on the left).

2. Automobile Damage Compulsory Insurance System

The premium, etc., for the automobile damage compulsory insurance system will be ~~made~~ made the same as in the homeland as quickly as possible after the reversion.

3. Postal Services Business

Preparations for the implementation of such systems as the installment savings, fixed period postal savings, fixed sum postal money orders, postal transfer savings accounts and postal life insurance ~~systems~~ systems, which are not yet enforced in Okinawa today, will be promoted, and they will be put into effect as soon as possible after the reversion.

The types and systems for postal services and their charges will be made the same as in the homeland, after the reversion.

4. Telephone and Telegram ~~Services~~ Services

The systems and charges for telegrams and telephone service will be made the same as in the homeland, at the same time as the reversion.

As for telephone service between ~~the~~ Okinawa Main Island and the homeland, direct-line service will be realized at the earliest possible date, after reversion.

VI. Qualifications for Licenses, Etc.

1. Teachers

Persons who have received licenses as ~~sh~~ school teachers, based on Okinawan laws, will be treated as persons who have received comparable licenses under homeland laws, after the reversion.

2. Social Education Superintendents

Persons ~~having~~ having the qualifications as social education superintendents under Okinawan laws, will be treated as persons who have the qualifications as ~~social~~ social education superintendents under homeland laws, after the reversion.

3. Medical Doctors, Dentists and Pharmacists

Medical doctors, dentists and pharmacists who do not have homeland licenses will be permitted to continue their practice as in the past ~~in~~ within Okinawa Prefecture for a fixed period of time after the reversion. At the same time, measures will be taken to enable ~~them~~ to give <sup>them</sup> them qualifications to take state examinations or preliminary state examinations under homeland laws.

4. Medical Doctors' Assistants and Dentists' Assistants

In regard to doctors' assistants and dentists' assistants, they will be permitted to engage in medical practice, as in the past, in order to have them contribute to the securing of medical service in areas in Okinawa which are short of doctors.

5. Other Persons Connected with Medical Treatment

As regards license qualifications for other persons connected with medical treatment, the license qualifications of the Ryukyu Government will be respected as a general principle, and accompanying reversion, measures will be taken, such as ~~the~~ shift to licenses based on homeland laws.

6. Occupational Training Instructors

Occupational training instructors who have received <sup>license</sup> license as such under Okinawan laws will be treated as persons who have received such a license under homeland laws, after reversion.



7. Real Estate Assessing Business and Real Estate Assessors

Persons who are actually engaging in the business of real estate assessment in Okinawa at the time of the reversion can continue the business of real estate evaluation in Okinawa, for a fixed period of time after the reversion. After the reversion, they will take special real estate assessors' examination or special real estate assessor assistants examinations.

8. Customs Inspectors

In order to carry out the shift in the qualifications concerning customs inspectors smoothly, necessary measures will be taken, such as to consider persons who have qualifications as persons who can handle customs cargo in Okinawa as persons who have passed the customs inspector examinations in the homeland, after they attend the stipulated series of lectures.

VII. Public Service Personnel

The Ryukyu Government's public service personnel (including school teachers in the educational districts and the federation of educational districts) will be continuously given the status as national public service personnel or local public service personnel. In regard to their salaries and work conditions, proper measures will be taken, giving consideration to a balance with the salaries of the State and local public entities.

The above-mentioned points are a part of <sup>the</sup> measures to be taken toward matters which are immediately important, when viewed from the aspect of the smooth implementation of reversion to the homeland.

In the future, too, decisions will be made as soon as further measures are consolidated.

On matters which require negotiations between the Japanese and the United States Governments, separate study is now being made.

On the other hand, as measures for the rectification of the differentials with the homeland, for the consolidation and improvement of the social capital, including the industrial foundation, and

for the development and promotion of the Okinawan economy and society after the reversion, comprehensive development plans will be formulated, covering the following points:

- (1) Promotion of remote islands
- (2) Fostering and development of agriculture-forestry-fisheries industries
- (3) Development of mining and manufacturing industries and tourist industry.
- (4) Development of water and energy resources
- (5) Consolidation of transportation, communications, road, port and airport facilities
- (6) Consolidation of national land preservation facilities
- (7) Consolidation of educational facilities
- (8) Consolidation of public health and sanitation, medical treatment and social welfare facilities
- (9) Consolidation of livelihood environment facilities
- (10) Consolidation of labor environment.

In the formulation of a comprehensive development plan, the "Long-Range Economic Development Plan," which was announced by the Government of the Ryukyus earlier will be respected as a matter of course. At the same time, efforts will be made to reflect the views expressed by various circles and various classes of the people.

Also, in the implementation of this program, the State will take special measures in the financial, taxation system and financing fields, in the light of the special situation in which Okinawa had been placed since the end of the War.

The Government will push preparations with an eye to submitting (a) the Agreement for the Reversion of the Administrative Rights, (b) legislation concerning provisional special measures accompanying the application of homeland laws, including the measures announced this time, and (c) legislative measures concerning the promotion of measures aiming at the economic and social development of Okinawa, which require Diet approval, in a package, and with an eye to completing Diet deliberations during next year.

(KH)

IV. On the Establishment of Okinawa Defense Facilities Preparations Office (tentative name)

In order to facilitate the smooth implementation of the offering of facilities and areas to the United States Forces, indirect employment of Japanese employees working with the United States Forces and their various organs in Okinawa, and the construction of facilities required by the SDF, at the same time as the reversion of Okinawa, the Defense Facilities Administration Agency is thinking of the establishment of an Okinawa Defense Facilities Preparations Office (tentative name) in Okinawa, as an organ of the Defense Facilities Administration Agency, at the start of fiscal 1971.

For the establishment of this Preparations Office, Diet approval of a law concerning the establishment of this Office will be required, after obtaining the understanding of the United States, which is the administrator in Okinawa, and after co-ordination with the various Ministries and Agencies concerned, within the country.

Particulars

1. Business to Be Handled

The Preparations Office will handle mainly the following tasks in Okinawa:

- (1) Preparatory work for the offering of facilities and areas in Okinawa.
- (2) Negotiations for the acquisition of the right of use with the owners of privately and publicly owned land.
- (3) Work of preparing for the indirect employment of Japanese employees serving with the United States Forces and various organs in Okinawa.
- (4) Construction of facilities needed by the SDF.
- (5) Other business requiring disposition in Okinawa before its reversion.

2. Organization and Fixed Number of Personnel

- (1) A Director and a Deputy Director will be assigned to the Preparations Office, and six sections will be set up.
- (2) The fixed number of personnel will be 300.
- (3) The Director will dispose of the work of the Office, receiving the guidance and supervision from the Director General of the Defense Facilities Administration Agency.
- (4) The internal organization of the Preparations Office will be determined by the Prime Minister's Office ordinance.
- (5) The Preparations Office will be a provision organ until the time of the reversion of Okinawa, and after the reversion of Okinawa, it will shift to a local bureau of the Defense Facilities Administration Agency (Okinawa Defense Facilities Administration Bureau -- tentative name).

3. Relations with Surveys Conducted in the Past

Since the Defense Facilities Administration Agency does not have a mission in Okinawa this year, it dispatched a survey team to Okinawa from the home Agency and carried out basic surveys. The results of these surveys will be utilized in the carrying out of the projected work of the Preparations Office.

When a Preparations Office is set up, subsequent surveys in Okinawa will be carried out by the Preparations Office.



THE PREPARATORY COMMISSION  
Naha, Okinawa

18 December 1970

OFFICIAL MINUTES

SUBJECT: Seventy-eighth Meeting of PrepCom Alternates, 1000 hours,  
8 December 1970

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Kaya, GOJ  
Mr. Nakayama, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Zakimi, GRI  
Miss Ammons, Recorder

1. The U S Alternate expressed appreciation for Mr. Kato's presence at the last meeting and for the explanation he made of the GOJ Reversion Measures Outline for Okinawa.
2. The U S Alternate invited comments from the GOJ Alternate on his recent trip to Tokyo. The GOJ Alternate proceeded to report as follows: The Diet was in session so Messrs Chiba and Ohkawara of the Foreign Office were very busy. Moreover, because of the announcement from Washington concerning the removal of poison gas from Okinawa, the American Affairs Bureau had been busy with press reporters. Future tasks of PrepCom were discussed with his colleagues but no concrete conclusions were reached. The Postal Services Agency wishes to introduce in the PrepCom a limited proposal in the near future, but he did not receive enough information to understand the proposal; he only saw an outline of the idea. He requested more details from the Agency. It may send an expert later to explain the proposal at a PrepCom subcommittee meeting. There has been some progress in the diplomatic negotiations on reversion but not until later will PrepCom become involved in local implementation of these. He had no opportunity to meet with U S Embassy personnel on his trip. However, he was invited to the German Embassy where he received a decoration for his service as a Japanese diplomat in that country.
3. The GRI Alternate said he had been asked by many people on various occasions about the date of reversion, and that people were concerned because of the GRI election scheduled for November next year. He added that many

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18 December 1970

SUBJECT: Seventy-eighth Meeting of PrepCom Alternates, 1000 hours, 8 December  
1970

people believed there was no need to hold the election if the reversion date is early in 1972, but if reversion comes later in the year the election should be held, as called for in Executive Order 10713. The U S Alternate replied that to the best of his knowledge no reversion date has yet been determined and the date depends on the progress of negotiations.

4. The U S Alternate asked how the press should be informed that there will be no Principals' meeting in December. The Alternates agreed that the Joint Secretariat should notify the press orally that the next meeting of the Principals will be held at 1500 hours, Wednesday, 13 January 1971.

5. The U S Alternate said a few press articles had come to his attention recently that were of interest to the PrepCom. One was a report that GRI Department Directors were studying 38 reversion items. He asked if a comparison of laws was involved and if the actions proposed would apply to the post-reversion period. The GRI Alternate replied that comparison being made concerned the post-reversion application of Japanese laws. He added that his Government had screened about 1100 Japanese laws and had decided its position on most of them; the GRI had not made a determination on about 80 laws, although they have been discussed and some are in a "temporary position." There are still many laws, he said, the application of which will have to be worked out.

6. The U S Alternate mentioned another press article which appeared on 28 November that stated the GRI was planning to table at PrepCom the next week a proposal to transfer RDWC to GRI. The GRI Alternate replied that the article was "speculation" as to what the CE might propose at the next free discussion period. He said that the disposition of RDWC was once discussed at a Directors' meeting but he still did not know if Mr. Yara would raise this item.

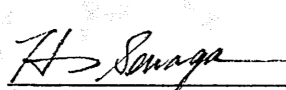

7. The U S Alternate referred to a 28 November article which reported Minister Nakasone as saying contracts on military used land would be concluded with individual land owners and that a reasonable rental would be fixed. The U S Alternate asked if the GOJ Alternate would comment on this. The latter replied that Nakasone's statement was made in reply to a question by Mr. Uehara, newly-elected Diet member from Okinawa. He added that Nakasone did not make a definite commitment in such a formal manner as reported by the press, but rather had indicated he would make efforts in direction desired by the land owners.

8. The GRI Alternate reported that some of his members from the Reversion Preparations Office would be moving into the PrepCom building in the near future.

9. The Alternates agreed to hold their next meeting at 1000 hours, 11 December 1970.

PREPCOM 18 December 1970  
SUBJECT: Seventy-eighth Meeting of PrepCom Alternates, 1000 hours, 8 December 1970

APPROVED:

    
GRI Alternate GOJ Alternate U S Alternate

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GOJ  
GRI  
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THE PREPARATORY COMMISSION  
Naha, Okinawa

18 December 1970

OFFICIAL MINUTES

SUBJECT: Seventy-ninth Meeting of PrepCom Alternates, 1000 hours,  
11 December 1970

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Kaya, GOJ  
Mr. Mabuchi, GOJ  
Mr. Nakayama, GOJ  
Mr. Yamaguchi, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Billingsley, U S  
Mr. Adaniya, GRI  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. At the U S Alternate's suggestion, the Alternates agreed to invite Mr. Tonaki, President of the Okinawa Tourism Development Corporation, to brief them at an Alternates' regular meeting about the development of tourism in Okinawa. The U S Alternate said he would make arrangements with Mr. Tonaki and inform the other Alternates later.
2. The U S Alternate asked about two points in the GOJ's Okinawa Reversion Measures Outline which was announced on 20 November 1970, one concerning the statement on Export-Import System and the other concerning measures for small and medium enterprises. He said he had visited many companies on Okinawa, and his impression was that many of them could benefit from business diagnosis and guidance that would result in increased efficiency. He also said that, although the number of third country national firms is small, they are making a contribution to the GNP and the value of it might increase if the proposed measures applied to them.
3. Regarding the first point, the GOJ Alternate said this is a matter for diplomatic negotiation. Mr. Mabuchi (MITI) of the GOJ Element said that MITI will not deny the past export records of American businessmen but will not give any privileges not tendered to Ryukyuan businesses; the same treatment will be given to American and Ryukyuan businessmen.

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SUBJECT: Seventy-ninth Meeting of PrepCom Alternates, 1000 hours, 11 December 1970

18 December 1970

4. Regarding the second point, Mr. Mabuchi said all these measures will legally apply to foreign business circles; however, in practice, the budget is limited so it is uncertain if there will be enough money even to cover all Ryukyuan small and medium enterprises. The GOJ Alternate said the proposed help for such enterprises will come not only from the central government but also from the prefecture, business associations, chambers of commerce, etc. He added that the help given will not only be monetary but also will consist of guidance, certain types of technical advice, etc., depending on the situation.

5. The U S Alternate said the Joint Secretariat had notified the press about the postponement of the December Principals' meeting to 13 January in accordance with the Alternates' instructions; however, he had not seen any press comments about the announcement. The GRI Alternate said he thought nothing would appear in the press, now that the reporters had been informed.

6. The GOJ Alternate asked for a confirmation of his understanding that there would be a one-hour free discussion period before the formal Principals' meeting on 13 January 1971. This was confirmed by the other Alternates.

7. The Alternates agreed that they would meet next at 1000 hours, 15 December 1970.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

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THE PREPARATORY COMMISSION  
Naha, Okinawa

18 December 1970

OFFICIAL MINUTES

SUBJECT: Eightieth Meeting of PrepCom Alternates, 1000 hours, 15 December 1970

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Kaya, GOJ  
Mr. Nakayama, GOJ  
Mr. Numakoshi, GOJ  
Mr. Nitta, GOJ  
Mr. Burke, U S  
Mr. Walters, U S  
Mr. Billingsley, U S  
Mr. Adaniya, GRI  
Mr. Zakimi, GRI  
Mr. G. Higa, GRI  
Miss Sata, Recorder

Mr. Tonaki, President, Okinawa Tourism Development Corporation

1. Mr. Tonaki, President of the Okinawa Tourism Development Corporation, briefed the Alternates on the work accomplished by this corporation to date. He touched on such subjects as the Okinawa Marine Park, Japanese Navy Underground Headquarters, and Yagaji Fishing Center. Mr. Tonaki also explained the future projects planned by his agency such as Kerama Islands Marine Park and Okinawan Cultural Village, the latter to be built adjacent to Nakagusuku Castle. Upon completion of his report, Mr. Tonaki answered questions raised by the Alternates and staff members. The material he provided is attached.

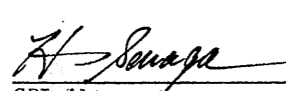
2. The Alternates agreed to hold their next meeting at 1000 hours, 18 December 1970.

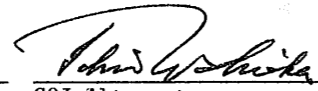
3. The meeting was adjourned at 1105 hours.


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PREPCOM 18 December 1970  
SUBJECT: Eightieth Meeting of PrepCom Alternates, 1000 hours, 15 December 1970

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

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GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

8 January 1971

OFFICIAL MINUTES

SUBJECT: Eighty-first Meeting of PrepCom Alternates, 1000 hours, 18 December 1970

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Kaya, GOJ  
Mr. Nakayama, GOJ  
Mr. Yamaguchi, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, USG  
Mr. Billingsley, USG  
Mr. Adaniya, GRI  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The U S Alternate said he will leave for Tokyo this afternoon and plans to return on Tuesday, 22 December.
2. The GOJ Alternate asked when the Alternates should begin drafting the progress report for the 13 January Principals' meeting. The U S Alternate said that the GOJ and GRI should be able to enjoy the holiday period without having to concern themselves with reports; there should be enough time after the New Year to do the drafting.
3. The U S Alternate recalled that he had provided to the GOJ some information on the third country national professionals. He asked the GOJ Alternate if there were any questions or if there was anything the U S could do to expedite the GOJ study of this problem. The GOJ Alternate said Tokyo has been studying the matter but that he had nothing to ask at present; he might have later.
4. The U S Alternate referred to recent newspaper articles which had reported that the GRI Alternate, as Director of the GRI Reversion Preparations Office, had divided the office into four teams, one of which had moved into the PrepCom building. The GRI Alternate said the newspaper reports were a little different from the actual division and that the correct assignments of the four groups are as follows:
  - a. One group is studying matters necessary for the creation of Okinawa Prefecture.

PREPCOM 8 January 1971  
SUBJECT: Eighty-first Meeting of PrepCom Alternates, 1000 hours, 18 December 1971

b. Another is studying property and liabilities, that is, which assets will go to the central government and which to the prefectural government.

c. The third group is studying public corporations and other government instrumentalities, such as the Okinawa Tourism Development Corporation, OHK, etc.

d. The fourth group is analyzing over one thousand Japanese laws; that is, it is studying such matters as qualifications and licenses, price levels, tax laws, and import regulations which are covered in various Japanese laws.

He said some interesting questions are arising, such as whether there will be a "new" Okinawa Prefecture or a revival of the "old" one.

5. The GOJ Alternate asked if one of the groups mentioned above was studying the court system, jurisdictional problems, etc. The GRI Alternate said his office was studying court procedures but not the system itself. He added that the Ryukyuan courts themselves are studying the system.

6. The GRI Alternate said one of the difficult problems was how prefectural regulations will be enacted after reversion in a way to avoid creating a vacuum. He added that he was going to study the possibility of a short legal statement that would cover everything. The U S Alternate said he thought there would be something in the reversion treaty about giving full recognition to GRI laws so they would continue in effect as prefectural laws whenever appropriate.


7. The U S Alternate said there might be value in having a member of the Reversion Preparations Office brief the Alternates on how the GRI regards the economic outlook in the light of reversion and its long range economic plan. The GRI Alternate said he would make arrangements to have someone report to the Alternates at their next meeting.


8. The GOJ Alternate asked the U S Alternate if perhaps next month an official from the U S side could give a general explanation to the Alternates about U S military court procedures, their legal basis, etc. He said there have been newspaper reports on the Itoman case which might not have been correct. He also said this subject is related to SOFA. The U S Alternate said he would explore the possibility of having someone give an appropriate briefing.


9. The Alternates agreed that they would hold their next meeting at 1500 hours, 22 December 1970.

PREPCOM 8 January 1971  
SUBJECT: Eighty-first Meeting of PrepCom Alternates, 1000 hours, 18 December 1970

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

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GRI  
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THE PREPARATORY COMMISSION  
Naha, Okinawa

8 January 1971

OFFICIAL MINUTES

SUBJECT: Eighty-Second Meeting of PrepCom Alternates, 1500 hours,  
22 December 1970

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Kaya, GOJ  
Mr. Nakayama, GOJ  
Mr. Numakoshi, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Billingsley, U S  
Mr. Adaniya, GRI  
Miss Sata, Recorder

Mr. Oshiro, Planning Division Chief, GRI Planning Department  
Miss M. Higa, Interpreter

1. Mr. Mamoru Oshiro, Planning Division Chief, GRI Planning Department, gave the Alternates a briefing on the economic outlook for Okinawa from the standpoint of the GRI "Long-Range Economic Plan" and in light of the planned reversion. Following the one-hour briefing, he answered questions raised by the Alternates. The GRI Alternate said there were two important aspects of the GRI plan, of which one is the attraction of large, modern industries and the other is the development of tourism. He added that the plan cannot be successfully carried out if these two aspects fail.

2. After Mr. Oshiro left the conference room, the GOJ Alternate said Miss Tamaki, Japanese typist in the Joint Secretariat, wished to leave to accept other employment and that the GOJ was looking for a replacement. The U S Alternate said he had received favorable reports on her work; he hoped the GOJ would be successful in finding her replacement, in particular in view of the next Principals' meeting on 13 January.

3. The U S Alternate said he had returned this morning from his regular monthly trip to Tokyo. He reported that Embassy officials, and presumably those in the GOJ Foreign Affairs Ministry as well were preoccupied with the meeting of the U S-Japan Joint Consultative Committee. He said that, although

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8 January 1970

SUBJECT: Eighty-second Meeting of PrepCom Alternates, 1500 hours, 22 December 1970

the reversion work on the diplomatic level was going forward, there had been no significant change since the last time he was in Tokyo that might affect the work of the PrepCom in dealing with the local aspects of reversion.


4. The U S Alternate said he had received a copy of a letter from the League of Not-Yet-Compensated Pre-treaty Injured Persons, addressed to the High Commissioner, as the U S Representative on the PrepCom, and asked if the other Principals had received similar letters. The GRI Alternate answered in the affirmative and said they had also been sent to Mr. Yara. The Alternates agreed to handle the letters on an individual basis.

5. The Alternates agreed to hold their next meeting at 1000 hours, 5 January 1971.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

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GOJ  
GRI  
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THE PREPARATORY COMMISSION  
Naha, Okinawa

13 January 1971

OFFICIAL MINUTES

SUBJECT: Eighty-third Meeting of PrepCom Alternates, 1000 hours,  
5 January 1971

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Kaya, GOJ  
Mr. Numakoshi, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Billingsley, U S  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The U S Alternate said there would be a briefing on the U S military and USCAR court systems this afternoon. In this connection, he said there would be a press announcement by the U S in the afternoon about one change in the military court system on Okinawa.

2. The U S Alternate announced that the U S side was prepared to meet with the respective representatives of the GOJ and of the GRI in an ad hoc sub-committee to discuss the three "participation" items (GRI budgets, Trust Fund Bureau Fund, and taxation and revenue matters) that are listed in the "Agreement to Facilitate a Smooth Transfer of Civil Administrative Rights of the United States to Japan Upon Reversion" of 9 November 1970. He added that this is an urgent matter because of the required budget deliberations in the GRI Legislature that had to be completed by 1 May 1971. The U S Alternate also said Mr. Kramer, Director of USCAR Comptroller Department, and/or a designee, would be the U S member(s) and asked the other Alternates to let Mr. Billingsley know the names of their designees. The GOJ Alternate said his tentative idea was to name one member from his own staff and one from OBONTA.

3. The Alternates confirmed their understanding that the Principals would hold a free discussion session at 1400 hours and a formal meeting at 1500 hours on 13 January.

4. The U S Alternate asked the GOJ Alternate if the latter would have any new items or ideas to add to the seven mentioned on 27 November as possibilities

PREPCOM

13 January 1971

SUBJECT: Eighty-third Meeting of PrepCom Alternates, 1000 hours, 5 January  
1971

for a December Principals' meeting. The latter responded in the negative. The U S Alternate said that, since there were no formal items before the PrepCom, other material would have to be used for the Progress Report from the Alternates to the Principals. He suggested that the three items mentioned in paragraph 2 above be included in the report.

5. The GRI Alternate asked if the Alternates could report to the Principals on the status of the progress of the diplomatic negotiations for a U S-GOJ reversion agreement. The U S Alternate said he did not think the PrepCom could make such a report since the negotiations are continuing and no agreements have been reached.

6. The GRI Alternate asked if the PrepCom could report on the progress of the studies on an indirect hire system. The U S Alternate answered that, although many meetings have been held on this subject, the negotiations were not far enough along to permit such a report to be made. The GRI Alternate asked if Tokyo could verify in writing the various reports on the reversion negotiations or if they were simply speculation. The U S Alternate answered that he would explore this point but added that he was not hopeful because the Alternates could hardly report on something outside of the competence of the PrepCom at this stage of the negotiations. The GOJ Alternate said the furthest he could go would be to say that a GOJ survey team had come here and that two experts would arrive next week for fact-finding work in preparation for a smooth transfer to an indirect hire system.

7. The GRI Alternate said that if the U S or GOJ Representative could respond to matters raised by the Chief Executive at previous free discussion periods the newspaper people would be "very glad," even though there would be little to report from the formal meeting of the Principals. The U S Alternate said he would explore this point on his side.

8. The Alternates agreed that the ad hoc progress report subcommittee should complete a draft report by 1500 hours, 7 January, and give copies to each Alternate to study before the next Alternates' meeting. The U S and GRI Alternates named Messrs. Walters and Zakimi, respectively. No one was named on the GOJ side.

9. The Alternates discussed the subject of a press statement and of a press conference. They agreed to defer decisions on these matters until the next meeting.

10. The Alternates also agreed to hold their next regular meeting at 1000 hours, 8 January 1971.



PREPCOM 13 January 1971  
SUBJECT: Eighty-third Meeting of PrepCom Alternates, 1000 hours, 5 January 1971

APPROVED:

H. Savage Tomio Yoshioka Ellie M. Schodt  
GRI Alternate GOJ Alternate U S Alternate

DISTRIBUTION:

USC  
GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

13 January 1971

OFFICIAL MINUTES

SUBJECT: Eighty-fourth Meeting of PrepCom Alternates, 1500 hours,  
5 January 1971

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate


Others: Mr. Kaya, GOJ  
Mr. Yamaguchi, GOJ  
Mr. Nitta, GOJ  
Mr. Okano, GOJ  
COL Meads, U S  
Mr. Walters, U S  
Mr. Billingsley, U S  
Mr. Zakimi, GRI  
Miss Sata, Recorder  
COL Carney, Staff Judge Advocate, USARYIS  
Mr. Eisenstein, Chief of Legal Division, USCAR Legal Affairs  
Department

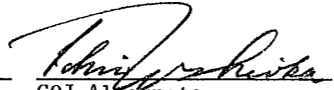
12 Officials from the Three Governments


1. The U S Alternate introduced Colonel Carney, Staff Judge Advocate, USARYIS, and Mr. Eisenstein, Chief, Legal Division, USCAR Legal Affairs Department.
2. Colonel Carney gave a one-hour and ten minute briefing on the U S military court system in which, among other things, he compared the court system based on civil law with that based on U S common law. He then said that he had been asked by the High Commissioner to announce that legal and judicial officials to be chosen by the GRI will be invited to observe U S military courts martial in cases involving the interests of the local community. This presentation was followed by a thirty-minute question and answer session.
3. Mr. Eisenstein gave a thirty-five minute briefing on the organization and operation of the USCAR court system. This was followed by a thirty-minute question and answer session.
4. The meeting was adjourned at 1750 hours.

PREPCOM 13 January 1971  
SUBJECT: Eighty-fourth Meeting of PrepCom Alternates, 1500 hours, 5 January 1971

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

18 January 1971

OFFICIAL MINUTES

SUBJECT: Eighty-fifth Meeting of PrepCom Alternates, 1000 hours,  
8 January 1971

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Numakoshi, GOJ  
Mr. Yamaguchi, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Billingsley, U S  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The Alternates affirmed that the free discussion period of the Principals would begin at 1400 hours, 13 January 1971 and that the formal meeting would follow at 1500 hours.
2. The U S Alternate referred to the draft progress report the ad hoc subcommittee had submitted to the respective Alternates yesterday, invited comments on it and then distributed another draft in which his own comments had been incorporated. The Alternates agreed to change one paragraph in this second draft and then to recommend that it be approved by their respective Principals.
3. The Alternates also agreed to recommend to their Principals that there be no joint press conference, either by the Principals or by the Alternates, and that each government be free to deal with the press on an individual basis. The GRI Alternate said he thought the Chief Executive would hold a press conference because the reporters would like to talk about what occurred at the free discussion period.
4. The Alternates agreed that there should be a short press release on the Principals' meeting and asked the ad hoc press subcommittee to draft one by 1400 hours today.
5. The GOJ Alternate asked for confirmation that the contents of the progress report from the Alternates could be given to the press. The U S Alternate

PREPCOM: 18 January 1971  
SUBJECT: Eighty-fifth Meeting of PrepCom Alternates, 1000 hours, 8 January 1971

said he would recommend to his Principal that anything in the report could be used in discussions with the press; however, he suggested the report itself should not be distributed even though it contains nothing of a classified nature, to which the GOJ Alternate agreed.

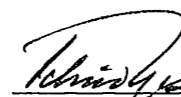
6. The GRI Alternate asked if the other Alternates anticipated that their Principals would respond to the requests made by the Chief Executive at previous free discussion periods. The U S Alternate said he was working on this matter but would not be able to see his Principal until Monday.

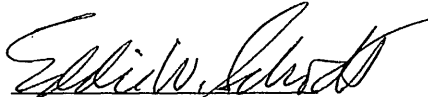
7. The GRI Alternate informed the other Alternates that the rules of procedure for the Reversion Preparations Prefectural People's Conference had been promulgated and that the GRI was now contacting the fifty people who had been chosen to ask them if they will accept appointments as members of the Conference. He anticipated that the Chief Executive would hand out the official letters of appointment by 13 January. He also said that, at the first meeting of the Conference, the Chief Executive will ask its members to make recommendations on the scheduled November 1971 election and on "how to handle" the problem of the chiji (governor) at the time of Reversion.

8. The Alternates agreed that they will hold their next meeting at 1000 hours, 12 January 1971.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

DISTRIBUTION:  
USG  
GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

18 January 1971

OFFICIAL MINUTES

SUBJECT: Eighty-sixth Meeting of PrepCom Alternates, 1000 hours, 12 January 1971

Participants:

Members: Mr. Schott, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Yamaguchi, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Billingsley, U S  
Mr. Adaniya, GRI  
Mr. Zakimi, GRI  
Miss. Sata, Recorder

1. The Alternates affirmed for the record that the Principals' meeting scheduled for 13 January had been postponed. The U S Alternate said the first possible date on which his Principal could meet would be 21 January but that 27 January would be preferable, because the 21st would be the day before the next Okinawa Coordinating Committee's monthly meeting on the U S side. The GOJ Alternate said the first date would be better, if circumstances permitted, but that either day would be acceptable for the GOJ. The GRI Alternate said he foresaw no problem with either date but he would have to check the Chief Executive's schedule.

2. The Alternates agreed to instruct the Joint Secretariat to notify the press by telephone that the Principals' meeting had been postponed and that the date of the next meeting would be announced later.

3. The U S Alternate said he had received a petition addressed to the Prep-Com from the Okinawa Regional Exchange Service Concessionaires' Laundry Association and that he understood the other Alternates had received the same petition. They affirmed this. He summarized the content of the petition as follows:

a. Request that the method of cleaning the clothing and bedding of Self-Defense Forces personnel be taught to laundries now catering to base personnel.

PREPCOM  
SUBJECT: Eighty-sixth Meeting of PrepCom Alternates, 1000 hours, 12 January 1971

18 January 1971

b. Request that measures be implemented for those who have changed occupations, to procure funds to continue and develop existing laundry businesses, and to provide unemployment relief to laundry workers.

The U S Alternate said he would like to study this petition more carefully before recommending further action on it. The GOJ Alternate said he had sent a copy of the petition to Tokyo for study and consideration by the central government and for transfer to the Self-Defense Forces. The Alternates agreed that the Joint Secretariat should send the standard form letter that the PrepCom has been using to acknowledge the receipt of petitions.

4. The GRI Alternate asked if the GOJ Alternate knew Minister Yamanaka's itinerary. The GOJ Alternate said Minister Yamanaka will arrive on 13 January and leave for Tokyo on the 18th, visiting, among other places, Nago, Iejima, Iheya, Izena, and Koza. He added that he would make available a written itinerary later.

5. The GOJ Alternate said Mr. Yoshino, newly appointed Director-General of the North American Bureau, Ministry of Foreign Affairs, would visit Okinawa from the 15th to the 18th of January. He added that Mr. Yoshino's itinerary was not completed yet, except for a meeting with the High Commissioner on the 18th.

6. The Alternates agreed that, since 15 January is a GOJ and GRI official holiday, they will meet next at 1000 hours, 19 January 1971.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

DISTRIBUTION:  
USG  
GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

26 January 1971

OFFICIAL MINUTES

Subject: ~~Eighty-sixth Meeting of PrepCom Alternates, 1000 hours, 12 January 1971~~  
Eighty-seventh Meeting of PrepCom Alternates, 1000 hours, 19 January 1971

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Kaya, GOJ  
Mr. Yamaguchi, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, USG  
Mr. Billingsley, USG  
Mr. Adaniya, GRI  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The U S Alternate confirmed that he had received official orders for his transfer to Bangkok and that he would probably leave early in the week of 15 February; the exact date is uncertain. He also said Civil Administrator Fearey would replace him and assume the additional title of the U S Alternate Representative. He added that his present staff would continue to function and that a deputy would be named to assist Minister Fearey on PrepCom work. The U S Alternate added that a press announcement will be made, probably around Thursday, 21 January.

2. The U S Alternate said the USCAR Public Affairs Department for record purposes wished to take pictures of a Principals' meeting, an Alternates' meeting, a subcommittee meeting, the PrepCom offices and building, and also PrepCom personnel. He invited the other Alternates' comments and asked for their cooperation on this matter. They agreed to approve the taking of pictures. The Alternates then agreed to have the Joint Secretariat work out the necessary details.

3. The U S Alternate said he had received a petition from the Chairman of the Ishigaki City Assembly regarding land purchased by the former Japanese army between 1940 and 1944. He explained that the petition requests the GOJ to implement ways and means of releasing the land to the original owners. The U S Alternate asked the other Alternates if they had received a copy of such a petition. They replied in the negative. The Alternates agreed to take no action today, pending possible receipt by the GOJ and GRI Alternates of the same petitions.

PREPCOM

26 January 1971

SUBJECT: Eighty-seventh Meeting of PrepCom Alternates, 1000 hours,  
19 January 1971

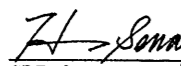
4. The U S Alternate asked the GOJ Alternate if there was anything more he expected the U S to add to the information on third country nationals it had provided in the past. He added that the U S side was willing to do anything it could to help. The GOJ Alternate answered that the problem was still under study by the agencies concerned and that he had nothing to request of the U S at this moment.

5. The Alternates confirmed that the next Principals' meeting should be held on 27 January, with the same hourly schedule as in the past, that is, the free discussion period will begin at 1400 hours and the formal meeting will follow at 1500 hours.

6. The U S Alternate said he thought that the date was the only change to be made in the draft progress report from the Alternates. He asked if the GOJ and GRI Alternates foresaw any changes in it. The GOJ Alternate said he did not intend to propose any other changes. The GRI Alternate said he foresaw no changes. However, he added that he had not shown the draft to his Principal yet but would see the latter this week and then let the other Alternates know the results. The Alternates therefore tentatively agreed on the progress report as prepared earlier.

7. The U S Alternate raised for consideration of the other Alternates a change in the Alternates' regular meeting from 22 January, because of the Okinawa Coordinating Committee meetings on that day on the U S side. The Alternates agreed to meet next at 1000 hours, 25 January 1971. They also agreed that if changes should be required in the draft progress report in the meantime, they will meet on an ad hoc basis.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

29 January 1971

OFFICIAL MINUTES

Subject: ~~Eighty-seventh Meeting~~ Eighty-eighth Meeting of PrepCom Alternates, 1000 hours,  
25 January 1971

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Kaya, GOJ  
Mr. Mabuchi, GOJ  
Mr. Nakayama, GOJ  
Mr. Yamaguchi, GOJ  
Mr. Nitta, GOJ  
Mr. Burke, USG  
Mr. Walters, USG  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The U S Alternate referred to the petition received from the Okinawa Regional Exchange Service Concessionaires' Laundry Association, the receipt of which had been acknowledged by the Joint Secretariat. He asked the other Alternates for comments. The Alternates agreed that there was no need for further action at this time.

2. The U S Alternate reiterated the question which he asked in a previous meeting as to whether the other Alternates had received from the Chairman of the Ishigaki City Assembly copies of the petition concerning land which allegedly had been used by the prewar Japanese army. The reply was in the negative. Therefore the Alternates agreed that the U S Alternate should formally acknowledge receipt of the petition.

3. The U S Alternate reported that he had received a letter from the Okinawa Management Association about Phase 1 of the GOJ Okinawa Reversion Measures' Outline, and asked the other Alternates if they had received similar letters. The answer was in the affirmative. The Alternates agreed that the letters should be answered individually.

4. The U S Alternate announced that for record purposes the USCAR Public Affairs Department had been taking pictures earlier today, would take pictures of the Alternates at this meeting, and would take other pictures of each Element's offices later and at the Principals' meeting on 27 January.

PREPCOM

29 January 1971

SUBJECT: Eighty-eighth Meeting of PrepCom Alternates, 1000 hours,  
25 January 1971


5. The U S Alternate referred to an item carried over from the Alternates' meeting on 5 January, that of naming the members to discuss the three fiscal "participation" items (GRI budgets, Trust Fund Bureau Fund, and taxation and revenue matters) that were agreed to on 9 November 1970 at the Principals' meeting. The GOJ Alternate said his side was not in a position to inform the U S of its members at this meeting but would name them soon after the 27 January Principals' meeting. The GRI Alternate said Mr. Miyagi, Director of the GRI Planning Department, would be the member on his side.


6. The Alternates agreed that, for the 27 January Principals' meeting, no changes needed to be made in the material prepared for the 13 January meeting which had to be postponed. They also agreed to direct the Joint Secretariat to notify the press this afternoon of the date and time of the meeting and the fact that there would be no press conference either at the Principal or Alternate level.


7. The U S Alternate announced that the last meeting he would attend would be that of 12 February. He added that, for the formal record, he would introduce Civil Administrator Fearey as his successor at that time.

8. The U S Alternate said he would not be able to attend a 29 January Alternates' regular meeting because of his planned trip to Bangkok from 28 January to the 31st. He said he would be available on the 28th. However, the Alternates agreed to hold their next meeting at 1000 hours, 2 February 1971.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

11 February 1971

OFFICIAL MINUTES

SUBJECT: Eighty-ninth Meeting of PrepCom Alternates, 1000 hours,  
2 February 1971

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Kaya, GOJ  
Mr. Nakayama, GOJ  
Mr. Yamaguchi, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Billingsley, U S  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The U S Alternate gave the other Alternates copies of the pictures of the Principals which USCAR Public Affairs Department had taken at the meeting on 27 January 1971.

2. The U S Alternate suggested a post-mortem discussion on the 27 January Principals' meeting. He said that even though the "free discussion" period went over the allotted hour, the Alternates should have, as they had previously agreed, reminded the Principals to decide on press treatment before going to the formal meeting. As a result the Chief Executive, without advance notice, raised in the formal meeting a question about including in the agreed upon press statement the titles of the seven subjects he had raised during the "free discussion" period.

3. The U S Alternate also mentioned that a conflict in wording between the scenario and the press statement on a date for the next Principals' meeting had not been noticed in advance.

4. The U S Alternate said he had noticed that the press had featured the GOJ Alternate's remarks to the press after the Principals' meeting; he asked if the GRI Alternate also had met the press. The GRI Alternate said he had attended the press meeting held by Mr. Yara and added that the press people asked if the Chief Executive had obtained any reaction from the U S and GOJ

PREPCOM  
SUBJECT: Eighty-ninth Meeting of PrepCom Alternates, 1000 hours, 2 February 1971

11 February 1971

to the requests he had made in the "free discussion" periods. The GRI Alternate said that, in replying, the Chief Executive gave as an example of a specific "reaction" the statement by the High Commissioner that the number of military employees to be dismissed might be decreased.

5. The GOJ Alternate said that in his press meeting after the Principals' meeting the journalists focused on the subjects raised by the Chief Executive during the "free discussion" period and on how the GOJ would deal with them. The GOJ Alternate said he answered that the Chief Executive's requests would be studied seriously but that, due to their nature, it was not possible to make an on-the-spot answer. The U S Alternate said that, although he had not had a similar opportunity to make this point to the press, the U S side also had been giving serious attention to these items. He added as a personal opinion that the PrepCom very likely in the future would have to face similar questions.

6. Referring to accounts of the GOJ Alternate's meeting with the press in which references were made to Phase 2 and 3 items, the U S Alternate asked the GOJ Alternate if the reports were accurate. The latter replied that the first two or three sentences were summarized correctly from what he had said but that what followed represented the reporters' own conclusions. He added that if one did not read the reports carefully one would receive the impression that he had been the source for the entire content.

7. The U S Alternate noted that the press mentioned specific items in Phases 2 and 3. The GOJ Alternate said the journalists appeared to know the items and wanted him to confirm them; in reply he had emphasized that he could not deny them but that the items would be flexible and would depend on the development of future negotiations.

8. The U S Alternate also noted that the press reports referred to the contents of Phases 2 and 3, even though the PrepCom had not indicated them precisely at past press conferences to the best of his knowledge. He asked if the GOJ Alternate thought that the press might have had access to the classified document that gave the content of these two phases. The GOJ Alternate replied that the journalists must have picked up the items for the subsequent phases by studying the phase 1 items and by drawing conclusions about what particular areas were reserved for future action.

9. The U S Alternate said he had some voluminous documents dealing with the new GOJ supervision role over its economic assistance program to the Ryukyu Islands. He said the transfer of the advice and assistance function in this area had become effective on 1 December and that USCAR as a result had concluded that four pertinent documents needed to be amended to make them consistent. The U S Alternate said he would provide copies of the documents

PREPCOM  
SUBJECT: Eighty-ninth Meeting of PrepCom Alternates, 1000 hours, 2 February 1971

11 February 1971

after this meeting. He suggested that for the next Alternates' meeting someone be invited from USCAR to explain the changes and answer questions if there might be any. The other Alternates agreed.

10. Mr. Kaya of the GOJ Element wondered whether these particular documents were the same as those USCAR and OBONTA had agreed tentatively to revise after the 9 November Agreement, and which the GOJ had sent to Tokyo for consultations on the diplomatic level. The U S Alternate said he was not familiar with this history but that the USCAR spokesman could explain past actions at the next Alternates' meeting.

11. The GRI Alternate asked about the relationship between the proposed amendments to these documents and the committee that is supposed to study the three fiscal "participation" items. The U S Alternate said there was no relationship. In this connection he asked the GOJ Alternate if the latter was ready to name a member to the fiscal committee. The GOJ Alternate said he needed a little more information from Tokyo before naming someone.

12. The Alternates agreed that they would hold their next meeting at 1500 hours, 5 February 1971.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File



THE PREPARATORY COMMISSION  
Naha, Okinawa

11 February 1971

OFFICIAL MINUTES

SUBJECT: Ninetieth Meeting of PrepCom Alternates; 1500 hours,  
5 February 1971

Participants:

Members: Mr. Schodt, U S Alternate ,  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Kaya, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Billingsley, U S  
Mr. Zakimi, GRI  
Miss Sata, Recorder

Mr. Kobayashi, OBONTA

Mr. Tatekawa, USCAR Comptroller Department  
Mr. Shinn, USCAR Liaison Department

1. The U S Alternate introduced Messrs. Tatekawa and Shinn, USCAR Comptroller and Liaison Departments, respectively, who were present to answer questions on U S suggested changes in documents dealing with the GOJ aid program to the Ryukyu Islands. The GOJ Alternate introduced Mr. Kobayashi from OBONTA, The Alternates confirmed that they all had received copies of these documents following their previous meeting.

2. The GOJ Alternate said his Government had informed him of its basic position that it was not realistic to amend the documents which it regards as being valid until March 1971, and that necessary amendments could be made, if necessary, in the next GOJ fiscal year. Mr. Tatekawa said the GOJ Alternate's statement in opposition to the proposed amendment was only partly true because of the system for carrying over expenditures for an additional year, thus making the documents valid until 31 March 1972.

3. The GOJ Alternate asked if the U S position was to amend the above-mentioned documents now. Mr. Tatekawa said that, if the GOJ was not enthusiastic about amending, it might not be necessary in his personal view but that he would have to discuss this with his superiors.

PREPCOM

11 February 1971

SUBJECT: Ninetieth Meeting of PrepCom Alternates, 1500 hours,  
5 February 1971

4. The U S Alternate pointed out that most of the proposed changes were technical rather than substantive and were suggested to remove inconsistencies. He asked if it would be possible to operate without these proposed changes. Mr. Tatekawa replied that, with a mutual understanding of the significance of the changes effective 1 December 1970, it would be possible. The GOJ Alternate said he did not anticipate technical difficulties in operating even if the documents were not changed. Mr. Tatekawa pointed out that changes to projects and subprojects other than minor changes are now stipulated in great detail; the U S was trying to simplify, for the benefit of the GOJ, the definition of "minor changes." The GRI Alternate said he had no comments now but would study proposed changes.

5. The GOJ Alternate asked, in case the documents were not revised, if implementation of the GOJ aid program had to be based on the unamended documents or whether it could be carried out in the spirit of a new understanding about the transfer of supervision on 1 December. Mr. Tatekawa said that, technically, implementation would have to be based on the existing documents. He added that he was not in a position to talk about proceeding under this proposed "spirit" of understanding.

6. Mr. Shinn said the Ministry of Foreign Affairs had contacted the American Embassy and asked if a new "Memorandum of Understanding" was needed; the answer given was in the negative because of the U S plan to amend the relevant documents. He asked whether specific objections to the procedural changes suggested had been proposed by the Ministry. Mr. Kaya replied that Tokyo's position was that there was no need to amend any provision of the memorandum. Mr. Shinn said he understood that the Ministry of Foreign Affairs thought that a new memorandum was not necessary, to which the U S Embassy and USCAR agreed, because of their belief that the old documents should be amended. However, he added, if the GOJ would not agree to such amendments, the U S side would have to look at the problem anew.

7. Mr. Kaya said it was necessary to work out a new memorandum which would cover the various proposed changes. The U S Alternate labelled as facetious his remark that the U S wanted to give the GOJ an omiyage but that the latter was hesitant to accept it. The GOJ Alternate said the GOJ was ready to accept its contents but not its covering. The U S Alternate and Mr. Shinn said the U S side might have to go to Washington for approval if a new "Memorandum of Understanding" were to be drafted; the U S side hoped to handle everything in the PrepCom by simply amending existing documents and by declaring the paragraph in the "USG-GOJ Exchange of Notes of 1964" about the Technical Committee to be null and void. The GRI Alternate said he now understood why these documents had been referred to the PrepCom. The GOJ Alternate said he would reserve his final decision on the proposed formulations until he had received confirmation from Tokyo.

8. The Alternates agreed to discuss, without any commitments, the specific

PREPCOM 11 February 1971  
SUBJECT: Ninetieth Meeting of PrepCom Alternates, 1500 hours,  
5 February 1971

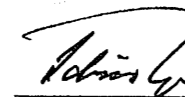
changes suggested by the U S. Mr. Kobayashi (OBONTA) asked several technical questions, which Mr. Tatekawa answered. The U S Alternate said the Alternate level was a cumbersome forum for a discussion of such technical points and he suggested an ad hoc subcommittee be formed to continue the discussion, to which the other Alternates agreed. Messrs. Tatekawa and Walters on the U S side, Messrs. Kobayashi and Nitta on the GOJ side, and Mr. Zakimi and one other official to come from the GRI Planning Department, were named by the respective Alternates.


9. The U S Alternate said he had to attend a ceremony arranged by the High Commissioner at 1000 hours, 9 February, and the Alternates therefore agreed to meet next at 1000 hours, 12 February. The U S Alternate reminded all that this would be the last meeting he would attend and that he would introduce his successor, Minister Fearey.

10. The U S Alternate said that the 15th of February was a U S official holiday and that some U S element staff members had plans which would make it inconvenient to hold a meeting on the 16th, which would be a regular Alternates' meeting day. He asked the other Alternates if they would agree to postpone the next formal meeting to the 17th or 19th. The Alternates agreed to meet at 1000 hours, 19 February, with the understanding that they could meet in the meantime if necessary.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

DISTRIBUTION:  
USG  
GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

27 February 1971

OFFICIAL MINUTES

SUBJECT: Ninety-first Meeting of PrepCom Alternates, 1000 hours,  
12 February 1971

Participants:

Members: Mr. Schodt, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate  
Mr. Fearey, Civil Administrator

Others: Mr. Kaya, GOJ  
Mr. Yamaguchi, GOJ  
Mr. Nitta, GOJ  
Mr. Billingsley, USG  
Mr. Zakimi, GRI  
Miss Sata, Recorder

Mr. Tatekawa, USCAR Comptroller Department  
Mr. Shinn, USCAR Liaison Department

1. The U S Alternate referred to the report from the ad hoc subcommittee formed to work on the U S-proposed changes in the documents dealing with the GOJ aid program. He said that agreement on the changes in wording had been reached at the subcommittee level. The GOJ Alternate said he had not received confirmation from his Government yet, so he still maintained his previous position that there is no need to change the existing documents but rather that a new "Memorandum of Understanding" for JFY 1971 could include the suggested changes. The Alternates therefore agreed to put this matter aside for the time being, on the assumption that the GOJ is accepting the principle of this discussion.

2. The U S Alternate raised for consideration the training of REPC and RDWC personnel in the Japanese systems of record keeping and financial accounting, which USCAR considers as one of the aspects of reversion; a cause for legitimate interest to the U S side is the time requirement, which, according to the experts, will take at least 14 months, so the training should start at an early date for smooth transfer from the U S system to that of Japan. The U S Alternate said one solution is perhaps to form an ad hoc subcommittee of representatives from the three Governments to discuss the technical matters related to the training and to give the Alternates an interim report. He suggested that the matter be left at this stage this morning.

3. The GRI Alternate asked why RDLC, one of three USCAR corporations, is not included in this training program. Civil Administrator Fearey said he would look into the matter.

PREPCOM

27 February 1971

SUBJECT: Ninety-first Meeting of PrepCom Alternates, 1000 hours,  
12 February 1971

4. The GOJ Alternate asked if the U S had any idea as to what the cost of the training program would be. The U S Alternate replied that he had no estimate available at present but said the REPC and the RDWC were agreeable to receiving the necessary training either in Okinawa or in Japan or both. He said both corporations are prepared to bear reasonable expenses for training. He added that the details were a subject to be worked out at subsequent meetings.

5. The GRI Alternate noted that local newspaper reports mentioned that some action will be taken by the U S to dispose of its stock shares in the Bank of the Ryukyus and of the USCAR petroleum facilities. He asked if agreement on these two items had been reached between the U S and Japan, so that they would be disposed of prior to reversion. The Civil Administrator replied that the Bank of the Ryukyus shares had been mentioned in the President's Budget Message; timing and precise method of disposal are still under study within the U S Government. Regarding the USCAR petroleum facilities, the Civil Administrator said the U S Army will be taking them over. The GRI Alternate said he thought that some discussion on these two matters would be needed in the near future; his Government is now wondering whether it should assume these items will be included in the assets which will be transferred to Japan on reversion day or whether it should assume that these two items will be disposed of before R-day. He added that if it will be the former his Government has something to request of the GOJ; if it is the latter, his Government wishes to discuss the matter with USCAR.

6. The U S Alternate referred to an article in the Okinawa Times to the effect that the Chief Executive had decided at the Department Directors' meeting on 11 February that he would propose at the next Principals' meeting the following items: (1) transfer of military used land, (2) transfer of public corporations, (3) transfer of Naha military port and of Naha Air Base, and (4) the rights of the courts to try criminal cases involving U S military personnel. He asked the GRI Alternate whether this was based on fact or whether it was in the nature of speculation. The latter replied that some items had been discussed for use during the next "free discussion" period; however, the article was not entirely accurate. The Civil Administrator said he hoped that reference to the item on GRI acceptance of the HICOM-proposed joint Traffic Safety Council was accurate. The GRI Alternate replied in the affirmative and added that he thought the GRI approval would be forwarded through official channels.

7. The U S Alternate formally introduced his successor, Minister Fearey, saying that the latter would function as the U S Alternate from the next Alternates' meeting. The U S Alternate then expressed his appreciation for the cooperation extended by the GOJ and GRI Alternates during his tenure. The GOJ and GRI Alternates expressed their appreciation to the U S Alternate and officially welcomed Minister Fearey. Minister Fearey said he looked forward to working with the GOJ and GRI Alternates in the common interest of a smooth transition to Japanese administration.

PREPCOM

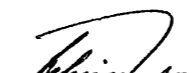
27 February 1971


SUBJECT: Ninety-first Meeting of PrepCom Alternates, 1000 hours,  
12 February 1971

8. The Alternates confirmed the previous agreement that their next meeting is to be held at 1000 hours, 19 February 1971.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

1 March 1971

OFFICIAL MINUTES

SUBJECT: Ninety-second Meeting of PrepCom Alternates, 1000 hours,  
19 February 1971

Participants:

Members: Mr. Fearey, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Kaya, GOJ  
Mr. Yamaguchi, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, USG  
Mr. Billingsley, USG  
Mr. Zakimi, GRI  
Miss Sata, Recorder

Mr. Kobayashi, OBONTA  
Mr. Tatekawa, USCAR Comptroller Department  
Mr. Shinn, USCAR Liaison Department

1. The GOJ Alternate said he could agree to the drafting of a separate paper including the changes needed for implementation of the GOJ aid program in light of the 9 November agreement on relinquishment of functions. He said his Government saw no reasons for amending the existing documents for the short period remaining in the current JFY. He added that the U S-proposed changes could be incorporated when the existing documents are re-written for JFY 71. The Alternates agreed that the ad hoc subcommittee should draft the paper discussed and that the same subcommittee could make the necessary revisions in the existing documents for JFY 71. The GOJ Alternate added that he thought that, if PrepCom accepted the separate paper, no signatures would be needed.

2. The GRI Alternate asked if the discussions on the GOJ aid program for the new JFY would be held in Tokyo. The GOJ Alternate answered that the substantive discussions would be held locally but that the subject would also be taken up formally in Tokyo. He added that the agreement would be signed by the Chief of the General Affairs Section, ONTA, and by the Chief of Administration, USCAR.

3. Referring to the question raised by the GRI Alternate previously as to why the RDLC was not mentioned in the discussion on the training of the REPC and RDWC personnel in the Japanese record keeping and accounting systems, the U S Alternate said this training relates largely to the depreciation of

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1 March 1971

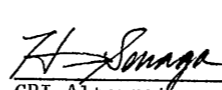
SUBJECT: Ninety-second Meeting of PrepCom Alternates, 1000 hours,  
19 February 1971


physical assets and that the RDLC has only limited physical assets, so it feels no need for such training.

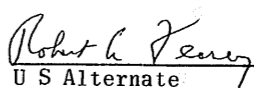
4. The GOJ Alternate said that, at the next Alternates' meeting, he would submit a paper on the postal service system. He explained that the paper would propose that some postal service functions be taken up before reversion. The U S Alternate said his Government will not relinquish control over the system until reversion but that there were doubtless technical matters that should be taken up before reversion to facilitate a smooth transfer. The GOJ Alternate suggested that a tripartite ad hoc working group of experts be established to study the GOJ paper to be presented at the next Alternates' meeting.

5. The Alternates agreed that their next meeting would be held at 1000 hours, Tuesday, 23 February 1971.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

10 March 1971

OFFICIAL MINUTES

SUBJECT: Ninety-third Meeting of PrepCom Alternates, 1000 hours,  
26 February 1971

Participants:

Members: Mr. Fearey, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Kaya, GOJ  
Mr. Nakayama, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, USG  
Mr. Billingsley, USG  
Mr. Zakimi, GRI  
Miss Sata, Recorder

Mr. Shinn, USCAR Liaison Department  
Mr. Tatekawa, USCAR Comptroller Department

1. The U S Alternate said he agreed with the substantive wording of the paper, entitled "Supervision over the Administration of the GOJ Aid Program to the Ryukyus," which the GOJ had submitted to the ad hoc working group, but had prepared an alternate draft (copy attached) which, though substantively identical, he considered clearer. The GRI Alternate said he had no objection. The GOJ Alternate said he would have to obtain confirmation from Tokyo. He added that he would notify the other Alternates if he received confirmation before the next Alternates' meeting.
2. The GOJ Alternate distributed copies of a paper prepared by his Government about postal services (attached). He said this represented a first approach in his Government's thinking. He then proceeded to make some general comments on the paper, adding that GOJ experts could explain the technical details at later meetings on the subcommittee level.
3. The U S Alternate repeated what he had stated at the previous meeting, to the effect that while the postal service system will remain under U S supervisory control until reversion, there were doubtless many things to be done before R-day to facilitate a smooth transition to the GOJ system. He said that U S concurrence would of course be required in any significant changes in the postal system proposed to be instituted before reversion. The U S Alternate asked if the proposed subcommittee study would result only in plans and papers or whether the GOJ and the GRI would suggest actual changes to be made before reversion. The GOJ Alternate replied that the GOJ had in

PREPCOM

10 March 1971

SUBJECT: Ninety-third Meeting of PrepCom Alternates, 1000 hours,  
26 February 1971

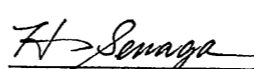
mind mostly the preparation of plans before reversion but some of them may require pre-reversion changes. The U S Alternate said his Government would be glad to have Mr. Dotson of USCAR Public Works Department participate as an expert member of the proposed subcommittee. The GOJ Alternate said that there is only one member from the Ministry of Postal Services in OBONTA but that other GOJ experts might be brought in, depending on the course of developments in the subcommittee. The GRI Alternate said he did not expect any problems but wished to study the paper before the expert subcommittee is established. The Alternates then agreed to defer further action on this subject until the next Alternates' meeting.


4. The GOJ Alternate announced that he would leave for Washington on 4 March and return on 16 March.

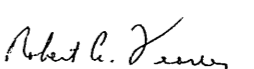
5. The Alternates agreed that their next meeting would be held at 1000 hours, 2 March 1971.

2 Incl.  
as

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File

Subject: Supervision over the Administration of the GOJ Aid Program to the Ryukyus

With reference to subparagraph a of paragraph 3 of the Agreement to Facilitate a Smooth Transfer of Civil Administrative Rights of the United States to Japan Upon Reversion, signed on 9 November 1970, it is agreed that in exercising the function of supervision of its aid program in Okinawa the Government of Japan will observe the following guidelines:

After Cabinet approval of the GOJ aid program, any changes to this aid program other than minor changes will require USG concurrence.

"Minor changes" shall be any changes which do not come within one of the following categories:

- a. Utilization of funds generated as a result of contract savings in a project except where such funds are applied to approved sub-projects within the project.
- b. Utilization of funds generated through reduction in scope of a project for other projects except where such funds are applied to approved subprojects within the project.
- c. Changes in the location of a subproject or a project, and addition or deletion of a subproject or a project.

When it is unclear whether or not the change of a project may be treated as a minor change, it shall be discussed by the concerned parties of OBONTA and the United States Civil Administration.

1. The undermentioned matters related to the Postal Services (except the matters concerning Armed Forces Mail and ones coming under the competences based on the International Treaties on the Postal Services):

- (1) Conditions of use of Mail such as mail classification, size and weight limit, etc.;
- (2) Postage rates;
- (3) Improvement of mail transportation service as well as collection and delivery service of mail;
- (4) Method of mail handling in Postal Services;
- (5) Program for issuance of stamps and stamped papers (except the matters related to the designs);

2. Postal Savings and Postal Money Orders Services (Postal savings, postal money orders, postal transfers and agency services for other government organizations):

3. Post Office Life Insurance and Post Office Annuities:

4. Public Telecommunication Services

Preparatory actions to be taken for smooth transition, at the time of reversion, of service arrangements and rates in the Ryukyu Islands to those in mainlands:

(i) Advice and assistance in connection with service facilities:

- a. Engineering works such as installation of the changing equipment in order to assimilate Ryukyu's toll telephone arrangements and rates to those of mainlands,

b. Construction of new line-of-sight microwave network for introduction of subscriber's trunk dialling into telephone calls between mainlands and Ryukyu Islands,

c. Replacement of public telephone equipment--Ryukyu's public telephone equipment with slot for U.S. ¢ 5 coins only must be replaced by mainlands' equipment with 10 yen coins.

(ii) Advice and assistance in connection with revision of telecommunication arrangements and rates.

5. Regulatory Control of Telecommunication Carriers

Advice and assistance in connection with organization, finance, etc. of Ryukyu Telegraph and Telephone Public Corporation (RTT) before the reversion -- RTT's services will be operated by Nippon Telegraph and Telephone Public Corporation (NTT) and Kokusai Denshin Denwa Co. (KDD) after the reversion.

6. Radio Regulation

(1) The undermentioned matters related to the radio station (licensed by the Government of the Ryukyus, herein after referred to as the same)

1 Superintendence (inclusive of radio monitoring, service documents, gist of enforcement of inspection etc.)

2 Operation

3 Form of written application

4 Radiobeacon signals etc.

5 Technical standard of radio equipment

(2) Introduction of radio utilization systems currently in Japan

proper (coast radio system, radio system for maritime security, radio system for fishery and so forth)

(3) Authorization, superintendence and guidance of corporation-juridical person-under the jurisdiction of the Postal Services Agency.

(4) Preparations, prior to the reversion, for the superintendence of radio station the utilization form and the technical standard for radio equipment with a view to joining to the frequency utilization systems in Japan proper immediately following reversion, on the premise that with respect to the decision on the approval or disapproval of the license of radio station and of the selection as well as assignment of radio frequency, the U.S. Government will make suggestions and assistance continuously until the reversion.



Received  
11.5.1971  
Prop. Proposal on  
Postal

7. Organization and structure under the authority of the Postal Administration of Ryukyu:
8. Working conditions of employees engaged in the Postal Services and Telecommunications Services:
9. Management of the Postal Services Special Account:

THE PREPARATORY COMMISSION  
Naha, Okinawa

23 March 1971

OFFICIAL MINUTES

SUBJECT: Ninety-fourth Meeting of PrepCom Alternates, 1000 hours, 9 March 1971

Participants:

Members: Mr. Fearey, U S Alternate  
Mr. Senaga, GRI Alternate  
Mr. Kaya, Acting GOJ Alternate

Others: Mr. Yamaguchi, GOJ  
Mr. Nitta, GOJ  
Mr. Takahashi, Economic Section, OBONTA  
Mr. Walters, U S  
Mr. Billingsley, U S  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The Acting GOJ Alternate said he had received a "green light" from Tokyo on the wording of the paper entitled "Supervision over the Administration of the GOJ Aid Program to the Ryukyus," which had been distributed at the 26 February Alternates' meeting. The Alternates decided that their agreement should be recorded in the minutes of today's meeting. In response to the Acting GOJ Alternate's request, the U S Alternate read aloud the entire paper as follows:

With reference to subparagraph a of paragraph 3 of the Agreement to Facilitate a Smooth Transfer of Civil Administrative Rights of the United States to Japan upon Reversion, signed on 9 November 1970, it is agreed that in exercising the function of supervision of its aid program in Okinawa the Government of Japan will observe the following guidelines:

After Cabinet approval of the GOJ aid program, any changes to this aid program other than minor changes will require USG concurrence. "Minor changes" shall be any changes which do not come within one of the following categories:

- a. Utilization of funds generated as a result of contract savings in a project except where such funds are applied to approved sub-projects within the project.

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SUBJECT: Ninety-fourth Meeting of PrepCom Alternates, 1000 hours, 9 March 1971

b. Utilization of funds generated through reduction in scope of a project for other projects except where such funds are applied to approved sub-projects within the project.

c. Changes in the location of a sub-project or a project, and addition or deletion of a sub-project or a project.

When it is unclear whether or not the change of a project may be treated as a minor change, it shall be discussed by the concerned parties of OBONTA and the United States Civil Administration.

2. Referring to the U S paper, which the U S Alternate gave to the other Alternates on 19 February 1971, on training of RDWC and REPC personnel in record keeping and financial accounts to conform to Japanese systems, the Acting GOJ Alternate said he had received instructions from Tokyo to get further information on the matter. He suggested that a subcommittee be appointed to clarify such points as (a) the period of training, (b) the items on which training would be given, (c) the locale of the training, (d) the bearing of expenses, (e) who would be trained, and so on. The Alternates agreed to turn this problem over to the Economic Subcommittee. The U S Alternate named Mr. Burke as a member, saying that the latter would be accompanied by someone from USCAR and perhaps by one person from each of the two corporations concerned. The Acting GOJ Alternate named Mr. Mabuchi of PrepCom and Mr. Saeki, Chief of the Welfare Section, OBONTA. The GRI Alternate named Mr. Zakimi to the subcommittee. The Acting GOJ Alternate added that Mr. Mabuchi was in Tokyo this week but would be available for subcommittee meetings next week.

3. The Acting GOJ Alternate asked the U S Alternate how soon the U S would be ready to discuss in an expert working group the GOJ paper on postal services. The U S Alternate reiterated that his Government was ready any time to have Mr. Dotson of the USCAR Public Works Department participate in meetings and asked the GRI Alternate whether the latter had come to a conclusion. The GRI Alternate said he did not have any problems with the paper. The U S Alternate said the initiative for such meetings should come from the GOJ. The Acting GOJ Alternate said he was trying to make arrangements for experts from the Ministry of Postal Services to come to Okinawa, but that they would like to discuss continuously for several days if necessary.

4. The Acting GOJ Alternate asked when his Government could get the material on State and Prefectural land which had been requested by Mr. Narasaki of the Property Custodian Bureau, Ministry of Finance. The U S Alternate replied that he had received a paper on the subject this morning. He added that he could furnish the material shortly, after he had informed himself about the background.

PREPCOM 23 March 1971  
SUBJECT: Ninety-fourth Meeting of PrepCom Alternates, 1000 hours, 9 March 1971

5. The GRI Alternate said his Government also wished to receive information on State and Prefectural lands. The Acting GOJ Alternate pointed out that the material Mr. Narasaki had requested might not necessarily cover the more comprehensive needs in connection with the item on administration of former Japanese State and Prefectural lands, which is in Phase 2 of the U S comprehensive proposal on "the Transfer at Reversion of Civil Administrative Rights." The GRI Alternate said the GRI General Affairs Department had asked him to get some material on State and Prefectural lands, so he would make a specific request at the next Alternates' meeting. The U S Alternate pointed out that Mr. Billingsley is the PrepCom expert on land matters.

6. The Alternates agreed to hold their next meeting at 1000 hours, 12 March 1971.

APPROVED:

*H. Sonaga* *Harmon Kaya* *Robert Perry*  
GRI Alternate GOJ Alternate, Acting U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

30 March 1971

OFFICIAL MINUTES

SUBJECT: Ninety-fifth Meeting of PrepCom Alternates, 1000 hours,  
12 March 1971

Participants:

Members: Mr. Fearey, U S Alternate  
Mr. Senaga, GRI Alternate  
Mr. Kaya, Acting GOJ Alternate

Others: Mr. Yamaguchi, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Billingsley, U S  
Mr. Shinn, USCAR  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The Acting GOJ Alternate said arrangements had been made to have experts from the Ministry of Postal Services come here on 25 and 26 March to discuss in the working group the GOJ's paper about postal services. The other Alternates agreed to these dates. The U S Alternate asked if the GOJ had other papers that would facilitate the discussions. The Acting GOJ Alternate replied that he understood the officials coming from Tokyo would bring more papers with them. He added that Messrs. Nitta of PrepCom and Takahashi of OBONTA would also participate in the discussions. The GRI Alternate designated Messrs. Zakimi of PrepCom and Tokashiki of the Postal Services Agency. The U S Alternate reiterated that he would have Mr. Dotson of USCAR participate as the U S member of the group.

2. The Acting GOJ Alternate referred to the Alternates' earlier discussion on formulating an ad hoc subcommittee which would work on implementation of the agreement on GOJ participation in providing advice and assistance to the GRI on the three financial matters, that is, Trust Fund Bureau Fund, GRI budgets, and taxation and revenue matters. He recalled that Messrs. Kramer of USCAR and Miyagi of the GRI Planning Department had been named by the U S and GRI Alternates, respectively, and said that he could now appoint Messrs. Yamaguchi of PrepCom, Kobayashi of OBONTA, and one official from the Ministry of Foreign Affairs. However, he added that the GOJ would prefer to hold a meeting the week after next because one of the GOJ-nominated members was off-island. The U S Alternate indicated that his side was ready and anxious to go ahead as soon as possible. He added that he would ask Mr. Kramer to organize the first meeting of the subcommittee.

3. The GRI Alternate distributed copies of a paper entitled "Information on Present Status of National and Prefectural Lands on the Ryukyu Islands,"

PREPCOM

30 March 1971

SUBJECT: Ninety-fifth Meeting of PrepCom Alternates, 1000 hours,  
12 March 1971

a copy of which is attached. He explained that his Government would like to have the information for planning purposes since there will be some possibility of changes in the National and Prefectural lands at the time of reversion. The U S Alternate said the paper calls for quite a volume of records and a certain amount of time would be required for collecting and copying them. He added that in principle the U S would be happy to provide as much information as possible and suggested that the U S and GRI land experts should hold a preliminary meeting to determine exactly what was wanted and how to proceed to furnish it. The Acting GOJ Alternate asked if his Government could receive benefit from the pertinent documents, through PrepCom channels. The U S Alternate pointed out that his Government has already provided a great deal of material which the GOJ had requested and that he had no objection to providing additional material. He asked if the GOJ would like to participate in the initial meeting. The Acting GOJ Alternate answered in the affirmative. The Alternates appointed, respectively, Messrs. McNealy, Sheehan, and Billingsley on the U S side, Messrs. Yamaguchi and Murayama on the GOJ side, and Mr. Zakimi of the GRI to attend the initial meeting. The U S Alternate added that he would have LTC McNealy set up the meeting.

4. The GRI Alternate said that years ago USCAR had told him on many occasions that the USCAR General Fund would be spent for the benefit of the Ryukyuan people and not returned to the U S. He asked if this was still the U S position. The U S Alternate said it has been his Government's concept that this money is for the benefit of the Ryukyuan people and that a number of facilities have been built with it.

5. The GRI Alternate asked if it would be correct to understand that the proceeds from the sale of the 51 percent of the Bank of the Ryukyus stock, which USCAR will sell, will be added to the General Fund and spent for the benefit of the Ryukyuan people. The U S Alternate affirmed that the proceeds from the sale of the U S stock would be added to the General Fund.

6. The GRI Alternate said it was his Government's desire that the stock would be disposed of to Okinawans so that the bank would be operated after reversion as a local bank. He added that he did not think it would be advisable to make a public offer of the stock, because this would result in too many small stockholders. He said it might be advisable to give preference in the purchase of stock to the bank's principal customers, such as businessmen. The U S Alternate noted the statement in the President's recent budget message advising that preference would be given to Ryukyuan purchasers. He said the bank's post-reversion status would not be a U S problem, but that his Government was still studying plans for disposal of its stock and would consider the GRI Alternate's suggestion. The GRI Alternate said the U S should discuss stock disposal with the GRI because the GRI could give constructive advice in this area.

PREPCOM 30 March 1971  
SUBJECT: Ninety-fifth Meeting of PrepCom Alternates, 1000 hours,  
12 March 1971

7. The Acting GOJ Alternate said the Bank of the Ryukyus was a matter of concern to his Government also. He also said that the GRI's line of thinking was generally understood and that his Government would make an announcement on this matter in Phase 2 or Phase 3 of its Outline for Reversion Measures. He also stated that the disposal of the stock in question was a matter of coordination among the three governments. The U S Alternate emphasized that this was a matter for U S decision but that of course if the GOJ decided it wished to present any suggestions on the matter they would be given appropriate consideration.

8. The Acting GOJ Alternate asked if the GRI had officially conveyed its thinking on this point to the GOJ. The GRI Alternate replied that his Government had told the GOJ its attitudes as follows: preference in the sale of stock should go to Ryukyans but this would not preclude sales to corresponding banks in Japan; public sale of the stock should not be allowed because stable stock holders, not speculators, are wanted.

9. The U S Alternate asked about the ownership of prefectural banks in mainland Japan. The Acting GOJ Alternate said stock ownership is widely distributed but that some important industries have a great interest in owning bank stock in particular areas. The GRI Alternate said that the stock should be widely distributed among businessmen and that it would be very important not to permit one rich person to buy most of the stock. He said he believed that the Bank of the Ryukyus felt no stockholder should be permitted to hold more than three percent of the stock. The U S Alternate said that, based on one stockholders' meeting he attended, quite a few people seem to own the 49 percent of the Bank of the Ryukyus stock that USCAR does not own.

10. The Acting GOJ Alternate pointed out it has been customary for GOJ observers to participate in U S-GRI consultations on police matters. He asked if the GOJ could also attend sessions of the U S-GRI Joint Traffic Commission in the capacity of observers. The U S Alternate said that Mr. Yara had accepted the proposal for the establishment of such a commission and that Messrs. Clark of USCAR and Tomikawa of the GRI General Affairs Department would meet shortly to discuss organizational details. He thought that the U S would be happy to have GOJ observers and asked if the GRI had any objection. The GRI Alternate replied that he did not think there would be objections, but that he had not yet raised this matter with his Principal.

11. The U S Alternate referred to a 19 February request by Mr. Hadame as to whether there were any objections on the U S side to permitting the Maritime Safety Agency to hold recruitment examinations in Okinawa in June. The U S Alternate said there was no objection. He added that the U S was in the process of gathering statistics on air-sea rescue actions, medevac missions, and civic action projects and would be able to provide the information to the GOJ next week through the PrepCom military attaches.

PREPCOM 30 March 1971  
SUBJECT: Ninety-fifth Meeting of PrepCom Alternates, 1000 hours,  
12 March 1971

12. The Alternates agreed to hold their next meeting at 1000 hours, 16 March 1971.

iiIncl  
as

APPROVED:

H. Sonaga      H. Kaya      Robert C. Ferry  
GRI Alternate      Acting GOJ Alternate      U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File

12 March 1971

GRI Alternate

SUBJECT: Information on Present Status of National and Prefectural Lands on the Ryukyu Islands

It is necessary for the GRI to have information on the present status of National and Prefectural Lands on the Ryukyu Islands in relation to preparation for reversion.

It is requested that the USG furnish the GRI with the following information.

1. Tables concerning the National and Prefectural Lands showing:

- a. Location (shi, cho, son, aza, ko-aza, chi-ban), Land Category, Area (tsubos), Status (allocated to USG, GRI, municipalities, leased, not allocated or leased).
- b. Location, Land Category, Area, Purpose of Use of the lands allocated to USG and/or affiliated agencies.
- c. Location, Land category, Area, Rental, Name and Address of Using Organization, Purpose of Use, Date of Initial Lease or Allocation, Expiration Date of Present Lease or Allocation of the lands being used by shi-cho-son or other public organizations (excluding GRI).
- d. Location, Land Category, Area, Rental, Name and Address of the User, Purpose of Use, Date of Initial Lease, Expiration Date of present lease of the lands leased to the private sectors (individuals or organizations).

Note: It is not needed to include the information on the lands allocated or leased by the GRI based on the HICOM Directive No. 2 dated 12 April 1962 to the tables b, c, and d above.

2. A table showing, Location, Area, Purpose of Use of the Lands Reclaimed by USG and/or Affiliated Agencies.

THE PREPARATORY COMMISSION  
Naha, Okinawa

3 April 1971

OFFICIAL MINUTES

SUBJECT: Ninety-sixth Meeting of PrepCom Alternates, 1000 hours,  
19 March 1971

Participants:

Members: Mr. Fearey, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Kaya, GOJ  
Mr. Walters, U S  
Mr. Billingsley, U S  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The U S Alternate reviewed the schedule of subcommittee meetings as follows:

a. Economic Subcommittee will meet at 1100 hours today, to discuss the matter of training programs for REPC and RDWC personnel.

b. Ad hoc subcommittee will meet at 1000 hours and 1430 hours, 25 March, to discuss postal and telecommunication matters. This meeting will be continued at 1000 hours, 26 March, if necessary.

c. Ad hoc subcommittee to discuss three fiscal "participation" items will meet on unspecified date during week of 5 April. This meeting was deferred until Mr. Kramer returns from Washington.

d. Ad hoc subcommittee will meet at 1430 hours, 23 March, to discuss provision of information requested by the GRI on state and prefectural lands.

2. The U S Alternate reported that his Government had provided to the GOJ requested information on med-evac, air-sea rescues, and civic action projects. In response to the U S Alternate's question, the GRI Alternate said he wished to receive the same information.

3. The GOJ Alternate proposed to invite Mr. Kato, Director of OBONTA, on 23 March to give a briefing to the Alternates on Phase 2 of the GOJ Reversion Measures Outline. The other Alternates agreed. The U S Alternate said the Outline was very important and that he hoped Mr. Kato would allow time for discussion after the briefing.

PREPCOM

3 April 1971

SUBJECT: Ninety-sixth Meeting of PrepCom Alternates, 1000 hours,  
19 March 1971

4. The GOJ Alternate reported on his recent trip to Washington and Honolulu. He said he met a number of State Department officials, including Mr. Ericson, the Country Director for Japan, and Pentagon officials, including Mr. Ward, Under Secretary of the Army. He also met with top CINCPAC officials in Honolulu. In many places he was asked about alternate routes for the removal of poison gas. He said he had explained the general situation and that his own "guesswork" was that route 2A might be possible; if other routes were eliminated by the criterion of limited construction time, the remaining alternates might be routes 2A and 3. At the Pentagon he was impressed by the fact that the U S was not ready to share construction costs, so that the cost will be a problem for the future but at any rate it is necessary to decide on a route. Another issue he was most asked about was the situation regarding ZENGUNRO strikes. He gave his own impression that ZENGUNRO had tried to have an orderly strike but that some radical supporting organizations had made trouble. He said he had also objectively explained what kind of organizations had participated in the strike. He said he had asked at the Pentagon, because the four services had discharged workers independently, whether there could be more efficient coordination to reduce strike pressures. He was told that this was not an easy problem but that such coordination is sought to the extent possible.

5. In response to the U S Alternate's question about examples showing a lack of coordination, the GOJ Alternate explained that, as an example, people separated from the Air Force might be hired at the 2nd Logistical Command. He added that, if shifts in employment were made in a planned way, it would be easier to avoid strikes.

6. The GOJ Alternate indicated that Mr. Ward asked about the problems of the VOA and of GRI indebtedness. He said he did not comment, because these matters are in diplomatic channels and not within his competence.

7. The GOJ Alternate said he was also asked about the Chief Executive election in November of this year. He explained the Legislature's resolution on postponement of the election until reversion and mentioned that necessary legal measures must be taken. The U S Alternate reported that yesterday his Government had received this resolution, along with several others, but no Chief Executive comments accompanied these resolutions. The GRI Alternate said that after the Cabinet decision, which is expected on 23 March, on Phase 2 of the GOJ Outline of Reversion Measures is announced, the GRI will send letters to the USG and GOJ asking them to make the necessary arrangements, including the amendment of Executive Order 10713.

8. Referring to the USCAR decrease in personnel, the GRI Alternate said USCAR must have many statistics, surveys, reports, and books that would be useful. He suggested a possible donation to an appropriate GRI organ, such as the University of the Ryukyus Library or the GRI Legislative Library. The U S



PREPCOM

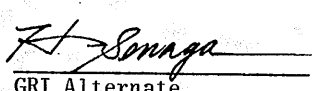
SUBJECT: Ninety-sixth Meeting of PrepCom Alternates, 1000 hours,  
19 March 1971

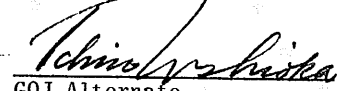
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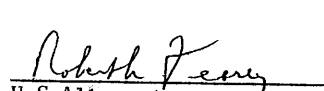
Alternate said USCAR had received a letter from Ryudai President Takara about this and had replied that the matter is under study. He added that Mr. East, formerly of National Archives, had arrived from Washington to prepare recommendations on the proper disposition of USCAR documents. The U S Alternate said he could not be definitive at this point, but that USCAR would be as helpful as it can to the GRI. He said he would try to give more specific information at the next Alternates' meeting. He also mentioned that the USCAR annual reports should be helpful to all concerned.

9. The Alternates agreed to hold their next meeting at 1000 hours, 23 March 1971.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

12 April 1971

OFFICIAL MINUTES

SUBJECT: ~~Ninety-sixth Meeting of PrepCom Alternates, 1000 hours,~~  
Ninety-seventh Meeting of PrepCom Alternates, 1000 hours,  
23 March 1971

Participants:

Members: Mr. Fearey, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Kaya, GOJ  
Mr. Mabuchi, GOJ  
Mr. Nakayama, GOJ  
Mr. Walters, U S  
Col. Meads, RIRCG  
Mr. Clark, USCAR Liaison Department  
Mr. Billingsley, U S  
Mr. Zakimi, GRI  
Mr. Tomita, GRI  
Mr. Oroku, GRI  
Mr. G. Higa, GRI  
Miss Sata, Recorder

Mr. Kato, Director of OBONTA

1. The GOJ Alternate introduced Mr. Kato, Director of OBONTA. The U S Alternate welcomed him, saying that he looked forward to his comments and explanations.
2. Mr. Kato explained the background of Phase 2 of the Outline of GOJ Reversion Measures, which was to be approved by the Cabinet that morning. He pointed out two items, namely, the GOJ agencies to be established in Okinawa and the tax systems, had to be omitted from this phase. He said the GOJ would further discuss these items with the GRI so they possibly can be covered in the next phase. He expressed his hope that, although these are difficult problems, a decision on them might be reached simultaneously with the progress of diplomatic negotiations.
3. Mr. Kato briefed on the following items: (1) Okinawa Prefecture and Shi-Cho-Son, (2) GRI Related Instrumentalities, (3) Revision of New National Comprehensive Development Program and New Economic and Social Development Program, (4) Okinawa Promotion and Development Bank, (5) Education and Culture, (6) Welfare and Labor, (7) Industry and Economics, (8) Transportation and Communication, (9) Judicial and Legal Affairs, (10) Licenses and Qualifications, and (11) Qualifications for Foreigners to Reside in Okinawa.
4. The U S Alternate said he had read that elections for governor and prefectural assemblymen would take place within 40 or 50 days after reversion but that he did not see anything about this in the translation of Phase 2. Mr. Kato said no specific period is prescribed; the desire is to hold elections as soon as possible, but it is not clear how soon they can be held, because there are



PREPCOM

12 April 1971

SUBJECT: Ninety-seventh Meeting of PrepCom Alternates, 1000 hours,  
23 March 1971

difficult problems involving redistricting and the number of assemblymen. He also mentioned that elections will not be held within 40 days after reversion.

5. In relation to the item on GRI Instrumentalities, the U S Alternate noted that the net worth of the RDLC is some 50 million dollars and asked about the capitalization of the new Okinawa Promotion and Development Bank contemplated in the Outline. Mr. Kato answered that his Government first had to determine what projects should be promoted and that it was not feasible to make an estimate at this time. However, he added that, since the new bank would engage in affairs now undertaken by the RDLC, the Peoples Finance Corporation, and a number of GRI special accounts, its capitalization might be more than the collective funds of all the financial agencies involved.

6. The U S Alternate asked if the free trade zone contemplated in the Outline would be in the Aja Port area or elsewhere. Mr. Kato said Aja Port might be suitable as it has certain merits but that the GOJ feels this matter should be decided by the GRI; the GOJ will coordinate with the GRI until a decision is made.

7. The GRI Alternate asked to be excused during the course of the briefing because he had another engagement.

8. After the briefing ended, the U S Alternate expressed his appreciation to Mr. Kato for his informative explanation. The former then asked whether Mr. Kato had any idea about when phase 3 of the Outline would be completed. Mr. Kato answered that the next phase will cover a number of quite difficult items, including those mentioned in paragraph 2 above, so he could not give an estimate. He said that he would be in Tokyo until Sunday and that he would request an expeditious conclusion of Phase 3. He added that his personal feeling was that, since the tax system is related to private enterprises in Okinawa, it is necessary to make a determination on Phase 3 as soon as possible.

9. The U S Alternate also asked if Phase 3 would include a post-reversion transition period for the application of Japanese laws. Mr. Kato answered that there are about 1,600 Japanese laws, of which some 1,100 relate to Okinawa. The GOJ has concluded that 500 of the 1,100 can be put into effect automatically, without change at reversion. However, the other 600 will require amendment and it will probably be August before a governmental position on these will be reached. Since the "Okinawa Diet" session is expected to be held in October, the GOJ hopes to introduce three categories of bills: (1) the reversion agreement, (2) provisional laws for Okinawa, and (3) a bill for the promotion and development of Okinawa. In reply to the U S Alternate's request for further clarification, Mr. Kato said the 500 laws not requiring change will be applied on R-day automatically, without a transitional period. There will be a transitional period for all of the remaining 600 laws. The things the GOJ will be doing for Okinawa will be the main concern in the revision of these 600 laws.

PREPCOM

12 April 1971

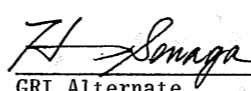
SUBJECT: Ninety-seventh Meeting of PrepCom Alternates, 1000 hours,  
23 March 1971

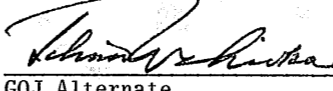
10. The U S Alternate said he understood that some aspects of the GOJ Outline had been helpfully discussed with the American Embassy Tokyo but that he wished to note for the record that there has been no consultation on the Outline with the USG, either in Tokyo or in Okinawa. Mr. Kato said he was of the opinion that there was no need to consult on the Outline with the Embassy or USCAR because it includes only GOJ internal matters. He added that, when the GOJ goes into matters concerning the U S, he believes the Ministry of Foreign Affairs would in due course discuss the details with the USG.

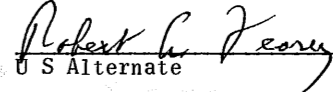
11. The U S Alternate noted that some items in Phase 2 do relate to U S interests in the pre-reversion period, such as disposal of Bank of the Ryukyus' stock. Mr. Kato answered that the only thing included about stock disposal was the GOJ wish to restrain mainland Japanese from purchasing shares so that they will be bought by Ryukyuan. As to the public corporations under U S jurisdiction, he said the matter of their purchase is under discussion on the diplomatic level and what happens after their purchase by the GOJ is an internal matter and thus is an appropriate subject for the Outline.

12. The Alternates agreed to hold their next meeting at 1000 hours, 26 March 1971.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

DISTRIBUTION:  
 USG  
 GOJ  
 GRI  
 File

THE PREPARATORY COMMISSION  
Naha, Okinawa

12 April 1971

OFFICIAL MINUTES

SUBJECT: Ninety-eighth Meeting of PrepCom Alternates, 1000 hours,  
26 March 1971

Participants:

Members: Mr. Fearey, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Nakayama, GOJ  
Mr. Numakoshi, GOJ  
Mr. Walters, U S  
Mr. Shinn, USCAR Liaison Department  
Mr. Zakimi, GRI  
Miss Sata, Recorder

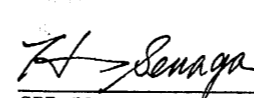
1. The U S Alternate said that several subcommittees had held meetings in the last week and that he had received tentative reports on them. The GOJ Alternate also said that members of his staff had informed him of the activities of the subcommittees and that he had been briefed by the experts from the Ministry of Postal Services. He said he understood that Mr. Dotson of USCAR was preparing a report about the two meetings on postal services held by the ad hoc subcommittee yesterday. He added that he hoped to hear the U S comments on the GOJ proposals in this area and said the GOJ was ready to provide further clarification if necessary.
2. The GOJ Alternate announced that two or three GOJ survey teams were planning to come to Okinawa; one is from the Ministry of Finance to study various USCAR assets and the other is from the Defense Facilities Administrative Agency to study the land situation. One of uniformed men, headed by Colonel Yamawaki, will come from the Japan Defense Agency. He added that one large team, composed of officials from the Ministry of Finance and Ministry of Transportation, was here now.
3. The GRI Alternate asked if the ad hoc subcommittee study of postal services would impact in any way on the 9 November "Agreement to Facilitate a Smooth Transfer of Civil Administrative Rights of the United States to Japan upon Reversion." The GOJ Alternate said that most of the requests from the Ministry of Postal Services are for permission to give pre-reversion advice and assistance to the GRI in preparation for post-reversion business. He explained that an example would be advice and assistance on public relations efforts about the "formula" for postal savings accounts.
4. The GRI Alternate asked if there would be a pre-reversion transfer of USCAR functions in the postal area. The U S replied that USCAR would not transfer

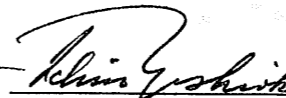
PREPCOM 12 April 1971  
SUBJECT: Ninety-eighth Meeting of PrepCom Alternates, 1000 hours, 26 March  
1971

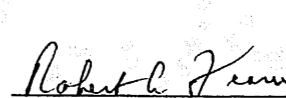
the advice and assistance function with respect to postal services and telecommunications until reversion, partly because the postal services problems are linked to currency conversion. Mr. Dotson had characterized most of the items raised by the GOJ as being of the informational type which would not pose problems. However, advice and assistance on such a matter as the stock of stamps to be retained, which involves the date of reversion, could raise problems and would require appropriate handling.

5. The GRI Alternate asked how pre-reversion advice and assistance by the GOJ on postal services would be handled. The GOJ Alternate said his Government can give advice and assistance under the paragraph about preparatory work in the 9 November Agreement. He added he felt that additional agreement would not be needed. The U S Alternate asked if there would be a report to the Alternates by the ad hoc subcommittee on postal services. Mr. Shinn said there would be a report and that if it suggested GOJ advice and assistance which could involve alteration of existing procedures, institutions, or activities prior to reversion, advance USG concurrence would have to be obtained and recorded in the minutes of an Alternates' meeting; if such alteration was not involved, the Alternates would not have to take any action.
6. The GRI Alternate said he thought the Chief Executive had already sent letters to the USG and the GOJ about postponing the November elections. The U S Alternate said he had not seen the letter yet but would check to see if it had arrived. In response to the GOJ Alternate's question as to whether the letter to the GOJ was addressed to Ambassador Takase or to his Government in Tokyo, the GRI Alternate said that it might have been to the latter.
7. The GOJ Alternate noted that there had been a summary in the press about the HICOM's 23 March letter to the Chief Executive about the removal of poison gas. He said the Ministry of Foreign Affairs was asking the American Embassy about the possibility of making public the entire contents of the letter and expressed the opinion that it would be helpful to do so. In reply to the U S Alternate's question, the GRI Alternate said he saw public relations value in disclosing the contents. The U S Alternate said that since the letter is addressed to the Chief Executive, he (U S Alternate) thought the decision on its release should lie with the Chief Executive but that he would check into the matter and advise at once.
8. The Alternates agreed to meet next at 1000 hours, 30 March 1971.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

PREPCOM  
SUBJECT: Ninety-eighth Meeting of PrepCom Alternates, 1000 hours, 26 March  
1971

12 April 1971

DISTRIBUTION:

USG  
GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

12 April 1971

OFFICIAL MINUTES

SUBJECT: Ninety-ninth Meeting of PrepCom Alternates, 1000 hours,  
30 March 1971

Participants:

Members: Mr. Fearey, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Billingsley, U S  
Mr. Shinn, USCAR Liaison Department  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The GOJ Alternate announced that a GOJ survey team on water resources would be coming on 5 April and that its members wished to meet Messrs. Lombard and Kramer and other USCAR officials. He added that the team would stay until 10 April and that it wanted to see the sources of water in the northern part of Okinawa, water purifying facilities, and dams. The U S Alternate asked if the GOJ would be in touch with USCAR Liaison Department. The GOJ Alternate replied in the affirmative and added that his side would also contact the American Embassy Tokyo in this regard.

2. The GOJ Alternate referred to a GOJ ordinance which had been amended this year to permit loans to the GRI for the promotion of the tourist industry in Okinawa. In response to the U S Alternate's question, the GOJ Alternate said it was the enforcement ordinance under the 1968 "Law for Special Measures for Financial Loans to the GRI for Industrial Development, Etc., in the Okinawa Region." He added that under this ordinance the GOJ can loan funds from various sources such as the Trust Fund Bureau Fund, life insurance funds, and so on. Loans could be designated for the promotion of forestry, fisheries, mining, small scale industry, transportation, communication, construction of homes, and other related purposes. Now the GOJ has added words to a paragraph of the ordinance for the purpose of tourism promotion. This requires some arrangement with respect to the USG-GOJ "Memorandum Concerning Loans of the Government of Japan to the Government of the Ryukyu Islands for the Japanese Fiscal Year of 1970." The GOJ Alternate further explained that the Memorandum is effective until the end of this month but that funds can be carried over to the next fiscal year. Therefore, he said, some arrangement is needed to include the item on the tourist industry within the purview of the Memorandum. He also mentioned that, as in the case of memoranda about the GOJ aid program, amendment is not necessary but that some kind of understanding would be needed.

PREPCOM

12 April 1971

SUBJECT: Ninety-ninth Meeting of PrepCom Alternates, 1000 hours,  
30 March 1971

3. The U S Alternate said he had no objections but wondered what the appropriate agreement procedure would be. The GOJ Alternate replied that some wording for the record was all that was needed. The U S Alternate said he would be happy to state in an appropriate manner his agreement with GOJ Alternate's proposal.

4. The U S Alternate announced that Mr. Francis will arrive on 5 April and will assist him on PrepCom matters and also serve as his Special Assistant at USCAR. He added he would bring Mr. Francis around to introduce him to the other Alternates and staffs.

5. The GOJ Alternate announced that Mr. Kaya will leave about the end of April for his new assignment in Geneva. He said Mr. Murazumi, Head of the Overseas Public Relations Division in the Foreign Ministry, will be Mr. Kaya's successor and will be arriving in Okinawa on 20 or 21 April.

6. The Alternates agreed to hold their next meeting at 1000 hours, 2 April 1971.

APPROVED:

  
GRI Alternate                      GOJ Alternate                      U S Alternate

DISTRIBUTION:

USC  
GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

22 April 1971

OFFICIAL MINUTES

SUBJECT: ~~One Hundredth Meeting of PrepCom Alternates, 1000 hours,~~  
6 April 1971

Participants:

Members: Mr. Fearey, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Kaya, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Shinn, USCAR  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The U S Alternate said the U S had received a request from the GOJ for approval of Messrs. Suzuki, Hashimoto, and Akamatsu who are coming under the seconding program to work at the University of the Ryukyus. He said his side had no objection to this.

2. The U S Alternate noted that the initial meeting of the ad hoc subcommittee for the study of the three fiscal "participation" items had not been held pending Mr. Kramer's return. He said Mr. Kramer was now back and had suggested 1000 hours, 12 April, as the time for the meeting. The U S Alternate asked the other Alternates to ask their appointees to let Mr. Kramer know if this time would be convenient.

3. Referring to the report prepared by Mr. Dotson on the meetings held by the ad hoc subcommittee convened to discuss the GOJ paper on postal and telecommunication services, the U S Alternate said the paper appears not to involve changes in present practices or procedures prior to reversion. Therefore, there is no need for the U S Government's prior concurrence. The GOJ Alternate said that, although no formal documents need to be exchanged with respect to the contemplated GOJ advice and assistance in this field, perhaps a reference to the work of the subcommittee should be included in the next report from the Alternates to the Principals.

4. The U S Alternate referred to a request made by the GOJ at the 30 March Alternates' meeting concerning the GOJ's wish to reallocate loan funds within the GOJ aid program to enable the GOJ to make loans to the GRI for the promotion of the tourist industry in Okinawa. He recalled his own statement at the 30 March meeting to the effect that his Government had no objection in principle to the loan reallocation. He added, however, that after further

PREPCOM 22 April 1971  
SUBJECT: One Hundredth Meeting of PrepCom Alternates, 1000 hours,  
6 April 1971

consultation within the USG it now appears that formal procedures to revise the GOJ Loan Memorandum are necessary. The U S Alternate said he understood that the correct procedure is for ONTA to submit, through the Ministry of Foreign Affairs, to the Embassy for transmittal to USCAR an official document revising the loan memorandum to reflect the desired changes. This document would be signed by the USCAR Chief of Administration.

5. The GOJ Alternate said his Government's original intention was not to amend the memorandum in question; he hoped that an informal understanding could be recorded at an Alternates' meeting, without a need to go through bureaucratic procedures. The U S Alternate replied that the procedure mentioned above should not be much trouble and the USG considers it to be necessary. The GOJ Alternate asked if the new document would require the signatures of all who had signed the original memorandum. The U S Alternate said that on his side only the Chief of Administration would sign. Mr. Shinn said that Mr. Tatekawa of USCAR had discussed this with OBONTA and that he understood there would not be any problem. The GOJ Alternate said he would look into this matter again before the next Alternates' meeting.

6. The U S Alternate recalled the interest expressed recently by the GRI Alternate in disposition of USCAR records and files at reversion. The U S Alternate said he had sent the GRI Alternate a copy of a 24 March press release about the activities of Mr. East, formerly of the U S National Archives and presently assigned as Archivist at USCAR. This press release also dealt with the question of disposition of USCAR records. For the record the U S Alternate read the following pertinent paragraphs:

"In his work Mr. East will be mindful of the necessity for documentary implementation of reversion agreements when they are made, of the special needs of Japanese Government national and prefectural agencies and of United States agencies which succeed to particular USCAR functions when USCAR closes upon reversion, and of scholars in the Ryukyus, in the Japanese mainland and in the U. S. who have a permanent interest in the history of the U. S. administration of the Ryukyus."

"Techniques are available or will be developed by which all these interests can ultimately be served."

He added that he had sent a letter to President Takara of the University of the Ryukyus calling the latter's attention to the release, because of an earlier query from him.

7. The U S Alternate said he would bring Mr. Francis around the following day to meet Ambassador Takase, the other Alternates, and their staffs.

8. The Alternates agreed to meet next at 1000 hours, 9 April 1971.

PREPCOM 22 April 1971  
SUBJECT: One Hundredth Meeting of PrepCom Alternates, 1000 hours,  
6 April 1971

APPROVED:

*At Sawayama* *Shinn* *Robert H. Kenny*  
GRI Alternate GOJ Alternate U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

22 April 1971

OFFICIAL MINUTES

SUBJECT: One Hundred-and-First Meeting of PrepCom Alternates, 1215 hours, 13 April 1971

Participants:

Members: Mr. Fearey, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Kaya, GOJ  
Mr. Kobayashi, OBONTA  
Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Francis, U S  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The U S Alternate said the U S side was ready to approve the PrepCom budget for the period 1 April 1971 - 31 March 1972. The GOJ Alternate said his side could also accept it. It was agreed that the Alternates would include a reference to their approval of the budget in their next report to the Principals.
2. The U S Alternate referred to previous questions raised by the GRI and GOJ Alternates about plans for the English Language Center. He distributed copies of a paper entitled "The Disposition of the English Language Center," (copy attached) asked the other Alternates to read it, and said he would attempt to answer questions if they had any.
3. The GRI Alternate expressed his appreciation for the U S paper. He said his Government had received petitions from the Ryukyuan employees of the English Language Center, the Okinawa Prefecture Senior High Schools' English Education Research Society, and the Okinawa Prefecture Junior High Schools' English Education Research Society, all requesting the continuation of the Center. He added that the Education Department of his Government is now trying to develop a feasible approach to the problem of the Center. The GRI Alternate explained that the petitions pointed out that during the past eight years since the establishment of the Center, 7,551 persons had been trained, including teachers, GRI employees, recipients of U S scholarships, people who went to the U. S. under national leaders' programs, and military employees.
4. The GRI Alternate said the matter of the English Language Center would be discussed at a GRI Directors' meeting in the near future. He said his own opinion was that the Center would continue to be needed after reversion since

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22 April 1971

SUBJECT: One Hundred-and-First Meeting of PrepCom Alternates, 1215 hours, 13 April 1971

the GOJ and Okinawa Prefecture would require training of personnel, especially Defense Facilities Administration Agency personnel who will have day to day contacts with U S military units. He concurred in the U S Alternate's comment that USCAR with its English speaking local national employees and Japanese speaking FSO's would not be available after reversion to assist communication. He said the GRI would carefully study the U S paper and asked that the U S and the GOJ also consider it very seriously.

5. The U S Alternate said he regretted that he had been unable to provide the English Language Center paper earlier. He explained that he had learned only recently that the last possibility of a U S agency taking over the Center had failed to materialize. He recognized that there was not much time until 30 June 1971, when the U S would have to terminate its assistance, but expressed the hope that there was still enough time for the GOJ and the GRI to work something out.
6. The GOJ Alternate said he also concurred in the merit of continuation of the Center but said the problem was how to provide the necessary budget and to find sponsors from business or cultural circles. He expressed apprehension that time was too short to make arrangements, in light of the fact that his Government did not appropriate funds in the budget for the current fiscal year to provide money for the Center. He added that, even if money would be provided in JFY 1972, the vacuum from 1 July 1971 to 31 March 1972 would be a problem.
7. The U S Alternate expressed the hope that maybe interim measures of some sort could be taken. The GRI Alternate said the GRI Education Department had estimated that it would take \$40,000 to \$60,000 to operate the Center from 1 July 1971 through 31 March 1972. The U S Alternate said that the U S had provided \$150,000 for the Center during this fiscal year but that he did not think operations necessarily had to cost that much. He expressed the opinion that charging a low fee to users, even though the U S had provided free instruction, would not be inconsistent with the Center's function as a public service institution. The GOJ Alternate said he would be in touch with Tokyo for the exploration of any possibilities.
8. The U S Alternate said he had prepared a reply to a letter that Mr. Toguchi, Director of the Center, had written on the matter to the High Commissioner. He passed out copies of this letter (attached) and asked if the other Alternates had any objections to sending this letter. No objections were expressed.
9. The GOJ Alternate referred to the 9 November Transfer Agreement which permits GOJ advice and assistance to the GRI Construction Department. He recalled that some discussion had been held as to how to handle advice and assistance on U S projects which would not be completed by reversion day. The

PREPCOM 22 April 1971  
SUBJECT: One Hundred-and-First Meeting of PrepCom Alternates, 1215 hours,  
13 April 1971

GOJ Alternate said he had made the following statement for the record at the 13 November 1970 Alternates' meeting:

"The GOJ will be prepared to enter into the discussion prior to reversion whenever the USG may propose to the GOJ what the USG considers the modalities for completion of those projects or programme and also the GOJ may be ready to study such proposal as a basis of the negotiation."

He further recalled that the U S Alternate's response was that, for internal budgeting purposes, the U S could not begin effective discussions later than 1 September 1971 and that this GOJ policy statement would enable the discussions to begin earlier if necessary.

10. The GOJ Alternate then referred to the following paragraph in the minutes of the 8 September 1970 Alternates' meeting:

"Referring to the question raised by the GOJ Alternate about the possibility of the U S giving advice and assistance on projects for which U S expenditures had not been completed by reversion day, the U S Alternate stated that where the U S funds are obligated for a particular project but the project is not completed (either the work itself or the required paper work) by reversion day, the U S would have to continue to exercise technical supervision in response to the Congressional requirements. He also mentioned that his Government has done this in a number of countries where it has granted economic assistance."

The GOJ Alternate said he now wished to get information about outstanding projects which will not be completed by reversion, that is, what channel is used for financing such projects--direct expenditures by the USG, through the GRI? What kind of arrangements is the U S considering after reversion? What does the U S mean by the phrases "paper work," "technical supervision," and "Congressional requirements?"

11. The GOJ Alternate suggested that it would be useful to explore these questions. He said he would have Mr. Kobayashi of OBONTA contact the U S side. The U S Alternate said that this was an important matter and that he would discuss it with the responsible USCAR Department Directors, Mr. Kramer and COL Lombard, and advise. The GRI Alternate said he had no comments on this problem.

12. The GRI Alternate said he was going to Tokyo this afternoon and would not be back until 17 or 18 April. He asked, therefore, that the next meeting be held at 1000 hours, 20 April, rather than on the 16th. The other Alternates agreed.

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PREPCOM 22 April 1971  
SUBJECT: One Hundred-and-First Meeting of PrepCom Alternates, 1215 hours,  
13 April 1971

APPROVED:

*H. Sonaga* *John P. ...* *Robert L. ...*  
GRI Alternate GOJ Alternate U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File



OKINAWA REVERSION PLANNING

THE DISPOSITION OF  
THE ENGLISH LANGUAGE CENTER

(An Information Paper for Submission to the Preparatory Commission)

1. The English Language Center (ELC) was established by HICOM Proclamation No. 19 of 1963 and has been operated as an agency of the U.S. Civil Administration. Since opening, more than 6,000 Ryukyuan students have studied at the ELC. The staff of the ELC consists of eight Ryukyuan instructors with masters degrees in linguistics, four administrative clerks, three librarians, two language laboratory technicians and twelve part-time employees. Equipment includes an excellent 13,000 volume English Linguistic Library, over 5,000 language tapes and two language laboratories equipped with 45 double channel tape recorders.

2. During FY 71 the ELC has been maintained with a budget of \$150,000 from General Fund resources during which time negotiations were undertaken with other U.S. agencies to seek a sponsor other than USCAR. These efforts were not successful and current plans now call for the issuance of reduction-in-force notices for all ELC employees by 30 April 71 and closure of the ELC by 30 June 71.

3. A valuable public service has been provided by the ELC in the English instruction of many Ryukyuan students now occupying positions of responsibility in the Islands. If the GRI, possibly with GOJ financial support, should be interested in continuing the English language training program as a public service, retaining the existing highly trained staff, USCAR would be prepared to seek Washington approval to transfer the ELC library materials (tapes, textbooks, English language volumes and journals) and equipment (air conditioners and bookcases) to the GRI, or to a designated agency of the GRI, on a non-reimbursable basis. The existing building would also be made available gratis until reversion. It is hoped that the existing tape recorder equipment could be replaced with new equipment, permitting transfer of the present recorders to DOD Dependent Schools in Okinawa or other US agency, but this could be a subject of further discussion if the response to the basic idea of maintaining the ELC as a public service institution is favorable.

4. If the GRI, with any necessary GOJ support, does not desire to continue the public service English language training, the library and equipment of the ELC will be disposed of by transfer to a US agency or sale in accordance with current regulations.

13 April 1971

13 April 1971

Mr. Seijun Toguchi  
Director  
English Language Center  
Shuri, Naha, Okinawa

Dear Mr. Toguchi:

I am writing in response to your petition of 9 March 1971 to the High Commissioner and your letter of the same date to the Director of Health, Education and Welfare Department, United States Civil Administration of the Ryukyu Islands, requesting that United States Civil Administration of the Ryukyu Islands funds be provided for continued support of the English Language Center and its programs after 30 June 1971.

The High Commissioner and I concur in the views expressed in your 9 March petition regarding the continuing importance of English language instruction to effective understanding, cultural exchange and mutual cooperation between the United States and Japan in Okinawa until reversion and after reversion. Convinced of the desirability of maintaining the Center if possible as a public service facility, the U.S. Civil Administration has during the past year made strenuous efforts to find a means of preserving the Center's existence under some other U.S. Government agency. Unfortunately these efforts were not successful and it will be necessary for the U.S. Government, because of fund limitations, to cease support of the Center on 30 June 1971. Prior to 30 April 1971, reduction in force notices will be issued to all English Language Center employees, thus allowing them sixty days notice prior to separation.

In the U.S. Civil Administration's continuing effort to arrive at a means of support of the English Language Center program, the problem of future sponsorship of the Center has been referred to the Preparatory Commission for consideration by the Government of the Ryukyu Islands and the Government of Japan. It is hoped that this consideration will be fruitful.

The High Commissioner and I deeply appreciate your and your staff's able and devoted service over many years and greatly regret the necessity for the 30 June termination action.

Sincerely,

CF: HE  
LN  
CM  
CAAS

Robert A. Fearey  
Civil Administrator

THE PREPARATORY COMMISSION  
Naha, Okinawa

23 April 1971

OFFICIAL MINUTES

SUBJECT: One Hundred-and-Second Meeting of PrepCom Alternates,  
1000 hours, 20 April 1971

Participants:

Members: Mr. Fearey, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Nakayama, GOJ  
Mr. Numakoshi, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Francis, U S  
Mr. Shinn, USCAR  
Mr. Billingsley, U S  
Mr. Adaniya, GRI  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The U S Alternate recalled that on 13 April the GOJ Alternate had brought up the matter of U S aid projects which would not be completed by reversion. The U S Alternate said that the U S hoped soon to be in a position to initiate discussions with the GOJ on this subject, and that he would advise as soon as the U S was able to commence those discussions. The GOJ Alternate reaffirmed his Government's readiness to start discussions at the earliest convenience of the U S.

2. The GOJ Alternate mentioned that he could officially agree to the formal procedures that the U S Alternate suggested on 6 April for revising the U S-GOJ Loan Memorandum to enable the GOJ to make loans to the GRI for the promotion of the tourist industry in Okinawa.

3. The GOJ Alternate said the GOJ Ministry of Transportation wishes to hold examinations in July, this year, in Tokyo, Fukuoka, and Naha for candidates for air traffic controller trainee positions. In reply to the U S Alternate's question, the GOJ Alternate said some of the successful candidates would serve in Okinawa after reversion. He also mentioned that the Ministry of Transportation wishes to have 40 new trainees for air traffic controller positions due to a shortage throughout Japan. The GOJ Alternate further explained that the Ministry wishes to conduct examinations here as well as in the other places in order to give an opportunity to Ryukyuan inhabitants to apply. It usually takes 6 to 12 months to train successful candidates. Therefore, none of the trainees would complete the necessary training in time to go to work before reversion. He added that the Ministry has proposed the following schedule:

PREPCOM

23 April 1971

SUBJECT: One Hundred-and-Second Meeting of PrepCom Alternates, 1000 hours,  
20 April 1971

- 30 April - press release about recruitment of trainees
- 1 May - official announcement of examinations
- 1 - 20 June - acceptance of applications
- 15 - 17 July - examinations
- 1 Sep - announcement of successful applicants
- 1 Oct - official appointment of trainees and beginning of training.

The GOJ Alternate said time is short but the Ministry of Transportation wishes to ask for favorable consideration on the U S side to be able to carry out the above schedule. The U S Alternate said he would reply as soon as possible.

4. The U S Alternate invited the GRI Alternate to comment on his recent trip to Tokyo. The GRI Alternate said he discussed the measures to be taken on reversion in regard to taxes on alcohol, consumer taxes, and other domestic taxes and duties, which will be announced in Part 3 of the GOJ Reversion Measures Outline. He also said he had a chance to talk to Mr. Chiba of the GOJ Ministry of Foreign Affairs for about an hour and got a rough idea of the development of U S-GOJ reversion negotiations.

5. The Alternates agreed to meet next at 1000 hours, 23 April 1971.

APPROVED:

*H. Senaga*      *Chino Yoshioka*      *Robert Fearey*  
GRI Alternate      GOJ Alternate      U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

28 April 1971

OFFICIAL MINUTES

SUBJECT: One Hundred-and-third Meeting of PrepCom Alternates, 1015 hours, 23 April 1971

Participants:

Members: Mr. Fearney, U S Alternate  
Mr. Yoshioka, GOJ Alternate,  
Mr. Senaga, GRI Alternate

Others: Mr. Numakoshi, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Francis, U S  
Mr. Shinn, USCAR  
Mr. Billingsley, U S  
Mr. Zakimi, GRI  
Miss Sata, Recorder

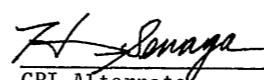
1. The U S Alternate referred to the question raised by the GOJ Alternate at the 20 April Alternates' meeting whether U S would object to including Ryukyuan candidates for air traffic control training, holding an appropriate examination in Naha. The U S Alternate said that the USG had no objections and that he assumed that the training would be conducted entirely by the GOJ at GOJ expense. The GOJ Alternate confirmed this and asked who should be the contact officer in USCAR for Mr. Numakoshi from the Ministry of Transportation to get in touch with. The U S Alternate replied Mr. Bivens of the Public Works Department.
2. The GOJ Alternate recalled that an Economic Subcommittee meeting on training for RDWC and REPC personnel had been held on 19 March 1971 by Messrs. Mabuchi (GOJ), Lombard (U S), and Zakimi (GRI). He said his Government now wishes to send two or three water experts for two to three weeks from 24 May to give guidance on changing over the RDWC operation from U S to GOJ control and also to give a briefing on the Japanese water system. He added that Tokyo would be ready to receive trainees from RDWC from the latter part of August; however, the period of training would depend on further study. The GOJ Alternate suggested that the experts have another Subcommittee meeting to explore this subject. The U S Alternate agreed.
3. The GOJ Alternate said that as a result of the 19 March Subcommittee meeting, his Government understood that the cost of training RDWC personnel

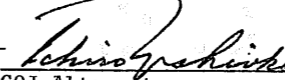
PREPCOM 28 April 1971  
SUBJECT: One Hundred-and-third Meeting of PrepCom Alternates, 1015 hours,  
23 April 1971

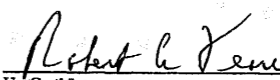
would be borne by the U S. The U S Alternate confirmed this, saying that the money would come from the corporation's funds.

4. The Alternates agreed to hold their next meeting at 1000 hours, 27 April 1971.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

13 May 1971

OFFICIAL MINUTES

SUBJECT: One Hundred-and-Fourth Meeting of PrepCom Alternates,  
0945 hours, 30 April 1971

Participants:

Members: Mr. Fearey, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Murazumi, GOJ  
Mr. Nakayama, GOJ  
Mr. Numakoshi, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Francis, U S  
Mr. Billingsley, U S  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The GOJ Alternate officially introduced Mr. Murazumi, the successor of Mr. Kaya, to the staff members. The U S and GRI Alternates extended a warm welcome.
2. The U S Alternate recalled that at an ad hoc subcommittee meeting on 13 April, attended by Messrs. Kramer (U S), Miyagi (GRI), and Kobayashi (GOJ), agreement had been reached on the approach to be adopted in formulation of the GRI's FY 72 budget as one of the fiscal "participation" items. Two working group meetings were subsequently held, at the conclusion of which the GRI member submitted a budget outline which did not reflect the understandings of 13 April. There was to be another meeting of principals on 23 April but it was postponed. The previous evening Mr. Miyagi had told Mr. Kramer that he was working on a new budget draft and hoped to be in touch with Mr. Kramer toward the end of next week. The U S Alternate said he wished to call attention to the fact that formulation of the GRI budget had been designated by PrepCom as a matter on which the U S and Japan would participate in advice and assistance to the GRI. He wished to emphasize the importance of Messrs. Kramer and Kobayashi receiving the new GRI draft budget in good time, not just before its submission to the Legislature, so there would be opportunity for U S and Japanese advice to be reflected in the budget submitted to the Legislature.
3. The GRI Alternate said that his Government is working hard on the new budget and that he thought it would be formulated before too long. He also said the focal point is how to handle the union demand for wage increases.

PREPCOM

13 May 1971

SUBJECT: One Hundred-and-Fourth Meeting of PrepCom Alternates, 0945 hours,  
30 April 1971

The U S Alternate said he recognized that formulation of a fiscally sound budget will not be easy and that the GRI must of course do the basic work. However, the U S and GRI have a definite interest in the matter and need sufficient time for study of the new draft budget and for the provision of advice. The GOJ Alternate indicated general agreement.

4. The GOJ Alternate asked if the GRI Alternate had any comments on the English Language Center. The GRI Alternate answered that the GRI Department Directors had discussed this matter at a recent meeting. If funds become available, the GRI wants to continue the Center as part of the Education Research Center, which is located next to the English Language Center. He added that this would require no legislation, just an increase in personnel, but that the GRI has no funds to support the program and hopes the GOJ will help. In reply to the U S Alternate's question, the GRI Alternate mentioned that the GRI had raised this problem with the GOJ informally.

5. The GOJ Alternate said Tokyo is studying this matter "very sincerely." He further said his Government would study the possibility of budget support but had wanted to know in what type of setting the English Language Center would be continued; now the GOJ can consider the GRI Alternate's suggestion involving the Education Research Center.

6. The U S Alternate asked if the GRI was considering charging fees or if the Center instruction would be free. The GRI Alternate replied that the Directors had not discussed this. However, he added that they had discussed alternate plans, e.g., making the English Language Center a part of the University of the Ryukyus after reversion, making it a prefectural institution, or having it operated as a private organization with a subsidy from the Government. He also mentioned that many details would have to be resolved once the basic approach had been decided. The U S Alternate noted that there will be no funds for the operation of the Center after 30 June, when its employees will be released. He much hoped that an interim funding arrangement permitting maintenance of the faculty group could be devised.

7. The GOJ Alternate referred to a petition from the Airport Operators Committee at Naha Airport which is addressed to the AdCom, the Director of the USCAR Public Safety Department, and the Superintendent of the GRI Immigration Agency. It is dated 17 March 1971 under the subject of "Passport Collection at Naha." The petition requests that USCAR consider the elimination of such passport collection. The U S Alternate said he believed that USCAR had replied to the petition and he would check into the matter and advise.

8. The U S Alternate referred to an informal understanding the three Alternates had reached that Alternates' meetings would be held only once a week, on Friday,

PREPCOM 13 May 1971  
SUBJECT: One Hundred-and-Fourth Meeting of PrepCom Alternates, 0945 hours,  
30 April 1971

until increased business justified return to the normal twice a week schedule.  
They agreed to hold their next meeting at 1000 hours, 7 May 1971.

APPROVED:

H. Senaga Yoshioka Robert J. King  
GRI Alternate GOJ Alternate U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

13 May 1971

OFFICIAL MINUTES

SUBJECT: One Hundred-and-Fifth Meeting of PrepCom Alternates,  
1000 hours, 7 May 1971

Participants:

Members: Mr. Fearey, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Murazumi, GOJ  
Mr. Nakayama, GOJ  
Mr. Numakoshi, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Francis, U S  
Mr. Billingsley, U S  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The U S Alternate referred to talks between Colonel Lombard (USCAR) and Mr. Mabuchi (GOJ) on 1 May 1971 concerning training of RDWC and REPC personnel in developing real property records which conform to GOJ requirements. He noted Mr. Mabuchi had requested that the USG make a formal request for such training in the form of a letter from the U S to the GOJ Alternate. He expressed appreciation for the rapid way in which the GOJ had moved ahead on this matter and said that he would be happy to provide Minister Yoshioka with such a letter.
2. The GOJ Alternate reported that Ambassador Takase had gone to Tokyo the day before yesterday for consultations and would be back in ten days to two weeks.
3. The GOJ Alternate said that General Takedatsu, Deputy Chief of Staff of the Ground Self Defense Forces, accompanied by one Colonel and one Lieutenant, would be visiting Okinawa from the 10th to the 13th of May at the invitation of the High Commissioner. The U S Alternate said he was looking forward to seeing General Takedatsu.
4. The GRI Alternate referred to reports in the local newspapers about the U S Alternate's 4 May announcement of U S plans for the sale of Bank of the Ryukyus stock and asked the latter to comment. The U S Alternate recapitulated the main points of his statement at the 4 May Bank of the Ryukyus stockholders' meeting.

PREPCOM 13 May 1971  
SUBJECT: One Hundred-and-Fifth Meeting of PrepCom Alternates, 1000 hours,  
7 May 1971

5. The GRI Alternate thanked him and said that he wished to be kept informed of developments. The U S Alternate said that, as noted in his statement at the stockholders' meeting, the U S intended to keep in close touch with the GOJ and GRI in developing its sale plans. Although the stock was a U S asset and the USG would therefore make the necessary decisions, it would do so after securing the views of the GOJ and the GRI.

6. The Alternates agreed to hold their next meeting at 1000 hours, 14 May 1971.

APPROVED:

GRI Alternate      GOJ Alternate      U S Alternate

DISTRIBUTION:  
USG  
GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

26 May 1971

OFFICIAL MINUTES

SUBJECT: One Hundred-and-Sixth Meeting of PrepCom Alternates, 1005  
hours, 14 May 1971.

Participants:

Members: Mr. Fearey, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Murazumi, GOJ  
Mr. Nakayama, GOJ  
Mr. Numakoshi, GOJ  
Mr. Yamamoto, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Francis, U S  
Mr. Shinn, USCAR  
Mr. Billingsley, U S  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The U S Alternate said that at the 30 April Alternates' meeting he had emphasized the importance of Messrs. Kramer (US) and Kobayashi (GOJ) receiving the GRI draft budget in good time, and not just before submission to the Legislature. Nevertheless, because of various difficulties, the budget subcommittee had not met again until 12 May, when Mr. Miyagi (GRI) had described the highlights of the budget as envisaged by the GRI. It appeared that long term borrowing is now planned to the extent of \$10 million instead of \$5.5 million; that there will be a reduction of \$2.45 million in tax revenues, compared with the initial estimate; that there will be a \$3.5 million increase in expenditures; and that there will be an 8.8 percent pay increase retroactive to January 1971, in lieu of a 25 percent plus alpha bonus increase. The budget now totaled about \$259 million instead of \$250 million.

2. The U S Alternate said that Mr. Kramer, the U S subcommittee member, had deplored the planned increase in borrowing and had maintained that additional revenue could well be raised by applying Japanese tax rates to the Ryukyus. He understood that Mr. Kobayashi had questioned the retroactive pay increase, in view of the GRI's lack of funds. Mr. Miyagi had promised to provide copies of the budget to the subcommittee on Monday, 17 May, prior to the scheduled submission of the budget to the Legislature, on Thursday, 20 May. The U S

PREPCOM 26 May 1971  
SUBJECT: One Hundred-and-Sixth Meeting of PrepCom Alternates, 1005 hours,  
14 May 1971

Alternate said that this clearly would leave inadequate time for thorough analysis looking to a fiscally sound GRI FY 1972 budget. He added that USCAR would at the appropriate time, as last year, be addressing a letter on the budget to Chief Executive Yara.

3. The GOJ Alternate said he understood there were several difficult points in the budget and not everyone was fully satisfied but that, under the circumstances, the efforts that had been made must be appreciated. The U S Alternate said he recognized the problems involved but fiscal soundness was important and a fiscally sound budget was, in the U S view, entirely feasible. The GOJ Alternate introduced Mr. Yamamoto from the Ministry of Finance, who is the successor of Mr. Yamaguchi. The GOJ Alternate said Mr. Yamamoto would gradually be involved in budget matters.

4. The GOJ Alternate announced that three officials from the Ministry of Transportation and one from the National Personnel Agency would come to Okinawa on 17 May. They will stay here three days for the purpose of making preliminary preparations for the examination for air traffic controller candidates that is scheduled to be given in Naha.

5. The GOJ Alternate also announced that the GOJ experts who will train personnel in RDWC will not come until 1 June, at the request of the RDWC.

6. The GOJ Alternate said Ambassador Takase would return from Tokyo today and would brief Chief Executive Yara at 1400 hours, Speaker Hoshi at 1500 hours, and Chief Justice Hirata at 1600 hours, on the progress of reversion negotiations. The GOJ Alternate said that Foreign Minister Aichi would brief a joint meeting of the Foreign Affairs Committee and Special Committee on Okinawa and Northern Territories of the House of Representatives on 15 May on the progress of reversion negotiations. The latter will also brief the corresponding committees of the House of Councilors on the same subject on 17 May. The meetings are planned to last four hours each, including time for questions and answers.

7. The GRI Alternate said that a minimum amount for continuation of the English Language Center had been provided in the GRI budget - \$32,000 for staff salaries and \$5,000 for operations for a total of \$37,000 for the fiscal year beginning 1 July 1971. The U S Alternate said this was good news and asked if there was any hope of GOJ financial support that fiscal year. The GRI Alternate answered that there was no such hope for FY 1972 but that GOJ assistance would be needed after reversion. The U S Alternate asked if the \$32,000 would permit retention of the present faculty. The GRI Alternate said the Okinawan faculty would be retained but not the Americans who are working at the Center on a temporary basis. He also said that salaries of the faculty are high now and that there would be an unavoidable reduction

PREPCOM 26 May 1971  
SUBJECT: One Hundred-and-Sixth Meeting of the PrepCom Alternates, 1005 hours,  
14 May 1971

of salaries. In answer to the U S Alternate's question, the GRI Alternate said he thought that the GRI Education Department was in consultation with Director Toguchi of the Center on GRI plans. The U S Alternate asked if the Center would charge fees next year. The GRI Alternate said he did not know. He added that many details remain to be worked out.

8. The U S Alternate said he would be leaving 16 May for a meeting in the Philippines and was scheduled to return on a military flight late in the evening of 20 May. He said that if the flight were held up, Mr. Francis would sit in for him at the regular Friday meeting. The Alternates agreed, therefore, to hold their next meeting at 1000 hours, 21 May 1971.

APPROVED:

  
GRI Alternate      GOJ Alternate      U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File



THE PREPARATORY COMMISSION  
Naha, Okinawa

10 June 1971

OFFICIAL MINUTES

SUBJECT: One Hundred-and-seventh Meeting of PrepCom Alternates,  
1000 hours, 28 May 1971

Participants:

Members: Mr. Fearey, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Nakayama, GOJ  
Mr. Numakoshi, GOJ  
Mr. Yamamoto, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Francis, U S  
Mr. Billingsley, U S  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The U S Alternate referred to a recent GOJ request for information from the REPC. He emphasized the U S desire to cooperate, but said that practical considerations require that such requests be handled in a considered, rational manner. The recent request called for xerox copies of all REPC contracts, of all purchases and supply transaction records, and of land leases, of which there are over 1,000. This would mean xeroxing of whole filing cabinets of documents, involving many man hours and substantial cost. The U S had therefore suggested that an individual or team come from Tokyo to consult with REPC and work out an efficient and practical means of obtaining the desired information. He understood that this was being worked out. The GOJ Alternate expressed understanding and confirmed that the matter was under discussion at the staff level.

2. The GRI Alternate mentioned that his Government is now concerned with measures necessary in preparing for reversion and that it would be necessary for the GRI to consult with the staffs of the REPC and RDWC on various matters, e.g., one item which should be discussed is whether or not special provisions will have to be made in Japanese laws to permit the transfer of land-lease contracts. He pointed out that transfer of property would be a relatively simple matter if it involved land owned by the corporations, but that this would not be the case if the land is leased. It would be helpful for the GRI if it could discuss this directly with the corporations. The GOJ Alternate

PREPCOM

10 June 1971

SUBJECT: One Hundred-and-seventh Meeting of PrepCom Alternates, 1000 hours,  
28 May 1971

said he thought that such talks would be useful and that his Government would participate where necessary.

3. The U S Alternate asked if it would be useful to handle this matter through a PrepCom working group. The GRI Alternate answered that this approach would be all right but that his real objective was to get USCAR approval for REPC and RDWC to discuss necessary matters directly with GRI officials. He said that he understood that these corporations had been told by USCAR not to have direct contacts with the GOJ and GRI or to release information without USCAR permission. The U S Alternate noted USCAR's responsibility for the corporations and the need for an orderly approach to the release of information. He said he would consult with COL Lombard, the Chairman of the Board of both corporations, and report back to the Alternates shortly.

4. The GOJ Alternate said the original purpose of his recent trip to Tokyo was to make smooth arrangements for the meeting between Chief Executive Yara and Foreign Minister Aichi. However, his colleagues in the Foreign Office had made the necessary arrangements and the GOJ Alternate became involved in Red Hat matters and had to help in negotiations with the Ministry of Finance. He said these matters were now under discussion locally among Messrs. Kramer (US), Kobayashi (GOJ), and Miyagi (GRI), and expressed his hope that they would be settled today.

5. The GRI Alternate said that he had accompanied the Chief Executive when the latter called on Prime Minister Sato and Chief Cabinet Secretary Hori. The Prime Minister treated the CE warmly, and they discussed various matters for 70 minutes. The Chief Executive also visited Foreign Minister Aichi and had a 40-minute discussion with him. The GRI Alternate said that many things had been made clear but that they did not learn when the reversion agreement would be signed.

6. The GRI Alternate also reported that he had accompanied the Chief Executive when the latter had met with Minister Yamanaka for four hours. The Chief Executive had requested that the \$200,000 for Red Hat be made available not from contingency funds already budgeted for the GRI, but from other GOJ contingency funds. Minister Yamanaka first thought this was impossible but phoned Finance Minister Fukuda. The latter phoned back, after discussions with his staff, and first gave a negative answer but finally agreed to provide the funds. The GRI Alternate said it would be a difficult problem to get the money to the contractor. The GOJ Alternate said that the amount of money was not a problem but that there was no precedent for using money for construction in an area administered by a developed country.

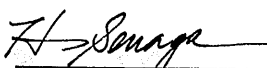
7. The U S Alternate said that he would depart on 9 June for two months' home leave and that in his absence Mr. Francis would act in his place at PrepCom.


PREPCOM 10 June 1971  
SUBJECT: One Hundred-and seventh Meeting of PrepCom Alternates, 1000 hours,  
28 May 1971

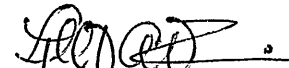
8. The GOJ Alternate pointed out that the PrepCom would be working on Phase 2 items during the U S Alternate's absence and asked if the latter would provide any ideas he might have on Phase 2 relinquishments before he departed. The latter replied that he would comment at the next meeting.

9. The Alternates agreed to meet next at 1000 hours, 4 June 1971.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

18 June 1971

OFFICIAL MINUTES

SUBJECT: One Hundred-and-eighth Meeting of PrepCom Alternates, 1030  
hours, 4 June 1971

Participants:

Members: Mr. Fearey, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Murazumi, GOJ  
Mr. Numakoshi, GOJ  
Mr. Yamamoto, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Francis, U S  
Mr. Billingsley, U S  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The U S Alternate referred to the GOJ Alternate's mention of Phase 2 items at the last meeting and noted that there were only three Phase 2 items listed in the transfer proposal which the U S tabled in July 1970: (a) maintenance of the off-post military road net, (b) administration of former Japanese state and prefectural lands, and (c) an information paper on aid-in-kind assistance. These items would be delegated, by agreement with the GOJ, to the GRI. All were national-type functions on which GOJ assistance would probably be required.

2. The U S Alternate said the U S was prepared to table negotiating or information papers in PrepCom on the three items as soon as the reversion agreement had been signed. He added that discussion of some of the items had already started in the sense that the U S had given certain data on roads and on state and prefectural lands to the GOJ. Some of these data had also been provided to the GRI. He said that the U S might want to table additional papers during Phase 2.

3. The U S Alternate said that as soon as negotiating papers had been tabled the Alternates would presumably assign them to expert subcommittees, which would prepare drafts of agreed minutes and submit them to the Alternates for approval. The substance of the agreed minutes would then be added to the 9 November transfer agreement. There are many ways this could

PREPCOM

18 June 1971

SUBJECT: One Hundred-and-eighth Meeting of PrepCom Alternates, 1030 hours,  
4 June 1971

be done, for example, by an addendum to the 9 November agreement, by a new paper, etc. The same procedure could be followed for Phase 3. He assumed that consultation between the GOJ and GRI, consistent with the 9 November agreement, would continue during Phase 2 and intensify as reversion approached. The GOJ Alternate said he had no disagreement with the procedures outlined by the U S Alternate and he did not have any additional Phase 2 items to suggest at this time.

4. The GOJ Alternate said his Government wished to get data on the cost of administration of state and prefectural lands and of maintaining the off-post military road net. The U S Alternate said his side had given the GOJ some information on these items and would be prepared to consider additional requests. The GOJ Alternate said he would discuss specifics with Mr. Francis.

5. The U S Alternate referred to the GRI Alternate's mention at the last meeting of the need for GRI officials to consult directly with the staffs of the REPC and RDWC. The U S Alternate said that the U S had no objection to properly supervised exchanges of information between personnel of the GRI and of the corporations. COL Lombard had offered to brief GRI Department Directors Miyazato and Sunagawa on the two corporations. Mr. Miyazato had requested a briefing, while Mr. Sunagawa had asked for reports on various aspects of the REPC which would require a great deal of time and effort to prepare, since they were not reports normally prepared by REPC. The U S Alternate emphasized U S willingness in principle to provide information and suggested that the proper channel to arrange this was by the GRI officials who are members of the respective corporations' boards of directors taking the matter up with corporation officers.

6. The U S Alternate noted that the end of the fiscal year was approaching and asked about GRI planning for the English Language Center (ELC). He said the U S is prepared to address possible release of the ELC equipment as soon as GRI planning reaches the point that the U S knows that high quality instruction will continue at the Center. The GRI Alternate said that on 10 June the Central Board of Education would discuss the matter. He added that ELC personnel matters are under study by the GRI General Affairs Department. He said he would provide further information as soon as it became available. Mr. Zakimi (GRI) said the chief of the management section in the General Affairs Department would return from Tokyo that day and was to meet with ELC Director Toguchi before 10 June to discuss whether the Center personnel would come under the GRI personnel ceiling. The GRI Alternate said the question was whether the ELC staff members would be regular or temporary GRI personnel. In reply to the U S Alternate's question, the GRI Alternate said he did not know if salaries could be higher for temporary personnel. The U S Alternate again asked if the Center would charge fees. The GRI Alternate answered that even if fees were charged, the money would have to go into general revenues and could not be set aside for ELC use.

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18 June 1971

SUBJECT: One Hundred-and-eighth Meeting of PrepCom Alternates, 1030 hours,  
4 June 1971

7. The GRI Alternate asked whether, after reversion, the RDWC and military water systems would be "mixed" or separate and whether there would be separate military and civilian electric systems. He said he would like to know about the scope of business of these two corporations. The U S Alternate said the U S would present a short paper at the next Alternates' meeting which would spell out the U S thoughts as feasible on these matters.

8. The U S Alternate said it appeared that in some instances the GOJ had not followed the procedures agreed upon in the PrepCom for the GOJ to channel through the PrepCom its views on pending foreign investment license applications. There had been direct GOJ expressions of view to GRI officials, described by some as pressure, with respect to those officials' evaluation of license applications. There had been a number of complaints including, most recently, the following ones: (a) On 24 May the press reported, and GRI officials confirmed that a high GRI official had received a letter from a GOJ official in Tokyo to the effect that the Esso, Gulf, and National Semi-Conductor applications should not be favorably considered; (b) On 31 May a GRI official was advised by a phone call from a Tokyo GOJ official not to issue a license to Saxet, a subsidiary of Sterling Drug, the application for which had been approved by the GRI Foreign Investment Board and by USCAR.

9. The U S Alternate recalled that in a June 1970 Togo-Sneider exchange of letters agreed U S-GOJ-GRI procedures had been established in this area. The GRI was to forward significant applications as defined in the letters to the GOJ through PrepCom and if the GOJ had views on these applications they were to be expressed through PrepCom. The first group of applications had been turned over to the GOJ by the GRI on 20 August 1970, and several additional batches of applications had been transmitted later. However, the GRI had failed thus far to forward a number of applications, e.g., those of Flying Tiger and Asiatic Transpacific, received during 1971. The previous Saturday there had been an urgent request from Tokyo for copies of pending applications, and the U S had furnished them to the GOJ Alternate. The U S hoped that in the future the GRI would send copies of significant applications promptly to Tokyo through PrepCom. The period suggested in the exchange of letters for the expression of GOJ views was 30 days, and the U S hoped this would be observed.

10. The U S Alternate noted that the Gulf, Esso, National Semi-Conductor, and Sterling Drug applications had been submitted before the effective date of the letters and therefore technically were not covered by the letters. On the other hand, the exchange of letters clearly indicated that PrepCom was to be the channel for GOJ views on foreign investment applications and the U S believed that GOJ views should clearly have come through PrepCom. The GOJ now had copies of all pending applications, and the U S hoped and trusted that the approved PrepCom channel would henceforth be followed so that all

PREPCOM 18 June 1971  
SUBJECT: One Hundred-and-eighth Meeting of PrepCom Alternates, 1030 hours,  
4 June 1971

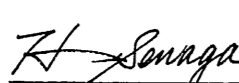
concerned parties--the U S, GOJ, and GRI--could consider and discuss those views together. The U S could only take a serious view of direct GOJ communication with, not to mention pressure on, the GRI in this important matter. The U S recognized the GOJ interest, looking to the post-reversion period, but appropriate procedures had been established to permit the GOJ to express its views and those procedures should be followed.


11. The GRI Alternate said his Government did agree to the above-mentioned procedures but did not have copies of the exchange of letters. The U S Alternate said he would provide copies if the GOJ agreed. The GOJ Alternate concurred.


12. The GOJ Alternate said he had sent to Tokyo copies of applications he had recently received, along with a reminder about the exchange of letters. He said he understood that copies of most of these applications had been forwarded weeks or months ago. He also mentioned that official GOJ views on these applications must come through the PrepCom but that sometimes officials of large companies with interests in Okinawa visit MITI directly to ask for views and high ranking officials sometimes respond. The U S Alternate said that the U S encourages foreign firms in Okinawa to deal with MITI, but that the problem he was addressing was that of GOJ officials exerting pressure on GRI officials instead of using PrepCom channels.

13. The U S Alternate said that this would be the last Alternates' meeting he would attend for about two months and that Mr. Francis would act in his place during his absence. The GRI Alternate asked if the U S proposals on Phase 2 would be tabled before the U S Alternate's return. The U S Alternate said he anticipated that they would be tabled this month, soon after the signing of the reversion agreement.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

DISTRIBUTION:

USC  
GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

18 June 1971

OFFICIAL MINUTES

SUBJECT: One Hundred-and-ninth Meeting of PrepCom Alternates, 1000  
hours, 11 June 1971

Participants:

Members: Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate  
Mr. Francis, Acting U S Alternate

Others: Mr. Murazumi, GOJ  
Mr. Nakayama, GOJ  
Mr. Yamamoto, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Billingsley, U S  
Miss Sata, Recorder

1. The GOJ Alternate referred to a "Memorandum on Assistance for Establishment of a Model Farm in the Ryukyu Islands" which was signed on 14 December 1961 by GOJ and GRI representatives and approved by the High Commissioner. He noted that the memorandum calls for a certain amount of HICOM involvement but that, taking into consideration the 9 November 1970 transfer agreement and the fact that the model farm is operating smoothly, it is not necessary to involve HICOM in the day-to-day operation of the farm. He also said that at this stage it is not practical to amend the memorandum. In reply to the GRI Alternate's question, the GOJ Alternate said he thought this memorandum has been superseded by the 9 November transfer agreement. The Acting U S Alternate said he would check this and give a formal answer as soon as possible.

2. The Acting U S Alternate referred to a request made by the GRI Alternate at the 4 June Alternates' meeting for copies of the June 1970 Togo-Sneider exchange of letters on agreed procedures for handling foreign investment license applications and noted that the GOJ had indicated that it had no objection to the exchange of letters being provided to the GRI. Copies of the letters were then given to the GRI Alternate.

3. The Acting U S Alternate referred to the question asked by the GRI Alternate at the 4 June meeting as to whether, after reversion, the RDWC and military water systems would be "mixed" or separate, and whether there would be separate military and civilian electricity systems. The Acting U S Alternate handed the other Alternates copies of a paper entitled "Characteristics

PREPCOM 18 June 1971  
SUBJECT: One Hundred-and-ninth Meeting of PrepCom Alternates, 1000 hours,  
11 June 1971

of RDWC Water System and REPC Power System on Okinawa" (attached). He pointed out that the paper described the overall situation and that there might be a few relatively minor exceptions. After reading the paper, the GRI Alternate said it constituted a satisfactory answer to his question.

4. The Acting U S Alternate referred to the GOJ Alternate's request at the 4 June meeting for data on the cost of administration of state and prefectural lands and of maintaining the off-post military road net. The Acting U S Alternate said he had requested this information and would make it available as soon as he receives it.

5. The Acting U S Alternate asked the GRI Alternate if there had been further developments regarding the English Language Center (ELC). The latter said that the ELC staff could become temporary GRI employees, and that he had discussed this with ELC Director Toguchi the day before. Mr. Toguchi told the GRI Alternate that he and his colleagues would continue to work at the ELC. The GRI Alternate expressed his hope that the GOJ would make a policy decision on the post-reversion status of these employees and include it in Phase 3 of the GOJ Reversion Measures Outline. He added that if the decision is an encouraging one, it should give the staff incentive during the pre-reversion period.

6. The Acting U S Alternate asked what kind of program would be carried out by the ELC. The GRI Alternate answered that his Government has not yet completed program planning for future ELC operations. The Acting U S Alternate reminded him that the U S needed, as soon as possible, a statement of how the ELC will be operated, so it could be assured that quality language training would be provided by the Center after 30 June 1971. As soon as that is obtained, authority to assist with the ELC building and equipment will be requested.

7. The GOJ Alternate said that a meeting has been scheduled for 15 June among OBONTA, the GRI Police Department, and USCAR Public Safety Department to discuss the actual situation of military road traffic. He said this was not directly related to his previous question about the off-post military road net and that he simply would like to inform the other Alternates about the meeting.

8. The GRI Alternate reported that Miss Higa of his staff, who was assistant director of the Joint Secretariat, had been transferred to the University of the Ryukyus. He also said that he had asked Director Sata of the Joint Secretariat to find an appropriate replacement.

9. The Alternates agreed to hold their next meeting at 1000 hours, 18 June 1971

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as

PREPCOM 18 June 1971  
SUBJECT: One Hundred-and-ninth Meeting of PrepCom Alternates, 1000 hours,  
11 June 1971

APPROVED:

*H. Savage* *Robin Y. Shivers* *APL/CD*  
GRI Alternate GOJ Alternate U S Alternate, Acting

DISTRIBUTION:

USG  
GOJ  
GRI  
File

11 July '71

SUBJECT: Characteristics of RDWC Water System and REPC Power System on Okinawa

At the 4 June 1971 Alternate's Meeting the GRI Alternate asked whether, after reversion, the RDWC and the military water systems would be "mixed" or separate and whether there would be separate military and civilian electricity systems.

First, with regard to the Island Water System, actions are now in progress to transfer certain military owned water assets to RDWC. This will be accomplished prior to reversion. Actually, there is today only one integrated island water system on Okinawa. It is not technically feasible to divide the water facilities; e.g., water treatment plants, distribution lines, reservoirs, storage tanks, into two systems and no such division is contemplated. RDWC will operate the single integrated island system and actions are now in progress to put this into effect soon. Of course, the US Forces will continue to operate and maintain on-post facilities such as pipeline distribution systems, etc.

Second, with regard to the Island Power System, only one island wide system exists at this time. US Forces do have certain emergency standby generators at particularly critical points within the US military installations and will continue to maintain the on-post transmission systems.

In short, only one integrated island water system and one island power system exist. The US Forces will not operate separate systems after reversion, but rather will purchase power and water from commercial sources and will continue to be the largest single wholesale customer for both power and water service. Certain emergency standby power generators will continue to be maintained by the US Forces at selected sites where a power outage cannot be tolerated, even briefly.

The rates charged the military will be governed by the provision of the SOFA as in Japan today.

THE PREPARATORY COMMISSION  
Naha, Okinawa

30 June 1971

OFFICIAL MINUTES

SUBJECT: One Hundred-and-tenth Meeting of PrepCom Alternates, 1000 hours, 25 June 1971

Participants:

Members: Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate  
Mr. Francis, Acting U S Alternate

Others: Mr. Murazumi, GOJ  
Mr. Nakayama, GOJ  
Mr. Yamamoto, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Billingsley, U S  
Miss Sata, Recorder

1. The GOJ Alternate said that, since the Reversion Agreement has been signed, Phase 2, as suggested in the July 1970 U S transfer proposal, has now begun. He also mentioned that between now and reversion the PrepCom must implement locally the provisions of that Agreement. He added that there were many things to discuss in order to accomplish a smooth transfer of administrative rights. He expressed the hope that PrepCom could study several concrete items in the next few weeks. The Acting U S Alternate said he expected his side to begin the tabling of several appropriate papers in the near future.

2. The Acting U S Alternate recalled that, at the 4 June Alternates' meeting, the GOJ Alternate had requested data on the cost of administering state and prefectural lands and of maintaining the off-post military road net. The Acting U S Alternate reported, for the record, that he had given this data directly to the GOJ Alternate.

3. The Acting U S Alternate also recalled that, at the 11 June Alternates' meeting, the GOJ Alternate had referred to a 14 December 1961 "Memorandum on Assistance for Establishment of a Model Farm in the Ryukyu Islands" which was signed by GOJ and GRI representatives and approved by the High Commissioner. The GOJ Alternate had asked whether, in light of the 9 November transfer agreement, it was necessary to continue to involve the High Commissioner in the day-to-day operation of the farm. The Acting U S Alternate said such involvement was no longer necessary except for two points: (a) the U S would still be willing to provide technical advice and assistance

PREPCOM

30 June 1971

SUBJECT: One Hundred-and-tenth Meeting of PrepCom Alternates, 1000 hours,  
25 June 1971

as possible upon request by the GRI, and (b) the annual report on the model farm would still have to be submitted in advance for the High Commissioner's review.

4. The Acting U S Alternate said he understood that the GRI letter, requesting continued use of the English Language Center (ELC) building and equipment and outlining the future program of the ELC, had been approved, that the English version of the letter was being typed that morning, and that the GRI would deliver the letter to USCAR the same day. He expressed the hope that the letter would arrive as scheduled so that the U S could complete its necessary detailed work. The GRI Alternate agreed to check to ensure the timely delivery of the letter.

5. The GOJ Alternate asked the other Alternates to consider the possibility of holding a Principals' meeting next month. He said that it would be well to have such a meeting, now that the Reversion Agreement has been signed. He added that he had no particular topics for the meeting but that the Alternates should explore this matter. The GRI Alternate said that if the PrepCom had substantial matters which could be reported to the press it would be worthwhile to have a Principals' meeting. He also mentioned that, if the Alternates could table any new proposals, the latter could ask the Principals to instruct them to study the proposals and that this might satisfy the press people.

6. In reply to the Acting U S Alternate's question, the GRI Alternate verified that the rationale for a Principals' meeting would be that the meeting would enable the Principals to instruct the Alternates to start their consideration of Phase 2 items. The two other Alternates said they had no hints as to any additional guidelines the ConCom might be considering for the PrepCom. The Alternates agreed to continue to discuss at their next meeting the question of a Principals' meeting.

7. The GRI Alternate said his Government would study the Reversion Agreement and the attachments thereto. He said this might reveal some items on which the PrepCom should act. For instance, he said, land which would be made available to the U S military forces would be handled under SOFA. However, with respect to land that would not be used for U S military purposes after reversion, such as roads and Naha Air Base, contracts to buy land from individual owners must be processed soon. Otherwise, the owners could do such things as build houses on the roads.

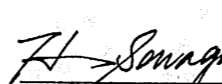
8. The Alternates agreed to hold their next meeting at 1000 hours, 2 July 1971.

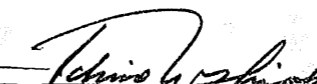
PREPCOM


30 June 1971

SUBJECT: One Hundred-and-tenth Meeting of PrepCom Alternates, 1000 hours,  
25 June 1971

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate, Acting

DISTRIBUION:

USG  
GOJ  
GRI  
File



THE PREPARATORY COMMISSION  
Naha, Okinawa

9 July 1971

OFFICIAL MINUTES

SUBJECT: ~~One Hundred-and-eleventh Meeting of PrepCom Alternates,~~  
1000 hours, 2 July 1971

Participants:

Members: Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate  
Mr. Francis, Acting U S Alternate

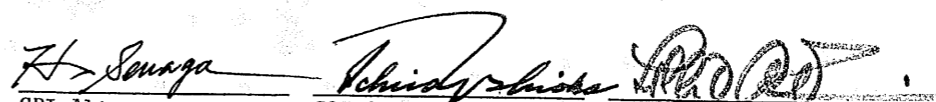
Others: Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Billingsley, U S  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The GOJ Alternate said he was still awaiting the results of a study being made in Tokyo on the possibility of holding a Principals' meeting soon and on items for such a meeting. He expressed the hope that at the next Alternates' meeting he could report the results of this study. He added that various GOJ ministries are making preliminary studies of possible Phase 2 items.
2. The Acting U S Alternate said that his Government is considering the same subjects. He added that at the next Alternates' meeting the U S should be in a position to continue discussions of a possible Principals' meeting.
3. The Acting U S Alternate said he was happy to report that Nago, Ishikawa, Hirara (Miyako), and Ishigaki (Yaeyama) have all agreed to continue the operation of the cultural centers in their communities from yesterday until reversion day. The GOJ Alternate asked if there were any problems regarding reductions in the number of employees at the centers. The Acting U S Alternate said he understood that the agreements signed did not provide for the retention of all employees and that he would provide relevant figures. In reply to the GOJ Alternate's question, the Acting U S Alternate said he did not know of any labor disputes at the centers.
4. The Acting U S Alternate said he understood that USCAR had received the GRI letter requesting continued use of the English Language Center building and equipment and outlining the future program of the Center; and that USCAR has been in contact with Director Toguchi regarding the paper work needed for continued operation of the Center.
5. The Alternates agreed to hold their next meeting at 1000 hours, 9 July 1971.

PREPCOM

9 July 1971  
SUBJECT: One Hundred-and-eleventh Meeting of PrepCom Alternates, 1000 hours,  
2 July 1971

APPROVED:

  
GRI Alternate      GOJ Alternate      Acting U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

16 July 1971

OFFICIAL MINUTES

SUBJECT: ~~One Hundred-and-twelfth Meeting of PrepCom Alternates, 1000 hours, 9 July 1971~~

Participants:

Members: Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate  
Mr. Francis, Acting U S Alternate

Others: Mr. Murazumi, GOJ  
Mr. Ito, GOJ  
Mr. Nakayama, GOJ  
Mr. Numakoshi, GOJ  
Mr. Yamamoto, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Billingsley, U S  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The GOJ Alternate introduced Mr. Ito from the Ministry of International Trade and Industry, the successor to Mr. Mabuchi. The other Alternates officially welcomed Mr. Ito.
2. The GOJ Alternate asked if the Acting U S Alternate had any report to make as a result of his recent trip to Tokyo. The latter commented as follows: He had discussions at American Embassy, Tokyo, for two days, returned yesterday, and saw the High Commissioner and Acting Civil Administrator the same day. The USG agrees with the other Governments that it would not be particularly profitable to hold a Principals' meeting unless something of substance could be accomplished by such a meeting.
3. It was decided by the three Alternates that they should compile a list of potential agenda items for a possible Principals' meeting. These items would consist of the kinds of things the Alternates could discuss in Phase 2. The Acting U S Alternate said the U S side is willing to discuss a wide range of topics during Phase 2. There is, however, the constitutional requirement that the U S Senate give advice and consent with respect to the reversion agreement, so it would be difficult for the United States to actually transfer any administrative responsibilities until after the Senate has considered the reversion agreement. Until then the PrepCom could use the time for fact-finding and deliberation on subjects the Alternates identify for the agenda of the next Principals' meeting.

PREPCOM

16 July 1971

SUBJECT: One Hundred-and-twelfth Meeting of PrepCom Alternates, 1000 hours, 9 July 1971

4. The GRI Alternate suggested that the Alternates could discuss Phases 2 and 3 together. The Acting U S Alternate said it was his opinion that the PrepCom could probably begin to discuss many subjects that were originally scheduled for Phase 3.
5. The Acting U S Alternate said he understood that English Language Center (ELC) matters were settled except for the actual signing of the U S-GRI agreement. He suggested the possibility of having the agreement signed at the beginning or end of the next Principals' meeting.
6. The GRI Alternate said his Government had a problem with the ELC. He explained that it is the GRI policy not to increase the number of regular personnel, because this would create problems at R-day. Therefore, it was decided that ELC staff members would be hired on a temporary basis. However, this results in monthly pay of only \$120-130, which is very discouraging to the staff. The GRI Alternate said he had recommended that the GRI General Affairs and Education Departments consider possible ways of forming a private organization to operate the Center on a contract with the GRI. The organization could then charge reasonable fees to students and higher salaries could be paid to the ELC staff. The Education Department is now studying this matter.
7. The Acting U S Alternate pointed out that this is slightly different from what was said in the GRI's recent letter to USCAR. In reply to the Acting U S Alternate's question about "reasonable fees," the GRI Alternate said his Government had not come up with a definite amount to charge students. The Acting U S Alternate also noted that if the ELC is not a GRI operation it might not be appropriate for the U S-GRI agreement on the Center to be signed at a Principals' meeting. The GRI Alternate said this required further study.
8. The GOJ Alternate referred to a request made by the GRI Alternate, at the 28 May Alternates' meeting, for USCAR approval for REPC and RDWC to discuss necessary matters directly with GRI officials. He also referred to the U S Alternate's reply to the above request, at the 4 June Alternates' meeting, to the effect that the U S had no objection to properly supervised exchanges of information between personnel of the GRI and of the corporations, that the U S was willing in principle to provide information, and that the proper channel to arrange this was by the GRI officials who are members of the respective corporations' boards of directors taking the matter up with corporation officers. The GOJ Alternate said his Government also feels the need for direct contacts between OBONTA and officials of the two corporations, for the exchange of information and materials to ensure a smooth transfer of the corporations upon reversion. He added that OBONTA people encounter language difficulties in trying to go through USCAR for information about the corporations and that a great deal of translation is required. He

PREPCOM  
SUBJECT: One Hundred-and-twelfth Meeting of PrepCom Alternates, 1000 hours,  
9 July 1971

16 July 1971

suggested that this technical problem could be avoided if OBONTA officials could speak directly to the corporation staffs in Japanese.

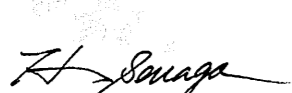
9. The Acting U S Alternate pointed out that, because the GRI has members on the corporations' boards, it was relatively simple to work out GRI-corporation contacts. He noted that, since the U S has not yet turned over the corporations, there are no Japanese on the boards and it might be more difficult to give OBONTA officials direct access to the corporations. However, he promised to see if it would be possible to come up with a solution that would accommodate both OBONTA and USCAR requirements.

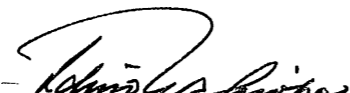
10. The GOJ Alternate said that the Ministry of Labor has proposed that the GOJ pay for the construction of a building before R-day to be used as a "Center for Assistance in Finding Employment." The Center would assist in finding employment for workers, including separated military employees. The GOJ Alternate said OBONTA officials had discussed this with the Director of the USCAR Labor Department and that the latter has informally endorsed the project. In reply to the Acting U S Alternate's question, the GOJ Alternate said he thought this had also been discussed informally with the GRI. The Acting U S Alternate said he would look into this and provide a formal reply.


11. The GOJ Alternate said that the cultural center buildings would "be in the hands" of the GOJ at reversion and that the municipalities concerned wanted the GOJ to give them the buildings free at that time. He said the concerned Ministries are still studying this. However, he said it is most likely that the decision will be to give the buildings to the municipalities. The Acting U S Alternate said the municipalities would be happy to know that the situation looks promising.

12. The Alternates agreed to hold their next meeting at 1000 hours, 16 July 1971.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
Acting U S Alternate

DISTRIBUTION:

USC  
GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

28 July 1971

OFFICIAL MINUTES

SUBJECT: One Hundred-and-thirteenth Meeting of PrepCom Alternates,  
1000 hours, 16 July 1971

Participants:

Members: Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate  
Mr. Francis, Acting U S Alternate

Others: Mr. Murazumi, GOJ  
Mr. Ito, GOJ  
Mr. Nakayama, GOJ  
Mr. Numakoshi, GOJ  
Mr. Yamamoto, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Billingsley, U S  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The GOJ Alternate asked if the other Alternates could give the titles of any items that the PrepCom could discuss during Phase 2. The Acting U S Alternate said his side was considering such items as operation and maintenance of the U S off-post highway system, administration of former Japanese state and prefectural lands, provision of aid-in-kind assistance to the GRI, and transfer of auto registration and drivers' licenses. He added that the U S might wish to suggest other items soon. The GOJ Alternate said Tokyo has not yet instructed him in this respect. He was informed that Tokyo was studying two or three possible items. The GRI Alternate said his Government also had studies under way. The Acting U S Alternate said that, by the end of next week, it should be possible for the Alternates to compile a definitive list and make a tentative decision as to whether a Principals' meeting is necessary.

2. The GOJ Alternate said he had received a cable from Tokyo which set forth some basic ideas about PrepCom operations in the coming months. He added that Tokyo reminded him that the 9 November 1970 transfer agreement was announced in the press. The GOJ understands that the U S Element of the PrepCom has to give careful consideration to the Senate's examination of the Reversion Agreement. At the same time it is not wise to give the public the impression that the PrepCom has been "half dead" since November. Rather, activities at the PrepCom should be increased to prepare for a smooth transfer of administrative

PREPCOM 28 July 1971  
SUBJECT: One Hundred-and-thirteenth Meeting of PrepCom Alternates, 1000 hours,  
16 July 1971

rights. The GOJ Alternate recalled that, at last week's Alternates' meeting, the Acting U S Alternate said the PrepCom could involve itself in fact-finding, among other things. The GOJ Alternate suggested that the PrepCom subcommittees be mobilized to study various items in a business-like manner. Tokyo also reminded him that any transfer of administrative rights before reversion would be to the GRI, rather than to the GOJ, and that the GOJ would merely give advice and assistance, so that the PrepCom work should not prejudice attitudes in the Senate toward the Reversion Agreement. The GOJ Alternate concluded that the PrepCom work should be done by each subcommittee in an accelerated, efficient, complete, and careful manner. The Acting U S Alternate agreed, and the GRI Alternate said he had no comments.

3. The Acting U S Alternate referred to the GOJ Alternate's statement at the 9 July Alternates' meeting about the GOJ desire for direct contacts between OBONTA and officials of the REPC and RDWC. He said the USCAR Public Works Department is willing to have the corporation personnel brief GOJ and GRI officials on any aspect of the operations of the two corporations. He explained that the GOJ officials who have a need for information should contact LTC Barrand at USCAR who will arrange the briefings. The Acting U S Alternate added that he hoped this would meet GOJ requirements and also assure the orderly operation of both corporations during this critical period of power expansion and drought programs. The GOJ Alternate said his Government was ready to do the physical work involved in making copies of material the GOJ wants.

4. The GOJ Alternate asked if OBONTA officials' contacts with the RDLC could be made in a similar manner. The Acting U S Alternate said he would check and furnish a reply.

5. The Acting U S Alternate confirmed that Mr. Schmitz of American Embassy Tokyo would pay courtesy calls on the other two Alternates on 20 July.

6. In answer to the Acting U S Alternate's question, the GRI Alternate said there were no new developments with respect to the English Language Center.


7. The GOJ Alternate said that the semi-governmental Japan Monopoly Corporation wished to send two officials to Naha, perhaps next week, for a rather long stay. The main purpose of their visit is to coordinate with leaf tobacco producers in preparing for the post-reversion system. He noted that the Okinawan tobacco industry is now private but will become a monopoly under the Corporation at reversion. The Acting U S Alternate asked how long these officials would stay. The GOJ Alternate said that they might remain from two or three months to reversion day, depending upon the progress of their work. He added that the same two officials might not stay throughout the entire research and coordination period. He promised to provide the names and titles of the first officials who would be coming.

PREPCOM 28 July 1971  
SUBJECT: One Hundred-and-thirteenth Meeting of PrepCom Alternates, 1000 hours,  
16 July 1971

8. The GOJ Alternate said the Ministry of Transportation would be sending a team, composed of 16 officials under the leadership of Mr. Nishimura, to investigate Naha Airport facilities and air traffic control affairs. He added that the GOJ had already informed the American Embassy Tokyo which agreed to the dispatch of the team. The GOJ Alternate promised to provide further details later.

9. The Alternates agreed to hold their next meeting at 1000 hours, 23 July 1971.

APPROVED:

  
GRI Alternate      GOJ Alternate      Acting U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

29 July 1971

OFFICIAL MINUTES

SUBJECT: One Hundred-and-fourteenth Meeting of PrepCom Alternates,  
1000 hours, 23 July 1971

Participants:

Members: Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate  
Mr. Francis, Acting U S Alternate

Others: Mr. Murazumi, GOJ  
Mr. Ito, GOJ  
Mr. Nakayama, GOJ  
Mr. Numakoshi, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Billingsley, U S  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The GOJ Alternate said he expected to receive instructions from Tokyo on Phase 2 items but they would have to be studied by the GOJ Element of PrepCom before submitting to the Alternates. He said that there soon might be one or two items in addition to the Phase 2 items listed in the July 1970 transfer proposal but that there would be "nothing sensational." He asked if the Acting U S Alternate had any additional items for discussion during Phase 2.
2. The Acting U S Alternate passed out copies of a list of nine "Suggested PrepCom Discussion Topics" (attached). He noted that the U S had come up with several new items in an attempt to meet the concern mentioned by the GOJ that the PrepCom should have more to do. He expressed the hope that the Alternates might begin discussions on one or more of these items at their next meeting.
3. The Acting U S Alternate recalled that, at the 9 July Alternates' meeting, the GOJ Alternate had mentioned a "Center for Assistance in Finding Employment." He said this has also been referred to as an "Employment Promotion Center" and suggested that the Alternates decide on which name to use. The GOJ Alternate said he preferred "Center for Assistance in Finding Employment," and the other Alternates concurred. The Acting U S Alternate said the U S agrees in principle on the construction of the center, with one reservation, namely, that no expenditures be charge to the GRI, specifically not to the Social Insurance Trust Funds. He added that the U S assumed the GOJ would bear all costs of demolishing

PREPCOM

29 July 1971

SUBJECT: One Hundred-and-fourteenth Meeting of PrepCom Alternates, 1000 hours,  
23 July 1971

any buildings on the center's building site and on any improvements to be made on the site. The GOJ Alternate said it was his understanding that the GRI would not be required to provide any funds for the center but he would specifically check this out and reply as soon as possible. The Acting U S Alternate reiterated his belief that this would be a worthwhile project.

4. The Acting U S Alternate referred to the question the GOJ Alternate raised at the 16 July Alternates' meeting as to how OBONTA officials should contact the RDLC. The former said his Government wished to have the present procedures maintained, that is, there is no objection to OBONTA officials contacting RDLC directly for talks with the RDLC President. However, requests for data other than RDLC publications must continue to be routed through the Chairman of the Board. He will route the data obtained to the USCAR Liaison Department which will forward it to the U S Element of PrepCom for transmittal to the GOJ through the Ministry of Finance member in the GOJ Element of PrepCom. Visits to RDLC from mainland officials have been and must continue to be coordinated through the USCAR Liaison Department.

5. The GRI Alternate asked if the U S would table papers explaining the nine items on its list. The Acting U S Alternate said he intended to table papers on some of the items. Other items could be discussed first and papers tabled later only if necessary. He said he had an information paper on Provision of Aid-in-Kind Assistance to GRI and negotiating instructions on Relinquishment to GRI of U S RPC Functions Concerning Administration of Japanese State and Prefectural Lands and on Relinquishment to GRI of Operation and Maintenance of Off-Post Road Network. He added that he would provide copies of these papers at a later date.

6. The GOJ Alternate asked if some of these items could be handled by subcommittees after discussion by the Alternates. The Acting U S Alternate said he thought this would be appropriate in a number of cases. The GOJ Alternate suggested that on some items, such as Impact on Local Economy of Currency Conversion, the aim might be on education rather than on an agreement to undertake action. The Acting U S Alternate said that not all of the items to be discussed would lead to relinquishment of a specific function. The GOJ Alternate noted that, on the other hand, several of the items would involve relinquishment and thus require PrepCom agreement. The Acting U S Alternate concurred.

7. The GOJ Alternate asked if the U S had any additional background information on the items on its list. The Acting U S Alternate said papers on some items would not be prepared unless discussions showed that this would be necessary. The GOJ Alternate said his Government might need background information before it could accept as official the items on the U S list. The Acting U S Alternate promised his cooperation.

PREPCOM

29 July 1971

SUBJECT: One Hundred-and-fourteenth Meeting of PrepCom Alternates, 1000 hours,  
23 July 1971

8. The GOJ Alternate asked if the Alternates could decide on which items to take up. The Acting U S Alternate answered affirmatively and said the list does not have to go to the Principals immediately. The GOJ Alternate said he would study the items on the U S list.

9. The GOJ Alternate said his Government might be particularly interested in such questions as who will bear the cost of administering state and prefectural lands after the GRI assumes certain RPC functions. The Acting U S Alternate said this is the type of matter that the Alternates would have to discuss.

10. The GRI Alternate asked what was meant by "emergency medical evacuation." The Acting U S Alternate made a brief explanation.

11. The GRI Alternate asked about the meaning of the item on "fishing arrangements." The Acting U S Alternate said that the experts on both sides should get together.

12. The GRI Alternate asked for information on petroleum franchising operations. The Acting U S Alternate explained that there is a GRI-USCAR Joint Petroleum Board to which local businessmen apply when they wish to open a service station. This board will cease to exist at reversion, and arrangements for the relinquishment of its functions are needed.

13. The GOJ Alternate noted that two items on the list are Planning for Emergency Medical Evacuation After Reversion and Discussion of Post-Reversion Okinawan Fishing Arrangements. He said that, since post-reversion functions are beyond the purview of the PrepCom, there must be some logical relationship to pre-reversion functions if the PrepCom is to consider these items. The Acting U S Alternate said this was the reason for the words "Planning" and "Discussion" in the titles of these items. He added that there was no question that post-reversion functions are the responsibility of the GOJ but that pre-reversion planning might be useful to the GOJ in preparing for those responsibilities and the U S is willing to furnish information on what is being done currently.

14. The GOJ Alternate said that two days ago the GOJ Maritime Safety Agency gave a letter of appreciation to the 41st Air Rescue Squadron at Kadena Air Base for its rescue of ten fishermen. At the presentation ceremony officers from the squadron said they were ready to share their experiences which might be helpful to the GOJ in the post-reversion period. He expressed the hope that the item on Planning for Emergency Medical Evacuation After Reversion was submitted in this spirit. The Acting U S Alternate said the whole list was drawn up in that spirit and that everything the PrepCom does should be within the framework of its established ground rules.

PREPCOM

29 July 1971

SUBJECT: One Hundred-and-fourteenth Meeting of PrepCom Alternates, 1000 hours,  
23 July 1971


15. The GOJ Alternate asked if the item on Relinquishment of Auto Registration Issuing Authority is related to yellow license plates. The Acting U S Alternate answered in the affirmative and pointed out that PrepCom discussion of relinquishment of this function at reversion might be appropriate.

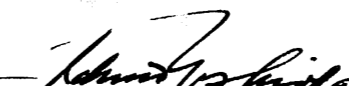
16. The Acting U S Alternate asked if there was anything new on the English Language Center (ELC). The GRI Alternate said he had received from the ELC a petition asking that its personnel be made regular GRI employees. He said he would bring the matter to the attention of the General Affairs Department but expressed doubts as to how much influence he would have.


17. The Alternates agreed to hold their next meeting at 1000 hours, 30 July 1971.

1 Incl  
as

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
Acting U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File

23 July 1971

SUGGESTED PREPCOM DISCUSSION TOPICS

1. Provision of Aid-in-Kind Assistance to GRI.
2. Relinquishment to GRI of U S RFC Functions Concerning Administration of Japanese State and Prefectural Lands.
3. Relinquishment to GRI of Operation & Maintenance of Off-Post Road Network.
4. Facilitate GRI Immigration Agency's Transition to GOJ Immigration Service by Records Conversion & Employee Training in Pre-reversion Period.
5. Impact on local economy of currency conversion.
6. Relinquishment of Portion of Joint Petroleum Board Function as Pertains to Franchising Operations.
7. Planning for Emergency Medical Evacuation After Reversion.
8. Discussion of Post-reversion Okinawan Fishing Arrangements.
9. Relinquishment of Auto Registration Issuing Authority.

THE PREPARATORY COMMISSION  
Naha, Okinawa

3 August 1971

OFFICIAL MINUTES

SUBJECT: One Hundred-and-fifteenth Meeting of PrepCom Alternates,  
1000 hours, 30 July 1971

Participants:

Members: Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate  
Mr. Francis, Acting U S Alternate

Others: Mr. Murazumi, GOJ  
Mr. Numakoshi, GOJ  
Mr. Yamamoto, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Billingsley, U S  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The GOJ Alternate said that Tokyo has confirmed officially that the GOJ does not expect the GRI to assume any financial responsibility with respect to the construction of the Center for Assistance in Finding Employment.
2. The GOJ Alternate said his Government is inconvenienced in phoning from the local lines to U S officials on military lines. Often "9" has to be dialed a number of times before a line becomes open. He asked if it would be possible to have one military line installed in the GOJ PrepCom office. The Acting U S Alternate said that he did not know if this was feasible but that he would look into it as soon as possible.
3. The GOJ Alternate asked if the Acting U S Alternate was ready to give additional explanations on the nine items the U S tabled on 23 July. The Acting U S Alternate said he had no further explanation at the moment but would be glad to answer specific questions. The GOJ and GRI Alternates said they had no questions now. The GOJ Alternate said the items were under study by various Ministries and by OBONTA and that he might raise some questions at the next Alternates' meeting.
4. The GRI Alternate asked if the Acting U S Alternate had any idea as to how the USG would handle the exchange of submerged land at the port area with reclaimed land. The latter said his side had given a great deal of thought to this, but he did not know the present status of the studies being



PREPCOM

3 August 1971


SUBJECT: One Hundred-and-fifteenth Meeting of PrepCom Alternates, 1000 hours,  
30 July 1971


made. He added that he would check into this matter and then advise the GRI Alternate.


5. The GRI Alternate asked if the Acting U S Alternate could give a report of the progress being made on the disposition of the USCAR-owned shares of the Bank of the Ryukyus. The Acting U S Alternate said he would secure the information and furnish a report.

6. The Alternates agreed to hold their next meeting at 1000 hours, 6 August 1971.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
Acting U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

11 August 1971

OFFICIAL MINUTES

SUBJECT: ~~One Hundred-and-sixteenth Meeting of PrepCom Alternates,~~  
1000 hours, 6 August 1971

Participants:

Members: Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate  
Mr. Francis, Acting U S Alternate

Others: Mr. Murazumi, GOJ  
Mr. Numakoshi, GOJ  
Mr. Yamamoto, GOJ  
Mr. Nitta, GOJ  
Mr. Zakimi, GRI  
Mr. Billingsley, U S  
Miss Ammons, Recorder

1. The GOJ Alternate expressed appreciation for the quick action taken by the Acting U S Alternate to have a military telephone installed for use by the GOJ Element.
2. The GOJ Alternate said his Government had not yet decided which items to take up officially of the nine items tabled by the U S on 23 July. However, he added that discussions could commence at any time at the subcommittee level on Item 4 (Facilitate GRI Immigration Agency's Transition to GOJ Immigration Service by Records Conversion & Employee Training in Pre-Reversion Period); Item 6 (Relinquishment of Portion of Joint Petroleum Board Function as Pertains to Franchising Operations); and Item 9 (Relinquishment of Auto Registration Issuing Authority). Before the other items could be discussed, he said, GOJ would need additional clarification.
3. The Acting U S Alternate passed out copies of U S negotiating instructions titled "Operation and Maintenance of the Off-Post Highway System" (attached). He said he was making these documents available to the other Governments so they would know what he had been instructed to do. He noted that on page 2, in the second sentence, a reference was made to an attached map. Due to technical difficulties, the map was not immediately available, but would be furnished later. The Acting U S Alternate suggested that the appropriate subcommittee be convened so that experts of the three Governments might discuss the various points in question. The GOJ Alternate said his Government would review the negotiating instructions and the question of which subcommittee should handle this subject.

PREPCOM

SUBJECT: One Hundred-and-sixteenth Meeting of PrepCom Alternates,  
1000 hours, 6 August 1971

The Acting U S Alternate said that perhaps a decision could be made at the next Alternates' meeting.

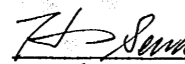
4. The Acting U S Alternate said that after reviewing his files, he had found that personnel who have been assigned to the various subcommittees have changed. He suggested that a new list of names be prepared and furnished the Joint Secretariat. The GRI Alternate stated he would nominate one permanent member and one ad hoc member from various GRI departments for each subcommittee.

5. The Acting U S Alternate recalled that at the 30 July Alternates' meeting, the GRI Alternate asked if the Acting U S Alternate had any idea as to how the USG would handle the exchange of submerged land at the port area with reclaimed land. He said that this matter has been given high priority attention by the USG; however, it was still in the process of study and a firm position had not yet been developed.

6. The Acting U S Alternate also recalled that the GRI Alternate had asked at the same meeting for a report of the progress being made on the disposition of the USCAR-owned Bank of the Ryukyus shares. The Acting U S Alternate stated that: (a) The appraisal contract was signed on 27 July 1971 with Nomura Securities International, Incorporated. This Japanese securities firm will appraise the stock and will serve as USCAR's consultant on the stock sale. (b) In order to make doubly certain that the appraised value for the stock is a fair sales price and that the method of disposal is fair and equitable, Nomura's work will be reviewed by Morgan Guaranty Trust Company of New York. USCAR's contract with this U S firm was also signed on 27 July 1971 in Washington. (c) Five Nomura experts are scheduled to arrive on Okinawa on 10 August 1971.

7. The Alternates agreed to hold their next meeting at 1000 hours, 13 August 1971.

1 Inc  
APPROVED:  
as  
APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
Acting U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File

OKINAWA REVERSION PLANNING

OPERATION AND MAINTENANCE  
OF THE U. S. OFF-POST HIGHWAY SYSTEM

SECTION I: NEGOTIATING INSTRUCTIONS

1. The U.S. is prepared to authorize the GRI, with the concurrence of the GOJ, effective immediately, the function of operation and maintenance of the U. S. off-post highway system. The USG, however, will retain title to this road network and will continue to make lease payments on property underlying these roads until reversion.

2. GRI operation of the U. S. off-post highway system means GRI management of this road network, including authority to construct new facilities on, or connecting to, these roads and to institute modifications in traffic engineering systems, such as the timing and placement of traffic signals. It means that the GRI will have the same authority over this road system as it now has over non-U. S. owned roads on Okinawa.

3. In assuming this function the GRI would agree to:

a. Operate and maintain the highway system in a manner and state of repair, such as to permit free flow of private, commercial and military traffic on Okinawa and to permit free and full access to and between all U. S. facilities and areas.

b. Ensure that USG right-of-access to existing U.S.-owned utility and POL distribution systems over, on, or under the highway system rights-of-way is not infringed upon.

c. Ensure that all present rights of access granted by the USG to others will continue in effect.

d. Coordinate with the USG before permitting any excavation in areas which may contain USG utility and POL lines.

OKINAWA REVERSION PLANNING  
OPERATION AND MAINTENANCE  
OF THE U. S. OFF-POST HIGHWAY SYSTEM

SECTION II: Supporting Information

1. The USG currently operates 142.86 miles of off-post roads on Okinawa, all of which are paved. This road system is defined by the listing at Inclosure 1 and is illustrated on the map at Inclosure 2. Installed appurtenances such as traffic lights and signs, route markers, directional signs and safety signs on these routes are considered to be part of the highway system.
2. In order to permit the GOJ to make sufficient advance preparations to take over the U. S. off-post military highway system at reversion, the USG is prepared to authorize the GRI prior to reversion, subject to the conditions stipulated in Section I, the function of operating and maintaining this road network.

U. S. OFF - POST ROAD SYSTEM												Page 1 of 2
RTE #	FROM	FUNDS	TYPE OF ROAD	LANES	WIDTH OF PAVEMENT	WIDTH & SY OF SHOULDERS	SY OF PAVE-MENT	TOTAL SY	LENGTH (FT)	MILES	INITIAL COST (00)	YEAR OF COMPLETION
1	KOKUBA BR--NAHA to KADENA CIRCLE	GARIOA	AC	4	48'	10'-128511	308427	436938	57830	10.95		53
	(Relocation of Section)	GARIOA	AC	4	61'	-----	19656	19656	2900	.55	2586117	53
	Bus Turnouts	A/F	AC	4	48'	10'- 26104	62651	88755	11747	2.22	266065	57
		MCA	AC	-	-	-----	6842	6842	-	-	45976	54
	KADENA CIRCLE to OLD RT 6	GARIOA	AC	4	51'	-----	5706	5706	1007	.19		53
		GARIOA	AC	4	48'	10'- 3338	8011	11349	1502	.28	296000	53
	OLD RT 6 to NAKADOMARI (Rts 1 & 6)	MCA	AC	2	22'	6'- 13200	24200	37400	9900	1.88		54
	MCA	AC	2	20'	6'- 34893	58156	93049	26170	4.96	2526645	54	
	NAKADOMARI to NAGO	MCA	AC	2	20'	6'-138724	231207	369931	104043	19.71	3102667	55
3	KOKUBA BRIDGE to NAB (Rt 60)	MCA	AC	4	48'	10'- 4044	9707	13751	1820	.34		54
		MCA	AC	2	22'	6'- 4220	7737	11957	3165	.60	40689	54
5	ROUTE 137 to CSG ENTRANCE GATE	USG	AC	2	22'	6'- 4363	7999	12362	3272	.62	40858	53
	ROUTE 34 to ROUTE 30	MCA	AC	2	22'	6'- 27233	49928	77161	20425	3.87	226667	55
	ROUTE 30 to ROUTES 20 & 24	GARIOA	AC	4	48'	10'- 43780	105072	148852	19701	3.73	571649	53
5A	ROUTE 16 to ROUTE 13 (Kinzer By-pass)	USN	AC	2	22'	4'- 8540	23500	32040	9610	1.82	75000	69
6	ROUTE 1 to TORII STATION	MCA	AC	2	22'	6'- 7595	15816	23411	5696	1.08	75144	55
	ROUTE 1 to ROUTE 13	MCA	AC	2	20'	6'- 19868	36058	55926	14901	2.82	137447	54
	ROUTE 1 to STRATCOM - Sobe	MCA	AC	2	22'	6'- 2395	4380	6775	1796	.34	16142	66
7	ROUTE 62 to ROUTE 13	MCA	AC	2	18'	4'- 19260	55811	75071	26902	5.10	254227	60
	ROUTE 3 to NAHA PORT GATE NO. 4	MCA	AC	2	20'	4'- 2534	6345	8879	2855	.54	1028	54
8	ROUTE 13 to ROUTE 24	GARIOA	AC	2	22'	6'- 13552	24845	38397	10164	1.93	87214	53
	ROUTE 10 to WHITE BEACH GATE	GARIOA	AC	2	22'	6'- 31187	57176	88363	23390	4.43	178466	53
10	ROUTE 24 to ROUTE 8	GARIOA	AC	2	22'	6'- 12333	22611	34944	9250	1.75	70614	53
13	ROUTE 44 to YAKA BEACH	GARIOA	AC	2	22'	6'-149577	274225	423802	112183	21.25	1421311	53
	YAKA BEACH to KIN	MCA	AC	2	22'	6'- 30029	57868	87897	22522	4.27	386544	54
	KIN to ROUTE 108	MCA	AC	2	20'	6'- 48653	81089	129742	36490	6.91	522087	54
	ROUTE 108 to NO. GATE, HENOKO DEPOT	USMC	AC	2	22'	9'- 53180	66521	119701	26928	5.10	1416897	59
15	ROUTE 7 to ROUTE 52	MCA	AC	2	18'	4'- 3082	9099	12181	4274	.81	41454	60
	ROUTE 52 to ROUTE 64	MCA	AC	2	18'	4'- 490	23580	34070	11790	2.23	114000	60
16	KADENA CIRCLE to RT 13-incl circle	GARIOA	AC	2	22'	6'- 28173	51651	79824	21130	4.00	296509	53
	ROUTE 13 to ROUTE 24	MCA	CONC	2	22'	6'- 8545	15667	24212	6409	1.21	95484	54

U. S. OFF - P O S T R O A D S Y S T E M

RTE #	FROM	FUNDS	TYPE OF ROAD	LANES	WIDTH OF PAVEMENT	WIDTH & SY OF SHOULDERS	SY OF PAVEMENT	TOTAL SY	LENGTH (FT)	MILES	COST (00)	YEAR OF COMPLETION
20	RTS 5 & 24 to KAD GATE #2	GARIOA	AC	4	48'	10'- 3111	7467	10578	1400	.27	30685	53
22	ROUTE 5 to ROUTE 13 (Awase Road)	MCA MCA	AC AC	2 2	22' 20'	6'- 2597 6'- 11980	4762 19966	7359 31946	1948 8985	.37 1.70	46763	54 54
24	RTS 5 & 20 to ROUTE 8 (Tengan)	GARIOA	AC	2	22'	6'- 32359	59324	91683	24269	4.60	197990	53
	ROUTE 8 to ROUTE 13	GAR/MCA	AC	2	22'	6'- 24840	45650	70490	17598	3.53	207026	66
	ROUTE 1 to ROUTE 5	GARIOA	AC	2	22'	6'- 10400	19067	29467	7800	1.48	80982	53
30	ROUTE 5 to DELAWARE ST (Sukiran)	GARIOA	AC	2	22'	6'- 2833	5194	8027	2125	.40	19338	55
	DELAWARE ST to ROUTE 13	MCA	AC	2	22'	6'- 11087	20489	31576	8315	1.57	75707	55
34	ROUTE 1 to ROUTE 5	MCA	AC	2	22'	6'- 6435	11797	18232	4826	.91	28618	54
44	ROUTE 1 to ROUTE 44A (Bucknerville)	GARIOA	AC	2	22'	6'- 52569	96377	148946	39427	7.46	459691	53
44A	ROUTE 44 to ROUTE 137	GARIOA	AC	2	22'	6'- 8772	16083	24856	6580	1.25	59268	53
52	ROUTE 13 to ROUTE 15	MCA	AC	2	18'	4'- 3338	9860	13198	4844	.92	44920	60
64	RTE 15 to SOUTH STGE AREA ACCESS RD	MCA	AC	2	22'	4'- 1276	3510	4786	1436	.27	9335	60
130	ROUTE 1 to ROUTE 5	MCA MCA	AC AC	4 4	48' 64'	10'- 8333 -----	20000 16000	28333 16000	3750 2250	.71 .43	179329	53 53
137	ROUTE 44A to CHINEN-CSG ENTRANCE	USG	AC	2	22'	6'- 10564	19367	29931	7923	1.50	98930	53
	Sub-Total - 2 lane Highway	-	-	2	-	850,676	1536915	2387592	649341	123.19	-	-
	Sub-Total - 4 lane Highway	-	-	4	-	217,221	569539	786760	103907	19.67	-	-
	G-R-A-N-D T-O-T-A-L	-	-	-	-	1,067,897	2,106,454	3,174,352	753,248	142.86	16,431,483	-

THE PREPARATORY COMMISSION  
Naha, Okinawa

27 August 1971

OFFICIAL MINUTES

SUBJECT: One Hundred-and-seventeenth Meeting of PrepCom Alternates,  
1130 hours, 23 August 1971

Participants:

Members: Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate  
Mr. Francis, Acting U S Alternate

Others: Mr. Murazumi, GOJ  
Mr. Ito, GOJ  
Mr. Nakayama, GOJ  
Mr. Numakoshi, GOJ  
Mr. Yamamoto, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Billingsley, U S  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The GOJ Alternate suggested that subcommittees start discussion of three of the topics tabled by the U S side at the 23 July meeting, namely, (a) Facilitate GRI Immigration Agency's Transition to GOJ Immigration Service by Records Conversion and Employee Training in Pre-reversion Period, (b) Relinquishment of Portion of Joint Petroleum Board Function as Pertains to Franchising Operations, and (c) Relinquishment of Auto Registration Issuing Authority. The Alternates agreed that Messrs. Murazumi (GOJ), Walters (U S), and Zakimi (GRI) should meet to arrange the subcommittee meetings.

2. The GOJ Alternate noted that the item on Provision of Aid-in-Kind Assistance to the GRI had been listed in the U S transfer proposal of July 1970 and that the U S had indicated at that time it would be willing to continue such assistance through FY 1972. He expressed his belief that, since the date of reversion was more uncertain than it is now, the U S perhaps wanted to discuss what would happen to aid-in-kind assistance if reversion occurred after 1 July 1972. Moreover, in Part I of its Okinawa Reversion Measures Outline the GOJ had announced it would supply basic goods for school lunches in the immediate post-reversion period. Therefore, he suggested that the aid-in-kind item be put aside until the date of reversion becomes clear. The other Alternates agreed.

PREPCOM

27 August 1971

SUBJECT: One Hundred-and-seventeenth Meeting of PrepCom Alternates, 1130 hours, 23 August 1971

3. The Acting U S Alternate distributed copies of negotiating instructions on Administration of Former Japanese State and Prefectural Lands (attached). He said he had tabled them for the same reason he had previously tabled negotiating instructions on Operation and Maintenance of the U S Off-Post Highway System, i.e., so the other Governments would know what he had been instructed to negotiate.

4. The Acting U S Alternate noted for the record that he had provided to the other Alternates a map to attach to the negotiating instructions on Operation and Maintenance of the U S Off-Post Highway System. He mentioned his understanding was this topic was also to be discussed by a subcommittee and said that the U S was ready to discuss it whenever the other Governments were ready. The GOJ Alternate said he had not yet received instructions from Tokyo on this subject.

5. The Acting U S Alternate announced that Mr. Billingsley would leave PrepCom after this week to take a position in the Real Estate Division with the U S Army District Engineer. He added that Mr. Billingsley was an expert on land problems and expressed his gratitude that the latter would remain in Okinawa where his expertise is needed. The Acting U S Alternate also reported that Minister Fearey was due back at the end of this month and that Mr. Burke had returned from the States the previous day.

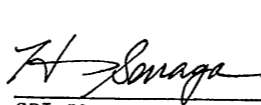
6. The GRI Alternate said that Minister Yamanaka intended to visit Okinawa about 10 September.

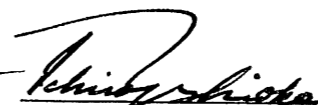
7. The Acting U S Alternate noted that the GOJ had submitted its list of regular members on the PrepCom subcommittees but that the GRI had been unable to do so, because of the absence of the GRI Alternate. The latter said Mr. Zakimi would participate in all subcommittees and that officials from various GRI departments would be selected on an ad hoc basis to assist Mr. Zakimi.


8. The Alternates agreed to hold their next meeting at 1000 hours, 27 August 1971.

1 Incl  
as

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
Acting U S Alternate

PREPCOM 27 August 1971  
SUBJECT: One Hundred-and-seventeenth Meeting of PrepCom Alternates, 1130  
hours, 23 August 1971

DISTRIBUTION:  
USG  
GOJ  
GRI  
File

*Tabled at 23 Aug Mtg.*

OKINAWA REVERSION PLANNING  
ADMINISTRATION OF FORMER JAPANESE STATE  
AND PREFECTURAL LANDS

SECTION I: Negotiating Instructions

1. The United States is prepared to authorize, with the concurrence of the GOJ, GRI performance of the functions performed by the Ryukyu Property Custodian (RPC) with respect to the administration of former Japanese State (National) and Okinawa Prefectural property and assets thereof, subject to the following conditions:
  - a. The ultimate authority of the USG in land matters, as reflected in U.S. Navy Military Government Proclamation No. 7 (Custodian of Property), will be maintained until Reversion. A U.S. Government RPC, therefore, will be required until Reversion to monitor, and to ensure, the proper execution of the authorized RPC functions.
  - b. The authorization of functions to the GRI will be under a specific understanding that the GRI shall not dispose of title or take any action whatsoever that is inconsistent with the responsibilities of the U.S. as custodian of the property or is in conflict with residual Japanese title or interests.
  - c. The GRI will maintain appropriate administrative and financial records open to inspection by the U.S. RPC and shall submit to the U.S. RPC or his successor a quarterly report of activities to include a financial statement.
  - d. Copies of required leases, administrative records and maps and other requisite files will be made available to the GRI to be used for the competent administration of the subject property.
  - e. The HICOM, through the U.S. RPC or his successor, reserves the right to recover all or part of the administration of subject property until Reversion. The right to recover shall include the authority to allocate RPC assets, as required, for the use of the USG.



f. The U.S. Government and its agencies, assigns, instrumentalities, etc., will have the right to the continued use of State and Prefectural property, to include tidelands and water surfaces, without compensation. No allocation presently possessed or property and water surfaces used by the USG shall be changed or limited in any way without the express written approval of the U.S. RPC.

g. The GRI will administer the RPC assets for the continued general benefit and welfare of the Ryukyuan people. The GRI administrative authority will recognize and give full validity to the prior acts, leases, decisions and determinations of the preceding U.S. RPC administration. Existing leases and other contractual arrangements pertaining to the disposition of the RPC properties and/or administration of RPC business, shall be respected to the maximum extent possible consistent with the efficient and beneficial administration of RPC properties.

h. Boundary disputes may be settled by the GRI subject to the provisions of existing laws.

i. The GRI is authorized to retain and use income derived from its administration of the property. Further, the GRI shall accept full legal and financial responsibility for its administration of the RPC function.

j. In accepting the administration, the GRI will agree to employ the local national (LN) personnel of the present U.S. RPC, to include those on Miyako and Ishigaki and in the Naha office, and to retain these persons who are most familiar with the property and administration of same. Certain LN personnel, to be designated by the U.S. RPC, will be retained temporarily to assist the U.S. RPC in phasing-out this activity. All salaries, wages and expenses involved in the administration of subject property will be borne by the GRI from income derived from the administration of same as has been the past procedure and custom.

OKINAWA REVERSION PLANNING  
ADMINISTRATION OF FORMER JAPANESE STATE  
AND PREFECTURAL LANDS

SECTION II: Supporting Information

1. The U. S. Ryukyuan Property Custodian (RPC) is the custodian of former Japanese State (National) and Prefectural property in the Ryukyu Islands which are under U.S administration. With minor exceptions, the property consists entirely of land. Breakdown and location of the approximately 97,388 acres of RPC controlled land are:

	<u>State</u>	<u>Prefectural</u>	<u>Total</u>
Okinawa	31,141.62	4,893.87	36,035.49
Miyako	867.16	63.56	930.72
Yaeyama	<u>60,414.61</u>	<u>7.80</u>	<u>60,422.41</u>
Total Acres	92,423.39	4,965.23	97,388.62

2. More than ninety percent of the above property is administered by the GRI in accordance with the provisions of HICOM Directive No. 2, 12 April 1962 (Management of Prefectural and Japanese State Forest Land) as forest property. The RPC administers approximately 1,540 acres of non-forest land in the islands which are leased as follows:

	<u>State</u>	<u>Prefectural</u>	<u>Leases</u>	<u>Monthly Income from Rental (\$)</u>
Okinawa	59.66	104.29	3,242	9,661.45
Miyako	678.34	0.26	1,767	223.71
Yaeyama	<u>697.36</u>	<u>0.00</u>	<u>331</u>	<u>85.00</u>
Total	1,435.36	104.55	5,340	9,970.16*

\* Over \$7,000 is obtained from the leasing of the Prefectural Land.

The RPC has also allocated, without compensation, over 24,000 acres of subject property for U.S. Forces use.

THE PREPARATORY COMMISSION  
Naha, Okinawa

31 August 1971

OFFICIAL MINUTES

SUBJECT: One Hundred-and-eighteenth Meeting of PrepCom Alternates,  
1330 hours, 27 August 1971

Participants:

Members: Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate  
Mr. Francis, Acting U S Alternate

Others: Mr. Numakoshi, GOJ  
Mr. Yamamoto, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The GOJ Alternate said for the record that the Subcommittee on Industry and Economics had met on 25 August to discuss Relinquishment of Portion of Joint Petroleum Board Function as Pertains to Franchising Operations. He added that the subcommittee planned to meet again on 31 August to continue the discussion of the same topic.
2. The Acting U S Alternate said his side was ready to meet any time during September to discuss the item on Facilitate GRI Immigration Agency's Transition to GOJ Immigration Service by Records Conversion and Employee Training in Pre-reversion Period. The GOJ Alternate said he would notify the other Alternates as soon as the GOJ was ready to meet on this subject.
3. The GOJ Alternate asked about the possibility of the SOFA Subcommittee holding a meeting. The Acting U S Alternate said he would suggest a date as soon as possible after today's meeting.
4. The GOJ Alternate announced that Minister Yamanaka would be visiting Okinawa from 10 to 16 September. He plans to visit, among other places, Kita and Minami Daito, Itoman, and White Beach.
5. The GOJ Alternate said he was still waiting for a response from Tokyo to the list of Suggested PrepCom Discussion Topics, tabled by the Acting U S Alternate on 23 July. The Acting U S Alternate said his side was ready to discuss any of these topics, at the convenience of the other Governments.

PREPCOM

31 August 1971

SUBJECT: One Hundred-and-eighteenth Meeting of PrepCom Alternates, 1330  
hours, 27 August 1971

6. The Acting U S Alternate passed out an updated list of subcommittee regular members (attached).

7. The Alternates agreed to hold their next meeting at 1000 hours, 3 September 1971.

1 Incl  
as

APPROVED:

GRI Alternate

GOJ Alternate

Acting U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File

27 August 1971

PrepCom Subcommittees

General Affairs Subcommittee

<u>GOJ</u>	<u>USG</u>	<u>GRI</u>
Counselor Murazumi Secretary Nitta	Mr. Francis Mr. Walters	Mr. Zakimi

Subcommittee on Industry & Economics

Counselor Ito Secretary Numakoshi Secretary Yamamoto Secretary Nitta	Mr. Burke Mr. Walters	Mr. Zakimi
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Subcommittee on Transfer of Administrative Rights

Counselor Murazumi Secretary Nakayama Secretary Nitta	Mr. Francis Mr. Walters	Mr. Zakimi
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SOFA Subcommittee

Counselor Murazumi Secretary Nakayama Secretary Numakoshi Secretary Suzuki Secretary Okano	Colonel Meads Mr. Walters	Mr. Zakimi
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THE PREPARATORY COMMISSION  
Naha, Okinawa

13 September 1971

OFFICIAL MINUTES

SUBJECT: One Hundred-and-nineteenth Meeting of PrepCom Alternates,  
1100 hours, 3 September 1971

Participants:

Members: Mr. Fearey, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Murazumi, GOJ  
Mr. Ito, GOJ  
Mr. Nakayama, GOJ  
Mr. Numakoshi, GOJ  
Mr. Yamamoto, GOJ  
Mr. Nitta, GOJ  
Mr. Francis, U S  
Mr. Walters, U S  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The U S Alternate said he was happy to be back on the job. The other Alternates welcomed his return. The U S Alternate said he had started to read up on recent PrepCom matters, in papers provided by Mr. Francis, and had noted significant achievements in a number of areas. Both the U S Alternate and Mr. Francis thanked the other Alternates for the support given to the latter during the U S Alternate's absence. The Alternates expressed their appreciation for Mr. Francis' effective work.

2. The GOJ Alternate said discussions at the subcommittee level had begun on several of the topics tabled by the Acting U S Alternate on 23 July 1971. The GOJ Alternate suggested that the titles of two topics be reworded as follows: "Planning for Emergency Medical Evacuation After Reversion" to "Briefing on Emergency Medical Evacuation on Okinawa" and "Discussion of Post-reversion Okinawan Fishing Arrangements" to "Briefing on Okinawan Fishing Arrangements." He explained that the reason for the suggested changes was the fact that these two items were aiming at only discussion and exchange of views rather than a formal PrepCom agreement. He referred to three precedents of briefings that had been given in the past to the Alternates and their staffs.

PREPCOM

13 September 1971

SUBJECT: One Hundred-and-nineteenth Meeting of PrepCom Alternates, 1100 hours, 3 September 1971

3. The U S Alternate said the U S would be glad to participate in such briefings and asked Mr. Francis to make the necessary arrangements for the U S participants. The GRI Alternate agreed that such briefings would be in order. It was agreed that the first briefing might be given at their next meeting, if possible, otherwise at the 17 September meeting. It was also agreed that each Element might invite those it wished to hear the briefings, including personnel from outside PrepCom.

4. The GOJ Alternate reported that the Subcommittee on Industry and Economics had held two meetings in the past week to discuss the item on Relinquishment of Portion of Joint Petroleum Board Function as Pertains to Franchising Operations. He added that the Administrative Transfer Subcommittee had met once and discussed the topic entitled Facilitate GRI Immigration Agency's Transition to GOJ Immigration Service by Records Conversion and Employee Training in Pre-reversion Period. Mr. Francis said that the SOFA Subcommittee had a meeting scheduled for 8 September to discuss the topic entitled Relinquishment of Auto Registration Issuing Authority.

5. The GOJ Alternate suggested that, in view of discussions in Tokyo and Washington, the item on Impact on Local Economy of Currency Conversion could not be discussed usefully at PrepCom for the time being. The other Alternates agreed.

6. The U S Alternate said he understood that the subcommittees had been exchanging views on their respective topics in order to enable PrepCom to reach agreements at an appropriate time. The other Alternates confirmed this understanding.

7. The GOJ Alternate said that Minister Yamanaka was scheduled to arrive on 10 September but that the GOJ Alternate would still be able to meet with the other Alternates at the usual time that day. Therefore, the Alternates agreed to hold their next meeting at 1000 hours, 10 September 1971.

APPROVED:

*H. Senaga*  
GRI Alternate

*Shinji Yoshida*  
GOJ Alternate

*Robert L. Perry*  
U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

23 September 1971

OFFICIAL MINUTES

SUBJECT: One Hundred-and-twentieth Meeting of PrepCom Alternates,  
1000 hours, 10 September 1971

Participants:

Members: Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate  
Mr. Francis, Acting U S Alternate

Others: Mr. Murazumi, GOJ  
Mr. Ito, GOJ  
Mr. Numakoshi, GOJ  
Mr. Walters, U S  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The Acting U S Alternate said Minister Fearey had called to say that he had regrettably been detained at the hospital and would not be able to make the meeting.

2. The Acting U S Alternate said that, if convenient for the other Governments, his side could present a briefing on "Emergency Medical Evacuation" on 17 September. It was decided that the Alternates would meet briefly at 1000 hours that day in the third floor conference room. Immediately after that meeting they would go to the first floor conference room, which could better handle the anticipated large attendance, for the briefing.

3. The Acting U S Alternate said it was his understanding that Mr. Zakimi of the GRI would make arrangements for a 24 September briefing on fishing arrangements and that the U S would support the briefing with some of its own people. Mr. Zakimi confirmed the basic understanding, but pointed out that the GOJ and GRI would observe an official holiday (Autumnal Equinox Day) on 24 September. It was agreed that the date for this briefing would be chosen after checking the U S Alternate's schedule.

4. The Acting U S Alternate noted that the Industry and Economics Subcommittee had met on 7 September to discuss "Relinquishment of Portion of Joint Petroleum Board Function as Pertains to Franchising Operations" and that the SOFA Subcommittee had met on 8 September to discuss "Relinquishment of Auto Registration Issuing Authority." He added that the Administrative Transfer Subcommittee was scheduled to meet on 14 September to discuss the

PREPCOM

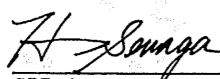
23 September 1971

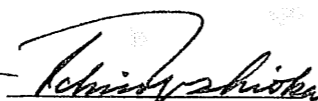
SUBJECT: One Hundred-and-twentieth Meeting of PrepCom Alternates, 1000 hours,  
10 September 1971


topic entitled "Facilitate GRI Immigration Agency's Transition to GOJ Immigration Service by Records Conversion and Employee Training in Pre-reversion Period."

5. The GOJ Alternate indicated that his Government was thinking about establishing a special juridical body to handle REPC activities after reversion. He said this body would have to consider future industrial development in its planning for supplying electricity. In this connection, he said, the REPC has a plan to build a 125,000 KW generator, which would be the largest on Okinawa, under its "Number 8 Project." Therefore, his side wished to consult with REPC in advance about such REPC plans which would have a substantial effect on the GOJ's own plans. He asked if the Acting U S Alternate could make arrangements for experts from the U S side to meet with GOJ experts, perhaps including one from Tokyo, to exchange views in a subcommittee meeting. He added that he would also appreciate GRI participation in such a meeting. He said that it would be helpful to receive basic factual material in advance. The GRI Alternate said he wished to join the GOJ Alternate in requesting USG cooperation in this respect. The Acting U S Alternate said he would look into the matter immediately and get an answer as soon as possible.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
Acting U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

24 September 1971

OFFICIAL MINUTES

SUBJECT: One Hundred-and-twenty-first Meeting of PrepCom Alternates,  
1000 hours, 17 September 1971

Participants:

Members: Mr. Fearey, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Ito, GOJ  
Mr. Numakoshi, GOJ  
Mr. Yamamoto, GOJ  
Mr. Francis, U S  
Mr. Walters, U S  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The U S Alternate apologized for not attending last week's meeting. He said he had planned to attend but his hospital appointment that morning took longer than anticipated.
2. The U S Alternate referred to the suggestion made by the GOJ Alternate at the 10 September Alternates' meeting for a meeting of experts at the subcommittee level to discuss REPC plans. The U S Alternate said he was pleased to agree with the suggestion and expressed his hope that the meeting be held as soon as possible. He said that Mr. Francis would coordinate with the GOJ and GRI as to the date and time of the meeting and arrange for the U S participants. In addition to its desire to afford the GOJ necessary cooperation, the U S has an interest in effective planning to ensure an adequate supply of electricity in the future.
3. The U S Alternate noted that the GOJ Alternate had also asked for basic factual material in writing on the REPC plan to build a 125,000 KW generator. The U S Alternate said there was nothing yet in writing except a letter from REPC to the District Engineer asking him to prepare designs for such a generator.
4. The GOJ Alternate recalled that some time ago he had asked for and had been granted permission for his Government to hold examinations in Okinawa for air traffic controllers and for cadets for the Maritime Safety School. He said that the Ministry of Transportation had decided to hire 12 persons from Okinawa who passed the examination for air traffic controllers and

PREPCOM 24 September 1971  
SUBJECT: One Hundred-and-twenty-first Meeting of PrepCom Alternates, 1000  
hours, 17 September 1971

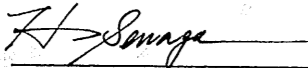
that the Maritime Safety School had accepted 10 cadets from Okinawa.


5. The Alternates agreed to hold their next meeting at 1000 hours, 22 September 1971. The meeting will be followed by a GRI briefing on Okinawan fishing arrangements.

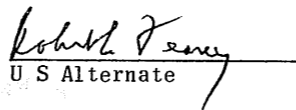
6. Immediately after the meeting Messrs. Moore and Ohira of USCAR briefed the Alternates, their staffs, and other officials who had been invited by the respective Governments, on "Emergency Medical Evacuation." They also answered a number of questions and offered to give a technical briefing at a later date, upon request from the GOJ. The GOJ Alternate expressed appreciation for this offer.

7. The GOJ Alternate said the briefing would contribute to the GOJ planning for the post-reversion period. He said his Government had only a modest budget for the type of operations described in the briefing and expressed his hope that the budget might be increased.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

DISTRIBUTION:

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GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

11 October 1971

OFFICIAL MINUTES

SUBJECT: One Hundred-and-twenty-second Meeting of PrepCom Alternates,  
1000 hours, 1 October 1971

Participants:

Members: Mr. Yoshioka, GOJ Alternate  
Mr. Fearey, U S Alternate  
Mr. Zakimi, Acting GRI Alternate

Others: Mr. Murazumi, GOJ  
Mr. Nakayama, GOJ  
Mr. Yamamoto, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Francis, U S  
Miss Sata, Recorder

1. The U S Alternate summarized for the record the recent subcommittee activities as follows:

a. The Industry and Economics Subcommittee has met three times to discuss "Relinquishment of Portion of Joint Petroleum Board Functions as Pertains to Franchising Operations." A GRI decision on this is pending.

b. The Industry and Economics Subcommittee has met once to discuss "Electric Power Expansion." The next meeting will be held after the GOJ Element receives instructions from Tokyo.

c. The SOFA Subcommittee has held one meeting to discuss "Relinquishment of Auto Registration Issuing Authority." The next meeting will be held after further study by the GOJ and the GRI.

d. The Administrative Transfer Subcommittee has met three times to discuss "Facilitate GRI Immigration Agency's Transition to GOJ Immigration Service by Records Conversion and Employee Training in Pre-Reversion Period." It will hold a meeting again on 5 October to discuss the same matter.

2. The GOJ Alternate said his Element has been busy with the many visitors from Japan who have come for the purpose of preparing for the forthcoming Diet debate on the Okinawa reversion agreement. He expressed his appreciation for the cooperation given by USCAR and USARYIS. He said more visitors will be

PREPCOM

11 October 1971

SUBJECT: One Hundred-and-twenty-second Meeting of PrepCom Alternates, 1000 hours, 1 October 1971

coming over the next ten days or two weeks and asked for further cooperation. The U S Alternate said everyone on his side, from the High Commissioner down, was happy to extend continued cooperation in any possible way.

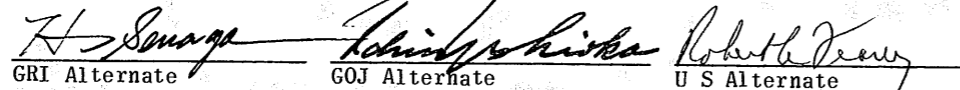
3. The GOJ Alternate said that next week a team from the Ministries of Finance, International Trade and Industry, and Agriculture and Forestry, and ONTA, would come to Okinawa to give explanations of the GOJ policy for foreign businesses. The team will be headed by Mr. Mabuchi, formerly of AdCom and PrepCom.

4. Acting GRI Alternate Zakimi said it appeared that the Director of the GRI Immigration Agency would be transferred as of this date. The U S Alternate expressed the hope that this would not result in a delay of the scheduled subcommittee meeting on immigration.

5. The Alternates agreed to meet next at 1000 hours, 8 October 1971.

6. Immediately after the meeting, Mr. Keizo Kakinohana, Chief of the Fisheries Division, GRI Agriculture and Forestry Department, briefed the Alternates, their staffs, and other invited officials, on the "Interim Arrangement Regarding Operations by Okinawan Fishing Vessels in the Waters Between the Indonesian Islands" and the "Memorandum Concerning Operations by Okinawan Fishing Vessels in Waters Contiguous to the Territorial Seas of Australia." He also explained the GRI hopes for post-reversion fishing arrangements.

APPROVED:

  
GRI Alternate                      GOJ Alternate                      U S Alternate

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GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

20 October 1971

OFFICIAL MINUTES

SUBJECT: One Hundred-and-twenty-third Meeting of PrepCom Alternates, 1000 hours, 8 October 1971

Participants:

Members: Mr. Fearey, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Ito, GOJ  
Mr. Numakoshi, GOJ  
Mr. Yamamoto, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Francis, U S  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The U S Alternate said that each USCAR Department Director is looking to see if there are additional topics that the PrepCom could usefully discuss in Phase II. He added that the GOJ and GRI sides might wish to do the same--- probably they were already so engaged.

2. The U S Alternate noted that the Administrative Transfer Subcommittee meeting on immigration that had been scheduled for 5 October was cancelled because the GOJ was preoccupied with visitors from Tokyo. He said that the U S was waiting to hear from the GOJ side when it would be ready to hold the meeting.

3. The U S Alternate invited the GOJ Alternate to give his impressions of the meeting which the Mabuchi team from Tokyo had held this week in Okinawa with foreign businessmen.

4. The GOJ Alternate explained that many minor points which were of concern were resolved. However, several unsettled points remain. These points will be studied in Tokyo as soon as possible. The GOJ Alternate said the Chamber of Commerce of the U S in Okinawa had listed its understanding of many points in a four page paper (attached). He noted that the points in section 1 (Business Activities) were made in a general way, and that the team could not answer in a general way because that would have required cautious wording to cover exceptional cases. He said that the team understood the uncertainty of the businessmen and that the Ministries concerned also felt some uncertainty.



PREPCOM

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SUBJECT: One Hundred-and-twenty-third Meeting of PrepCom Alternates, 1000 hours, 8 October 1971

However, the area of uncertainty was diminished by the meetings, and in that sense they were successful. Perhaps 85 percent of the businessmen were satisfied. The GOJ will study the remaining unresolved points and hope to give satisfactory answers in ten days or two weeks, except for one or two "very rare cases."

5. The GOJ Alternate said a question had been raised whether there would be a lapse in the authorization of lawyers to practice between reversion and the granting of a license. The answer was that lawyers would have two months after reversion to register and that the GOJ would consider giving them some kind of certificate to cover the two-month period. He emphasized that no substantive difficulties were involved.

6. The GOJ Alternate said that the team had explained that the GOJ interpretation of the "considerable length of period," referred to in section 5D of the Chamber of Commerce paper, was "for a lifetime."

7. The GOJ Alternate said the team had not understood the term "satellite clinics" as used in section 5E of the Chamber of Commerce paper. At the meetings they learned this meant mobile clinics which would operate on remote islands for temporary periods. The GOJ Alternate said that no problem was anticipated but that a formal answer on satellite clinics would be given after a check was made with the Ministry of Health and Welfare.

8. The GOJ Alternate said that the Ministry of Finance people gave a thorough explanation of the understanding in section 5F (about Certified Public Accountants) of the Chamber of Commerce paper and that there is no problem.

9. With respect to section 6B (about tax liability) of the Chamber of Commerce paper, the U S Alternate said the businessmen had understood that the five year residence period would be computed from reversion day but were told it would be five years from the time they first registered in Okinawa. The GOJ Alternate said that he had been told the businessmen were satisfied with the team's explanation, but that there may have been some problems which had come up in one of the meetings he did not attend.

10. With respect to section 7 (Import Quotas) of the Chamber of Commerce paper, the GOJ Alternate said that there had been much discussion of the treatment of newcomers and the manner of allocation of import quotas. He said that many technical matters were raised and that he thought clear responses were made.

11. The U S Alternate thanked the GOJ Alternate for his impressions. He mentioned that he was having lunch that day with Messrs. Muir, Lowell, and Perry of the Chamber of Commerce. The GOJ Alternate said Mr. Lowell belonged to the minority group that was not satisfied with the GOJ explanations. The GOJ Alternate explained that Mr. Lowell's desires could not be accommodated under Article 14 of the Status of Forces Agreement, because his business is the selling of insurance only to individual military personnel.

PREPCOM

20 October 1971

SUBJECT: One Hundred-and-twenty-third Meeting of PrepCom Alternates, 1000 hours, 8 October 1971

12. The GOJ Alternate said Mr. Sager, who is in the mutual funds and life insurance business, took up about half of the time at one of the meetings. The GOJ Alternate said he anticipated that a "good solution" of the Sager problem could be reached.

13. The U S Alternate asked how many responses to written questionnaires had been delivered by the Mabuchi team. The GOJ Alternate said 68 or 69. (After the meeting, Mr. Nitta of GOJ PrepCom told Mr. Walters of U S PrepCom that the correct figure was 67.) He also noted that 9 others had been delivered earlier to the appropriate firms. In response to the U S Alternate's question, the GOJ Alternate said there were a total of 96 questionnaires. The U S Alternate asked if the businessmen felt the written replies to their questionnaires were responsive. The GOJ Alternate said he thought so. The U S Alternate asked when the answers to the remaining questionnaires would be delivered. The GOJ Alternate said that it would be before the end of the year and hopefully very soon.

14. The GOJ Alternate said the Mabuchi team had been asked for copies of the domestic bills which would be submitted to the Diet. He said the team members promised to mail them. The U S Alternate asked if there were many bills relating to foreign businessmen. The GOJ Alternate replied that a number of bills relating to Okinawan businessmen in Okinawa would also apply to foreign businessmen.

15. The GRI Alternate asked how the Senate was progressing with the Reversion Agreement. The U S Alternate said the Foreign Relations Committee was studying the Agreement, but he did not know when it would schedule hearings.

16. The GRI Alternate said he would like to have a copy of Executive Order 10713, as recently amended. The U S Alternate said he had sent one to the Chief Executive yesterday and asked Mr. Francis to get one to the GRI Alternate today.

17. The U S Alternate reviewed recent developments concerning the fishing vessel Hosen Maru which had been apprehended in waters off Palau. The GRI Alternate said he appreciated the U S efforts on behalf of the vessel. The U S Alternate said USCAR Liaison Department Director Clark, then in the TTPI, deserved much credit for the reduction of the fine from previously indicated levels.

18. The Alternates agreed to hold their next meeting at 1000 hours, 15 October 1971. The GOJ Alternate said he would probably be absent, because he is leaving for Tokyo on 12 October. He said Mr. Murazumi would sit in for him at the Alternates' meeting.

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PREPCOM 20 October 1971  
SUBJECT: One Hundred-and-twenty-third Meeting of PrepCom Alternates, 1000  
hours, 8 October 1971

APPROVED:

H. Senaga Teodoro R. Rios Robert G. Perry  
GRI Alternate GOJ Alternate U S Alternate

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GRI  
File

8 Oct '71

Understandings of letter from Minister of Foreign Affairs Kiichi Aichi, Government of Japan to Honorable Armin H. Meyer, Ambassador of the United States of America, dated June 17, 1971, dealing with business and professional activities of foreign nationals on Okinawa after reversion.

**General:** It is understood that the policies enumerated in the Aichi letter are fully binding on the Government of Japan and that this document is an integral part of the reversion agreement to be ratified by the U.S. Senate.

1. Business Activities

A. It is understood that validation under Japanese law (Para. 1,1.) means that firms and individual entrepreneurs will continue operations without modification of the terms and conditions of licenses and permits granted by the Government of the Ryukyu Islands or the U.S. Civil Administration of the Ryukyus. Validation will not be limited to kind or scope of actual activity in Okinawa at any date but will validate the activity authorized in the license or other authorization that existed prior to reversion.

B. It is understood that "legitimately engaged in business in Okinawa as of this date" means that an appropriate valid license or other authorization existed on June 17, 1971. There is to be no further test such as size or physical presence or sales to substantiate who was engaged in business.

C. It is understood that the prompt validation described in Para. 2 means automatic validation with the exceptions described in Para. 1, 2. (b). The ten firms listed in the GOJ talking paper are the only firms and the adjustments required were known in their entirety prior to the Aichi letter. This validation is to change only the format of existing licenses but not the substance.

D. It is understood that the validation and the "licenses-- or other authorization" discussed in this section refers to any and all permits and licenses necessary for continued operation of the firm or individual profession including such things as driving licenses, residence permits, import licenses, etc.

E. It is understood that the assurance of the continuation of business given in Para. 1, 2. means the continuation of practices essential to the operation of that business. There is to be no administrative interpretation or administrative guidance that will curtail rights existing in revalidated licenses or enjoyed under licenses or other authorization prior to reversion.

F. It is understood that the continued operation assured by Para. 1,3. after reversion and prior to revalidation explicitly includes any activity authorized by the license or other authorization whether or not this was actually being engaged in at the time of reversion or any other time.

CHAMBER OF COMMERCE OF THE UNITED STATES IN OKINAWA

-2-

G. It is understood that Para. 1, 4. gives Okinawan foreign investment firms and individuals unrestricted business and professional access to any area of Japan except as enumerated specifically by GOJ prior to June 17, 1971.

2. Private Properties - This section adequately protects the private property rights of foreign firms and individuals on Okinawa.

A. It is understood that the treatment assured in Para. II, 1. will be no less favorable than presently exists in Okinawa.

B. It is understood that foreign personnel not engaged in business presently on Okinawa may continue to hold property and maintain residence.

3. Leasing of State and Prefectural Lands

It is understood that new leases must be written and that this section guarantees that equal treatment will be given to both Okinawan and foreign leases.

4. Remittance in Foreign Currency

A. It is understood that the "law concerning foreign investment" referenced in Para. 4.1, is the law of Japan.

B. It is understood that the guarantee concerning conversion and transfer of principle and profits given in Para. 4, 1. will exist from reversion day. The mechanical process of having foreign investment licenses or other authorization revalidated (see Section I, Business Activity: Aichi letter) will not affect the guarantee of free conversion and transfer.

C. It is understood that "Okinawan banks" referred to in Para. 4, 2. includes local banks and branches of foreign banks.

D. It is understood that the phrase "hold dollar accounts" assures the continued freedom to operate a dollar checking account on Okinawa in the normal way, i.e. to reduce balances by drawing checks and to increase balances by making dollar deposits. It is further understood that such accounts will be operable as at present for an indefinite period of time.

E. While "the remittance abroad of such accounts will be governed by the provisions of the Foreign Exchange and Foreign Trade Control Law," it is understood that, where the funds in such accounts are traceable to principal investments or profits, approval of the remittance will still be guaranteed as indicated under Para. 4, 1. existing provisions of the Foreign Exchange and Foreign Trade Control not withstanding.

CHAMBER OF COMMERCE OF THE UNITED STATES IN OKINAWA

5. Professionals

A. **Lawyers:** It is understood that the approval of the Japanese Supreme Court required in Para. 5, (1) will be granted automatically to the foreign lawyers practicing on Okinawa January 1, 1971 prior to or simultaneously with reversion. There is to be no lapse in their authorization to practice.

B. **Doctors and Dentists:** It is understood that appropriate modifications in Japanese law will be made prior to or simultaneous with reversion to allow doctors and dentists referred to in Para. 5 (2), (a) to continue to practice with full legal status under Japanese law after reversion and without having taken the national medical exam.

C. It is understood that the medical exam mentioned in Para. 5, (2), (a) will not be required for foreigners unless it is also required of Okinawan doctors and dentists.

D. It is understood that the "considerable length of period" mentioned in Para 5, (2), (a) will not be less than 5 years.

E. It is understood that Para. 5, (2), (b) means that the Government of Japan will allow the doctors and dentists who have passed the national medical exam in English to practice at the Adventist Medical Center and any satellite clinics operated wholly by the Adventist Medical Center.

F. It is understood that the approval of the Ministry of Finance and registry of the Japanese Institute of Certified Public Accountants discussed in Para. 5, (4) will be done automatically prior to or simultaneously with reversion. There is to be no lapse in their authorization to practice.

6. Taxation

A. It is understood that the right of GOJ (given in Para. 6, 1) to assess taxes where such taxes had not been collected in accordance with GRI or USCAR laws and ordinances does not apply to years for which a GRI audit has been completed. The completed audit will be taken as proof by the GOJ that firm and individual taxes were settled.

B. The principle of non-retroactive tax liability as expressed in Para. 6, 1. is understood to apply to the provision of Japanese law which automatically establishes a full tax liability for foreigners who have resided in Japan for five years continuously. Such period of time for those resident on Okinawa will begin no earlier than the actual day of reversion.

7. Import Quotas

A. It is understood that foreign firms may continue to import goods that may be under quantity restrictions in Japan at no less than the level that existed in the year preceeding June 17, 1971.

CHAMBER OF COMMERCE OF THE UNITED STATES IN OKINAWA

B. It is understood that "reasonable increase of such imports in the light of the market situation..." will allow a firm to maintain its present market share (percentage) as a minimum.

C. It is understood that for those goods for which no past records exist GOJ will grant quotas consistent with reasonable business planning as regards introduction of new products or services. In no case will GOJ by the administrative application of import restrictions, curtail, preclude, or limit business activities authorized by valid licenses of GRI or other authorization.

D. It is understood that no restrictions will be imposed upon imports which will be inconsistent with business plans of foreign firms on Okinawa provided those plans are consistent with valid licenses and were made in consultation with appropriate Japanese ministries as prescribed in the GOJ talking paper mentioned above. In other words production or business growth otherwise acceptable to GOJ will not be limited by the imposition of any type of import restriction.

CHAMBER OF COMMERCE OF THE UNITED STATES IN OKINAWA



THE PREPARATORY COMMISSION  
Naha, Okinawa

9 November 1971

OFFICIAL MINUTES

SUBJECT: ~~One Hundred-and-twenty-fourth Meeting of PrepCom Alternates,~~  
1000 hours, 29 October 1971

Participants:

Members: Mr. Fearey, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Murazumi, GOJ  
Mr. Numakoshi, GOJ  
Mr. Yamamoto, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The U S Alternate referred to the fact that the GOJ Alternate had suggested at the 23 August 1971 Alternates' meeting, that the item regarding Provision of Aid-in-Kind Assistance to the Government of the Ryukyu Islands be put aside until the reversion date becomes clear. He felt, however, it might now be useful to circulate the U S informational paper on this subject if there were no objections. The other Alternates expressed no objections, and the U S Alternate distributed copies of the paper (attached). After glancing through the document, the GOJ Alternate expressed appreciation for it and recalled that, in Part I of its Okinawa Reversion Measures Outlines, the GOJ had announced it would supply basic materials for school lunches in the immediate post-reversion period. He added that the U S paper would be helpful for the implementation of the cabinet decision on this subject.

2. The GOJ Alternate said the concerned officials in Tokyo had carefully studied the explanation made by the U S side at the Industry and Economics Subcommittee meeting held on 22 September concerning the power plant to be built after the one now under construction at Machinato. He said the GOJ welcomes this project and has no objection to continuation of the designing for the new plant. He also said that he did not think additional subcommittee meetings would be necessary to discuss this subject. The U S Alternate reiterated what COL Lombard had said at the subcommittee meeting, namely, that the planning was still in a very early and tentative stage and that there were no firm U S views yet on the locale of the plant and the amount of power it should generate. He said that USCAR would keep in close touch with GOJ representatives on power planning.

PREPCOM

9 November 1971


SUBJECT: One Hundred-and-twenty-fourth Meeting of PrepCom Alternates, 1000 hours, 29 October 1971


3. The GOJ Alternate asked if the U S Alternate had any information on the meeting that members of the American Chamber in Okinawa had had in Tokyo last week. The U S Alternate said he understood that they had first met with American Embassy personnel and then with a large group of GOJ officials, including Messrs. Tachibana and Mabuchi. They were not able to meet with Director General Yoshino, who was busy with the Diet. One of the principal topics discussed was the issuance of new licenses after reversion. As a result, the Chamber understands that the new licenses will be based closely on the present ones, except in possible rare and exceptional cases. He said he also understood that Mr. Fujiwara, head of the Foreign Investment Division in MITI, had said that if companies would submit applications in the GOJ format to the GOJ before reversion they would be examined and the companies would be advised of any problem. The Chamber people were considerably reassured and feel that there is now a better understanding of their problems and interests. The U S Alternate said he did not know if the Chamber planned to send a representative to the hearings before the Fulbright Committee. If they did send someone, he believed the testimony would be to the effect that the Chamber had had difficulties in ensuring a satisfactory post-reversion status but that they were being worked out.

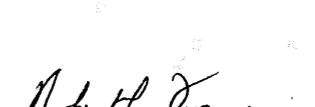
4. The Alternates agreed to meet next at 1000 hours, 5 November 1971.

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APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

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PROVISION OF AID-IN-KIND ASSISTANCE  
TO THE GOVERNMENT OF THE RYUKYU ISLANDS

1. U.S. Aid-in-Kind food donations to the Ryukyus was begun shortly after World War II by an organization known as LARA (Licensed Agencies for the Relief of Asia). This aid continued until 1953 when the U.S. Food-For-Freedom program was initiated under Public Law 480, Title II. An organization entitled RIVAC (Ryukyu Islands Voluntary Agencies Committee) was then formed to coordinate the new food donation program. Voluntary agencies involved in RIVAC were Church World Service (CWS) and Catholic Relief Service (CRS). The Chairman of RIVAC was the Welfare Officer, HEW, USCAR, who was also designated as the AID Food-For-Peace Officer, Ryukyus. Committee members were representatives of the voluntary agencies, of the GRI Education and Welfare Departments and of the Ryukyu School Lunch Society. RIVAC was abolished effective with the termination of the CWS and CRS activities in Okinawa in June 1970. The U.S. Government now supplies PL 480, Title II foodstuffs to Okinawa under the terms of a direct agreement worked out between the USG and the GRI.

2. In past years, the Aid-in-Kind program distributed non-fat dry milk, bread flour, vegetable oil, bulger wheat and CSM (corn, soya, milk) to support Relief Cases, the Maternal/Child Feeding Program, Institutions and TB Home Care Feeding Programs and the School Lunch Program. Total value of U.S. commodities approved for distribution during FY 70 was \$2.3 million. Ocean freight, also paid by the U.S., added an estimated \$.7 million to the cost of the FY 70 program. The following is a brief description of programs which have received, or continue to receive, U.S. Aid-in-Kind assistance.

a. Relief Cases:

(1) "Relief Cases" are needy families whose income falls below a minimum subsistence standard established by the GRI. The minimum standard varies according to the age and number of family members. These families may apply to the GRI for financial help and are entitled to food allotments distributed by Shi-Cho-Son offices throughout the Ryukyus. Effective 30 June, 1970 the GRI commenced supporting this program entirely out of its own resources. USG assistance in this area is no longer necessary.

b. Institutions and TB Home Care Feeding Programs: The following institutions received aid-in-kind food commodities through 30 June 1971:

(1) Welfare institutions - including those providing care for orphans, aged persons, cripples, etc. 1,075 individuals received assistance from the GRI under this program.

(2) Medical institutions - including those providing care for TB, mental and Hansen's Disease patients. 1,776 individuals received assistance from the GRI under this program.

(3) Nurseries - including day nurseries for children under 3; Jidoen for children 3-5; and seasonal nurseries organized by the District Welfare Offices to care for children during the planting and harvesting seasons. 5,169 children received assistance under this program. U.S. support to this program was provided through the Maternal/Child Feeding Program described in d below.

(4) The Aid-in-Kind program also supplied milk to 10,000 TB home care patients who are unable to enter institutions. Lists of patient recipients were compiled by nurses attached to each municipal office and submitted to the Central Government through the District Health Centers.

U.S. support to the above-listed programs totaled about \$1.75 million in FY 71. Since U.S. food assistance to these categories of recipients terminated at the end of FY 71, the GOJ is urged to consider making plans for early provision of similar aid-in-kind assistance to the GRI for restoration of this program.

c. School Lunch Program: Commodities distributed under this program include dry milk, flour, bulger wheat, cooking oil, and CSM. This constitutes approximately 30% of the school lunch menu. The balance is provided by the GRI and/or the family depending on the family's ability to pay. The cost of this program to the USG in FY 70 was \$1.5 million, excluding freight costs. The USG will continue to provide supplementary food assistance under this program to approximately 241,000 children through FY 72, or until Reversion, whichever is earlier. It is assumed that the GOJ will be considering whether or not it will wish to continue some form of School Lunch Program after Reversion.

d. Maternal/Child Health Feeding Program: Commodities distributed under these programs were used to help meet basic nutritional requirements of approximately 8,000 nursing mothers and preschool children. The estimated yearly cost of this program to the USG was approximately \$700,000. Since U.S. food assistance to these categories of recipients terminated at the end of FY 71, the GOJ is urged to consider making plans for early provision of similar aid-in-kind assistance to the GRI.

THE PREPARATORY COMMISSION  
Naha, Okinawa

26 November 1971

OFFICIAL MINUTES

SUBJECT: ~~One Hundred-and-twenty-fifth~~ Meeting of PrepCom Alternates,  
1400 hours, 15 November 1971

Participants:

Members: Mr. Fearey, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Murazumi, GOJ  
Mr. Walters, U S  
Mr. Francis, U S  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The U S Alternate suggested the Alternates should not let the occasion of the Senate's advice and consent to ratification of the Okinawa Reversion Agreement pass without note. He observed that the Senate action had been regarded in Tokyo and elsewhere as having a valuable, positive effect on U. S.-Japan relations, beside bringing Okinawa a long step closer to reversion.

2. The U S Alternate recalled that the GRI Alternate had earlier raised the question of a possible donation to the GRI of USCAR records. He handed the other Alternates copies of two papers (attached) in this connection for information. He pointed out that USCAR was bound by U S Government rules and regulations regarding the disposal of government records. Aside from certain special records involving the public corporations, USCAR court trials, and the Ryukyuan Property Custodian, records could be released only after they had been sent to the U S and catalogued. After that they could be released in microfilm form. He emphasized that it was not generally practicable to separate the USCAR classified from unclassified records. He referred nevertheless to his statement in one of the attached papers (the Memorandum for Record) to the effect that, if the University of the Ryukyus would indicate particular topics in which it was interested, USCAR would investigate whether the unclassified portions of the records could feasibly be separated from the classified (if any) and, if so, would ascertain from Washington whether there would be objection to allowing the University to make copies of those records at its expense. He said USCAR wished to be of all feasible help in this matter.

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SUBJECT: One Hundred-and-twenty-fifth Meeting of PrepCom Alternates,  
1400 hours, 15 November 1971

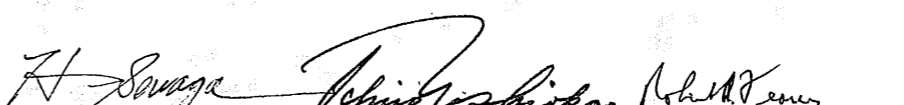
3. The U S Alternate noted that Phase III is approaching. He suggested that PrepCom should check again to see if anything had been overlooked in preparing for Phase III. He noted that the concepts governing that Phase significantly differ from those for Phase II. He noted that some subjects discussed in PrepCom during Phase II are still pending, awaiting decisions by one or more of the Governments, and suggested that the Alternates seek to expedite action on those subjects.

4. The U S Alternate noted with regret that the English Language Center had been closed. He observed that USCAR had not known about the closing until stories had appeared in the newspapers, notwithstanding the understanding that had been carefully worked out in the Alternates' meetings on the subject of the ELC's continuation. He said that USCAR was investigating disposal of the machines, tapes, etc., in the building. The building itself would be turned over to the GOJ at reversion but must be maintained until then. He expressed the hope that a privately operated Language Center might be established in Okinawa at an early date.

5. The Alternates agreed to hold their next meeting at 1000 hours, 19 November 1971. The U S Alternate said he would be away for about a week, 18-25 November, for a medical check and consultation in the U. S. Mr. Francis would therefore sit in for him at the next Alternates' meeting.

1 Incl  
as

APPROVED:

  
GRI Alternate      GOJ Alternate      U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File



28 October 1971

## MEMORANDUM FOR THE RECORD:

SUBJECT: CA Meeting with University of the Ryukyus, President, Takara,  
26 October 1971

Participants: The Civil Administrator  
President Tetsuo TAKARA  
Seigen MIYAZATO, Professor of Political Science  
Hirotsuka ARAI, Librarian  
Toshihiko OSHIRO, Translator of General Affairs Section  
J. Roach, Administration Office

1. President TAKARA opened the meeting by referring to past correspondence dealing with USCAR records. He then referred to the CA letter (30 Sep 71) to CE YARA and said that he had certain questions about the letter. He wanted to know if it were true that duplication of all the records was possible. The CA asked Mr. Roach to clarify this point. Mr. Roach said that when all the records have been sent to Washington, the University of the Ryukyus or other educational institutions which desire copies may request and receive microfilm copies.
2. Professor MIYAZATO spoke of an earlier meeting he had had with Mr. East and Mr. Roach when he learned of three types of USCAR records - classified, unclassified, and printed. He said that it was his impression that the University will automatically receive surplus printed materials and be able to xerox all unclassified USCAR records. Mr. Roach replied that he and Mr. East had said that USCAR would be able to furnish the University with surplus printed materials, but that all record material would be made available on request after the records reached Washington. Mr. Roach further emphasized that before the project was completed here on Okinawa, the University would be furnished with a printed inventory of all USCAR records by series, but not piece by piece.
3. The CA spoke of the longstanding USCAR policy of encouraging autonomy by the GRI, as a result of which most documents concerning events in Okinawa could be found within the GRI. Also, he understood that GRI maintained the records in good order. Professor MIYAZATO acknowledged this and said that he had access to most of the GRI records. The CA continued that most USCAR records deal with internal affairs of USCAR; he could not understand why the University needed material of this nature. Professor MIYAZATO responded that the University proposed to establish archives of its own and was interested in all unclassified USCAR records. Such records would greatly assist those planning to do historical research on USCAR's relationship with the GRI.

4. The CA said it would be an impossible task to screen all USCAR records so as to separate the unclassified from the classified. Mr. Roach confirmed this, noting lack of staff and the time schedule placed upon him by the Adjutant General. Mr. Roach added that any modification of the approved records disposal plan would require the approval of The Adjutant General. Professor MIYAZATO said that he understood this.

5. Professor MIYAZATO asked if we were preparing a document list of the records and, if so, whether he could be supplied with a copy. Mr. Roach said that an archivist does not prepare a document list but rather an inventory of the records in which the record series of each department is listed. He indicated that USCAR intended to publish an inventory listing before the USCAR archives project is completed and the University would be sent a copy.

6. Professor MIYAZATO wanted to know if the archivist prepared a listing of each individual document. Mr. Roach said that the archivist does not but arranges the records on a folder by folder basis, not looking at the contents of the folder. Further, when listed in an inventory, the records are listed by series, i.e., by functional unit of an office, and a series may range from 3 to 30 feet in length. The CA said that if Professor MIYAZATO would indicate particular topics in which the University of the Ryukyus was interested, e.g., USCAR's role regarding control of communicable diseases in Okinawa, USCAR would investigate whether the unclassified portions of such records could feasibly be separated from the classified (if any) and, if so, ascertain from Washington whether there would be objection to allowing the University of the Ryukyus to make copies of those records at its expense. He asked Mr. Roach if this appeared feasible, to which Mr. Roach replied in the affirmative. Professor MIYAZATO expressed interest in this offer and said he would indicate certain topics.

7. Professor MIYAZATO returned to the question of printed materials, asking if he could automatically have all surplus copies, deciding himself which ones the University of the Ryukyus wished to keep. Mr. Roach responded that the University has the best known collection of printed documents, and this was confirmed by a list prepared for him by the University librarian. CA asked Mr. Roach if he could give Professor MIYAZATO access to all surplus copies of printed materials, to which Mr. Roach replied in the affirmative.

*John O. Roach, II*  
JOHN O. ROACH, II  
Records Management/Archivist

CF:  
AO  
PA  
LN  
SA/HICOM

HCRI-AO

30 September 1971

Mr. Choby Yara  
Chief Executive  
Government of the Ryukyu Islands

Dear Mr. Yara:

The United States Civil Administration of the Ryukyu Islands (USCAR), in coordination with The Adjutant General's Office of the United States Army and the National Archives of the United States, has initiated a records administration program in accordance with United States public law. This program is aimed at accomplishing proper disposition of USCAR records and fulfillment of official requirements for records management following reversion of Okinawa to Japan. The program will ensure that USCAR records will be preserved and that they will be available to learning institutions such as the University of the Ryukyus through the National Archives.

The nature and magnitude of this new records administration program and our staffing limitations have made it necessary that we recommend that the University Committee wait until the program is completed. The program is scheduled for completion in early 1973, at which time all surplus material will be available for donation.

The best and most appropriate way for research institutions and libraries to obtain complete sets of USCAR serials issuance and other documents is through the National Archives Microfilm Publication Program. When acquired by this means the cost is nominal and the user has the benefit of the National Archives arrangement, editorial annotation and assurance of completeness.

Sincerely,

Robert A. Fearey  
Civil Administrator

THE PREPARATORY COMMISSION  
Naha, Okinawa

7 December 1971

OFFICIAL MINUTES

SUBJECT: One Hundred-and-twenty-sixth Meeting of PrepCom Alternates,  
1000 hours, 26 November 1971

Participants:

Members: Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate  
Mr. Francis, Acting U S Alternate

Others: Mr. Murazumi, GOJ  
Mr. Ito, GOJ  
Mr. Nakayama, GOJ  
Mr. Yamamoto, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The Acting U S Alternate said that Minister Fearey had tentatively planned to return to Okinawa on 25 November but would not be back until this morning. Minister Fearey is expected to be available for the next Alternates' meeting.
2. The GOJ Alternate noted that the reversion agreement had been approved by the Lower House of the Diet on 24 November and that final approval would become effective by the end of the current session on 24 December, even if the Upper House does not vote on the bill. He expressed his hope that the Upper House would also show positive support for the bill. He said that he thought study of related bills would begin in a few days.
3. The GOJ Alternate reported that last week a group of engineering experts headed by Mr. Fujishiro from the Ministry of Construction had had a useful exchange of views with USCAR, DE, and GRI officials. These experts visited Fukuji Dam and related areas and held technical discussions which parallel the other discussions about incomplete aid projects, which are going on between GOJ and USCAR officials.
4. The Acting U S Alternate noted that an Administrative Transfer Subcommittee meeting has been scheduled for 30 November to continue its discussion on "Facilitate GRI Immigration Agency's Transition to GOJ Immigration Service by Records Conversion and Employee Training in Pre-Reversion Period."
5. The Acting U S Alternate observed that on 8 September 1971 the SOFA Subcommittee had discussed "Relinquishment of Auto Registration Issuing

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7 December 1971

SUBJECT: One Hundred-and-twenty-sixth Meeting of PrepCom Alternates, 1000 hours, 26 November 1971.

Authority" and that it was agreed that the subcommittee would continue its discussions after further study by the GOJ and GRI.. He said that auto registration and inspection will remain of interest to the U S and that the Deputy Provost Marshal, USARYIS, LTC Hammaker, the American who knows most about the existing systems in Japan and Okinawa, will be leaving in January for a new assignment. The Acting U S Alternate said it is therefore important for the subcommittee to continue its discussions as soon as possible, to take full advantage of LTC Hammaker's expertise during the remainder of his tour here.

6. The Acting U S Alternate said his side was reviewing possible Phase III activities for PrepCom. He expressed a hope to be prepared for Phase III by the time it actually begins. He reiterated what Minister Fearey had said at the last meeting, namely, that the other Governments no doubt were making the necessary review also. The Acting U S Alternate also said he would always be available between Alternates' meetings in case it became necessary to discuss such matters informally.

7. The GRI Alternate asked what was "going on" between the GOJ and U S on changing the system of hiring military employees. Both the GOJ and Acting U S Alternates said that they were aware of discussions on this subject but did not know about the details. Both Alternates said they would answer the GRI Alternate's question at a later date.

8. The Alternates agreed to hold their next meeting at 1000 hours, 3 December 1971.

APPROVED

GRI Alternate

GOJ Alternate

Acting U S Alternate

DISTRIBUTION:

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GOJ  
GRI  
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THE PREPARATORY COMMISSION  
Naha, Okinawa

13 December 1971

OFFICIAL MINUTES

SUBJECT: ~~One Hundred-and-twenty-seventh Meeting of PrepCom Alternates,~~  
1440 hours, 2 December 1971

Participants:

Members: Mr. Fearey, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Murazumi, GOJ  
Mr. Numakoshi, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Francis, U S  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The U S Alternate said he understood that at the last meeting the GRI Alternate inquired about preparations for the post-reversion system of employment of base workers. The U S Alternate said this matter, along with a number of related post-reversion labor questions, had for some time been under discussion between USG and GOJ technical level experts. These discussions were still in process and it would be premature to go into the matter at this time. The GOJ Alternate said he had received the same information from Tokyo. He expressed the hope that a briefing could be given to the GRI and ZENGUNRO as soon as the picture becomes clear but at this stage it was still premature to make a report. The U S Alternate said this is one of those matters which the U S and GOJ must negotiate, fully recognizing the interests of the GRI and the workers involved. Only confusion could result from efforts to inform the GRI or ZENGUNRO prematurely.

2. The GRI Alternate said that the calculation of the post-reversion wages of military employees should be made on the basis of 360 yen to one dollar. He explained that Okinawan employees who earn \$100 a month consider this the equivalent of 36,000 yen. If wages suddenly were to be paid at a lower rate, say, 320 yen to one dollar, it would cause "tremendous troubles in Okinawa." He added that this was not a currency conversion problem but a matter of the basis of wage calculation and that a rate lower than 360 yen to one dollar should not be applied to such calculation.

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13 December 1971

SUBJECT: One Hundred-and-twenty-seventh Meeting of PrepCom Alternates,  
1440 hours, 2 December 1971

3. The U S Alternate said he would transmit Mr. Senaga's remarks to the people on the U S side who are engaged in the negotiations. The GRI Alternate said the GRI had already made a request on this point with respect to GRI employees but that it had the same importance for military employees. The U S Alternate said due note would be taken by the U S negotiators of the GRI Alternate's comments. The GOJ Alternate noted that this matter involved technical problems. He added that he would pass the GRI Alternate's comments on to Tokyo.

4. The U S Alternate said he had been happy to hear earlier that morning that the GRI would continue to operate the English Language Center. The GRI Alternate said his Government was studying the matter seriously and favorably. The U S Alternate said USCAR would hold in abeyance its study of how to preserve the building and dispose of the equipment in it until USCAR had further word from the GRI.

5. The GOJ Alternate reported that twenty GRI officials who had been in Japan to get administrative training for the new base worker hiring system were on their way back after a 40-day course. He said that the trainees had worked hard throughout a difficult schedule. The GOJ Alternate expressed the hope that these people would be the core of the local governmental labor organ that would handle base workers' problems after reversion.

6. The GOJ Alternate said that on 3 December sixteen GOJ officials from the Ministry of Transportation would be coming to Okinawa for an indefinite period. The purpose of their visit was to make preparations for taking over the Air Traffic Control System after reversion. The head of this team was Kenjiro Kitahara.

7. The U S Alternate reiterated that LTC Hammaker, the HICOMRY expert on auto registration, would depart Okinawa next month. For this reason, it was important to resume as soon as possible the subcommittee discussions of this subject. There would be much unhappiness on the U S side if, for example, fees already paid were not respected at reversion or if some 40,000 U S Forces cars had to line up for inspection on R-day! Mr. Murazumi (GOJ) said his Element had sent a cable to Tokyo on this subject, but there had been no reply yet. The GOJ Alternate said he had stressed the importance of this subject to Tokyo.

8. The U S Alternate noted that the nearness of Phase III had been mentioned several times. He said that USCAR was preparing papers on subjects which might be appropriate for PrepCom to handle in that Phase; much work had already been done on this. Some Phase III topics had been listed in the "Proposal to Facilitate the Transfer at Reversion of Civil Administrative Rights," tabled by the U S in July 1970 and some new topics had since been turned up. He assumed that the GOJ and GRI sides were making similar preparations for Phase III.

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SUBJECT: One Hundred-and-twenty-seventh Meeting of PrepCom Alternates,  
1440 hours, 2 December 1971

9. The U S Alternate said he would be in Honolulu all of the following week and that Mr. Francis would represent him at the next Alternates' meeting. The Alternates agreed to hold their next meeting at 1000 hours, 10 December 1971.

APPROVED:

*H. Senaga*      *Kenjiro Kitahara*      *Robert Perry*  
GRI Alternate      GOJ Alternate      U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File

THE PREPARATORY COMMISSION  
Naha, Okinawa

23 December 1971

OFFICIAL MINUTES

SUBJECT: ~~One Hundred-and-twenty-eighth Meeting of PrepCom Alternates,~~  
1000 hours, 10 December 1971

Participants:

Members: Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate  
Mr. Francis, Acting U S Alternate

Others: Mr. Murazumi, GOJ  
Mr. Ito, GOJ  
Mr. Nakayama, GOJ  
Mr. Numakoshi, GOJ  
Mr. Yamamoto, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The GOJ Alternate reported that the Administrative Transfer Subcommittee had held four meetings between 2 September 1971 and 7 December 1971 to discuss "Facilitate GRI Immigration Agency's Transition to GOJ Immigration Service by Records Conversion and Employee Training in Pre-Reversion Period." Good progress had been made in discussion of post-reversion qualifications for resident alien status and alien registration, the establishment of branch offices to handle immigration matters, and the dispatch of GOJ officials to train GRI and municipality personnel about immigration affairs. There are still several points to be clarified, so it was anticipated that another meeting would be held.

2. The GOJ Alternate said his side was ready to resume subcommittee meetings to discuss "Relinquishment of Auto Registration Issuing Authority." The GRI Alternate said his Government was also ready. It was agreed that the GOJ would take the initiative in choosing a date for the next subcommittee meeting.

3. The Acting U S Alternate said his side was continuing to work on suggestions for Phase III. The Acting U S Alternate again asked for the help of the other Alternates in making sure that nothing had been overlooked in preparing for Phase III.

4. The Acting U S Alternate asked if the GOJ Alternate had anything to report on the pending topic "Operation and Maintenance of the Off-Post Highway System."

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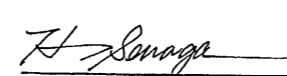
23 December 1971

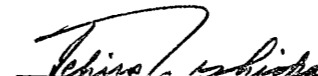
SUBJECT: One Hundred-and-twenty-eighth Meeting of PrepCom Alternates, 1000  
hours, 10 December 1971


The latter answered in the negative.

5. The Alternates agreed to hold their next meeting at 1000 hours, 17  
December 1971.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
Acting U S Alternate

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GOJ  
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THE PREPARATORY COMMISSION  
Naha, Okinawa

10 January 1972

OFFICIAL MINUTES

SUBJECT: One Hundred-and-twenty-ninth Meeting of the PrepCom Alternates,  
1530 hours, 23 December 1971

Participants:

Members: Mr. Fearey, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Ito, GOJ  
Mr. Numakoshi, GOJ  
Mr. Yamamoto, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Francis, U S  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The U S Alternate distributed copies of "Initial List of Suggested Preparatory Commission Phase III Topics" (attached). After giving the other Alternates time to read the list he made the following explanatory comments:

a. The list is, as the title indicates, "initial"--it is a preliminary, working document which USCAR may well wish to amend following discussion in the Alternates' meetings;

b. USCAR is working on papers to present in the Alternates' meetings on each of the topics, in some cases information or briefing papers and in others negotiating papers;

c. Most of the listed topics are of primary concern to the GOJ, in consultation as appropriate with the GRI, with the U S able perhaps to be of facilitative assistance;

d. The U S will of course, as previously agreed, wish to be consulted before preparatory actions affecting U S continuing administrative responsibilities are taken by the GOJ or GRI in the pre-reversion period;

e. We appreciate that the GOJ will probably need to introduce additional personnel into Okinawa in Phase III, and will expect to be advised in advance in this area as in the past;

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SUBJECT: One Hundred-and-twenty-ninth Meeting of the PrepCom Alternates, 1530 hours, 23 December 1971

f. The U S does not presently envisage further relinquishments of functions in Phase III but rather preparations for a complete turnover of functions at R-day;

g. A number of topics in the U S initial list have of course already been discussed and progress made in PrepCom subcommittees and elsewhere;

h. Pending items in Phase II, some touched on in the U S initial Phase III list, will need to be disposed of in Phase III;

i. The list, and other considerations affecting Phase III, could be discussed in the Alternates' meetings as soon as the GOJ and GRI Alternates have been able to study it.

2. The GOJ Alternate asked what actions would be involved in preparations for Japanese Government assumption of responsibility for various areas. The U S Alternate said that, with respect to items 2-4 on the list, for example, preparations for GOJ assumption of responsibility had been going on for some time. He envisaged continuation, acceleration as appropriate and finalization of these preparations during Phase III. He made brief comments on other topics on the list, noting that the remaining topics were generally self-explanatory.

3. The GOJ Alternate asked if the World Health Organization (WHO) programs mentioned in topic 11 were taken care of by the USCAR Health, Education, and Welfare (HEW) Department. The U S Alternate explained that there is no longer an HEW Department, its remaining functions having been transferred to the Public Works Department some months ago. He said that since WHO is an international body, USCAR is responsible for its consultantship programs here.

4. The U S Alternate said that the suggested list gave only the bare bones and that U S thinking on the various topics would be spelled out in the USCAR papers to be presented in PrepCom soon. The GOJ Alternate expressed appreciation for the U S work reflected in the list. He said he had asked Tokyo to review all remaining reversion preparation topics that the PrepCom should handle. Now that the work involved with the Diet session was nearly over, it was possible that Tokyo might ask him to submit some items to the PrepCom.

5. The GRI Alternate said he thought the U S list would contribute much to the work of PrepCom. He said he would report on the list at a Department Directors' meeting to be held the following day. The U S Alternate reiterated that the list was a working, preliminary one; he would welcome any suggestions by the other Alternates.

PREPCOM  
SUBJECT: One Hundred-and-twenty-ninth Meeting of the PrepCom Alternates, 1530 hours, 23 December 1971

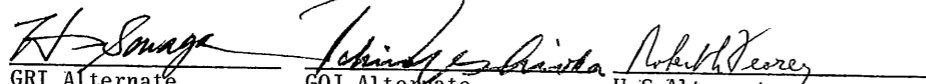
10 January 1972

6. The GOJ Alternate reported that the Upper House of the Diet had approved the Okinawa Reversion Agreement the previous day, before the automatic approval date had arrived. He said the Diet was now examining the four domestic bills which were closely related to the Agreement.

7. The Alternates agreed to meet next at 1000 hours, 7 January 1972.

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APPROVED:

  
GRI Alternate      GOJ Alternate      U S Alternate

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23 December 1971

INITIAL LIST OF SUGGESTED PREPARATORY COMMISSION PHASE III TOPICS

1. Arrangements for transfer of title to civil and joint use assets as defined in Article VI of Okinawa Reversion Agreement
2. Preparations for Japanese Government assumption of responsibility for REPC operations
3. Preparations for Japanese Government assumption of responsibility for RDWC operations
4. Preparations for Japanese Government assumption of responsibility for RDLC operations
5. Preparations for transfer of USCAR land functions
6. Preparations for Japanese Government assumption of responsibility for postal functions
7. Preparations for Japanese Government assumption of responsibility for quarantine controls
8. Preparations for Japanese Government assumption of responsibility for customs controls
9. Preparations for Japanese Government assumption of responsibility for entry and immigration controls
10. Preparations for Japanese Government assumption of responsibility for international narcotics controls
11. Preparations for Japanese Government assumption of responsibility for World Health Organization programs in the Ryukyus
12. Preparations for Japanese Government assumption of responsibility for controls over the permanent immigration of Japanese nationals into the Ryukyus and the establishment of family registers
13. Preparations for Japanese Government assumption of responsibility for registration of Ryukyuan vessels
14. Preparations for conversion of civil radio station call signs from the U.S. system to the Japanese system
15. Future status of Cultural Centers
16. Incomplete U.S. aid projects
17. Procedures for future disposal of unexploded ordnance



THE PREPARATORY COMMISSION  
Naha, Okinawa

17 January 1972

OFFICIAL MINUTES

SUBJECT: One Hundred-and-thirtieth Meeting of PrepCom Alternates,  
1000 hours, 7 January 1972

Participants:

Members: Mr. Fearey, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Zakimi, Acting GRI Alternate

Others: Mr. Murazumi, GOJ  
Mr. Ito, GOJ  
Mr. Numakoshi, GOJ  
Mr. Yamamoto, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Francis, U S  
Mr. Higa, GRI  
Miss Sata, Recorder

1. The U S Alternate said USCAR had been working on papers relating to each of the 17 items in the "Initial List of Suggested Preparatory Commission Phase III Topics" which he had tabled at the 23 December 1971 Alternates' meeting. He then passed out copies of one completed paper, "Preparations for Japanese Government Assumption of Responsibility for Customs Controls" (attached). He explained that this paper was similar to others he expected to be able to table shortly.
2. The GOJ Alternate asked about the meaning of the phrase "proposed GRI customs legislation," on the second page of the paper. The U S Alternate explained that the phrase referred to USCAR's continuing review function in the event that customs legislation were proposed. The U S Alternate observed that the current U S role in customs matters is not great; however, USCAR is available to give assistance if called upon. The important thing now is to start subcommittee discussion on problems of transfer of customs functions at reversion. The GOJ Alternate said his Government would study the customs paper.
3. The GOJ Alternate referred to a statement he had made at the 29 October 1971 Alternates' meeting to the effect that the GOJ had no objection to continuation of the designing of a new power plant. He said that the GOJ had not objected to Nishihara as the site of the plant but that, in the meantime, the Mayor of Ishikawa had offered land and given justification for building the plant in his city. The GOJ Alternate said his Government had studied this new proposal and would have no objection to either the Nishihara or

PREPCOM

17 January 1972

SUBJECT: One Hundred-and-thirtieth Meeting of PrepCom Alternates, 1000 hours,  
7 January 1972

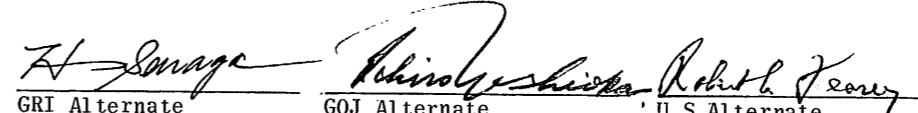
Ishikawa site. The U S Alternate said he was happy to have this information reported for the record.

4. The GOJ Alternate announced that on 17 January, Mr. Suzuki, head of the Petroleum Planning Section of MITI, would be coming to Okinawa for consultations on petroleum franchising. The GOJ Alternate also mentioned that on 19 January, Mr. Fujiwara, head of the Foreign Investment Section of MITI, would arrive to brief American businessmen on administrative procedures under the GOJ Foreign Investment Law. The GOJ Alternate pointed out that Mr. Fujiwara had participated in the last three meetings with Chamber of Commerce in Okinawa representatives and would explain the procedures in additional detail. The GOJ Alternate said that Mr. Mabuchi, formerly of the PrepCom, would probably participate in the forthcoming briefing and that Messrs. Fujiwara and Mabuchi would probably stay for two or three days.

5. The Alternates agreed to hold their next meeting at 1000 hours, 14 January 1972.

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APPROVED:

  
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OKINAWA REVERSION PLANNING  
PREPARATIONS FOR GOJ ASSUMPTION OF  
RESPONSIBILITY FOR CUSTOMS CONTROLS

SECTION I - U S POSITION

1. The USG is ready to discuss with the GOJ and GRI preparations for GOJ assumption of responsibility for customs controls to be effective on Reversion Day.
2. Matters for discussion might include, but would not necessarily be limited to, the following:
  - a. Current remaining USG customs functions in Okinawa;
  - b. Arrangements for orderly and expeditious clearance of military cargo through customs after reversion.
3. The USG is aware that, in anticipation of assuming responsibility for customs operations, the GOJ may find it necessary to take certain preparatory actions in Okinawa and to assign additional personnel to Okinawa. The US should be consulted through PrepCom channels before preparatory actions affecting US continuing administrative responsibilities are taken, and the US should continue to be kept advised in advance of the introduction of additional GOJ personnel.

OKINAWA REVERSION PLANNING  
PREPARATIONS FOR GOJ ASSUMPTION OF  
RESPONSIBILITY FOR CUSTOMS CONTROLS

SECTION II - SUPPORTING INFORMATION

1. With the passage of time, USCAR customs functions have been gradually transferred to the GRI Department of Taxation. USCAR is now almost totally uninvolved with daily customs operations. The only functions USCAR retains are liaison and provision of advice and assistance to protect USG interests. These retained functions are:
  - a. Review of proposed GRI customs legislation to ensure conformity with applicable HECOM or CA directives and policies.
  - b. Assistance to US Government agencies and US Forces personnel in their dealings with the GRI Department of Taxation, its field offices and customs offices. For example, USCAR is sometimes called upon to ensure that supplies and equipment consigned to US Government agencies are cleared and moved through GRI Customs smoothly and efficiently on a tax-free basis.
  - c. Assistance to the GRI Department of Taxation, its field offices and customs offices in their dealings with US Government agencies.
  - d. Assistance to foreign investors in their dealings with GRI tax and customs officials -- assistance to both sides in resolving such problems.
  - e. Administration of Foreign Assets Control Regulations (FACR). These US Treasury Department regulations prohibit commodities and merchandise originating in North Korea and North Vietnam from entering the United States and the Ryukyu Islands. Although enforcement of the regulations in Okinawa has been basically delegated to the GRI, final decision-making authority still rests with USCAR and the US Treasury Department. This responsibility cannot be transferred to the GRI or to GOJ, but will be eliminated on Reversion Day.
2. Following reversion, there will be a requirement for orderly and expeditious clearance of a substantial volume of military cargo through Japanese customs on Okinawa, under the terms of the US-Japan SOFA. This can be facilitated by working out in PrepCom prior to reversion the necessary detailed clearance procedures.

THE PREPARATORY COMMISSION  
Naha, Okinawa

25 January 1972

OFFICIAL MINUTES

SUBJECT: One Hundred-and-thirty-first Meeting of PrepCom Alternates, 1000 hours, 14 January 1972

Participants:

Members: Mr. Fearey, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Murazumi, GOJ  
Mr. Ito, GOJ  
Mr. Nakayama, GOJ  
Mr. Numakoshi, GOJ  
Mr. Yamamoto, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Francis, U S  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The U S Alternate passed out copies of papers (attached) on the following four subjects:

a. Preparations for Japanese Government Assumption of Responsibility for International Narcotics Controls

b. Preparations for Japanese Government Assumption of Responsibility for Controls over the Permanent Immigration of Japanese Nationals into the Ryukyus and the Establishment of Family Registers

c. Preparations for Japanese Government Assumption of Responsibility for Entry and Immigration Controls

d. Preparations for Japanese Government Assumption of Responsibility for Postal Functions

2. The U S Alternate referred to the stock paragraph in each paper stating that the U S should be consulted before actions affecting U S continuing administrative responsibility are taken. He said there was no intention to emphasize the point needlessly; however, the papers might be going to different agencies of the Governments involved so it seemed wise to make the point in each paper.

PREPCOM

25 January 1972

SUBJECT: One Hundred-and-thirty-first Meeting of PrepCom Alternates; 1000 hours, 14 January 1972

3. The GOJ Alternate said that the SOFA Subcommittee would meet again on 17 January to discuss auto registration. He said he thought the subcommittee was nearing the final stages of its discussions.

4. The GOJ Alternate announced that Mr. Murazumi would go to Tokyo early the following week for consultations on all pending Phase II and III topics. Mr. Francis noted that, before he went, Mr. Murazumi would see USCAR Liaison Department Director Clark.

5. The U S Alternate said that he hoped to table most of the remaining Phase III papers at the next Alternates' meeting.

6. The U S Alternate noted that Mr. Burke, Economic Advisor to the U S PrepCom Element, would be leaving Okinawa shortly. The U S Alternate said that Mr. Burke had first come to Okinawa as Economic Advisor to the U S Representative/Chairman of the Advisory Committee to the High Commissioner. Subsequently, in addition to his PrepCom work, he had filled other difficult assignments. As Re-employment Coordinator to the High Commissioner he had assisted, against difficult obstacles, in finding jobs for ex-military employees. He had also served as the HICOM's Business Liaison Officer and played an important role in matters affecting the interests of American businessmen and professionals in Okinawa. In all these responsibilities Mr. Burke had displayed great energy, dedication, initiative, imagination, and professional economic skill. The U S Alternate noted that Mr. Burke had been given the 1971 Award for Outstanding Achievement by the Chamber of Commerce of the U S in Okinawa and the High Commissioner Certificate. He would be greatly missed.

7. The GOJ Alternate expressed appreciation for Mr. Burke's outstanding contribution to PrepCom. Mr. Burke had worked diligently to obtain understanding between the GOJ and American business enterprises in Okinawa. The GOJ Alternate said that Mr. Burke would be missed at this stage of the reversion preparations and wished the best for him.

8. The GRI Alternate expressed his appreciation for Mr. Burke's services and devotion to PrepCom and for his efforts toward the re-employment of military employees. The GRI Alternate noted that Mr. Burke had worked closely with the GRI Labor Department and said he would miss Mr. and Mrs. Burke.

9. The Alternates agreed to meet next at 1000 hours, 21 January 1972.

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APPROVED:

*H. Senaga*  
GRI Alternate

*Yoshioka*  
GOJ Alternate

*Robert Fearey*  
US Alternate

PREPCOM 25 January 1972  
SUBJECT: One Hundred-and-thirty-first Meeting of PrepCom Alternates, 1000  
hours, 14 January 1972

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OKINAWA REVERSION PLANNING

PREPARATIONS FOR GOJ ASSUMPTION OF  
RESPONSIBILITY FOR INTERNATIONAL NARCOTICS CONTROLS

SECTION I - U S POSITION

1. The USG is prepared to discuss with the GOJ and GRI preparations for GOJ assumption of responsibility for international narcotics controls.
2. Matters for discussion might include, but would not necessarily be limited to, the following:
  - a. Arrangements for and timing of a joint USC-GOJ inventory of narcotics control records for the Ryukyus, to include stocks imported, on hand and consumed since the most recent USC inventory report submitted to the United Nations, specifically the International Narcotics Control Board in Geneva;
  - b. Arrangements for and timing of formal transfer of responsibility for narcotics controls in accordance with applicable international agreements.
3. The USG is aware that, in anticipation of assuming responsibility for narcotics controls, the GOJ may find it necessary to take certain preparatory actions in Okinawa and to assign additional personnel to Okinawa. The U.S. should be consulted through PrepCom channels before preparatory actions affecting continuing U.S. administrative responsibilities are taken, and the U.S. should continue to be kept advised in advance of the introduction of additional GOJ personnel.

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OKINAWA REVERSION PLANNING

PREPARATIONS FOR GOJ ASSUMPTION OF  
RESPONSIBILITY FOR INTERNATIONAL NARCOTICS CONTROLS

SECTION II - SUPPORTING INFORMATION

1. Control of Legal Narcotics Traffic

a. Narcotics control is a national responsibility subject to international (United Nations) agreements and regulations. Nations signatory to the United Nations Charter are enjoined to maintain rigid standards and controls over the manufacture, export, import and use of narcotics within their geographic area of responsibility.

b. The Government of the Ryukyu Islands (GRI) is not a sovereign government and, since the Ryukyu Islands are a responsibility of the United States, the High Commissioner is responsible for local narcotics controls.

c. There is no manufacture of narcotics in, or export of narcotics from, the Ryukyu Islands. Legal importation of narcotics into the Ryukyu Islands is accomplished as follows:

(1) Local importers submit purchase orders to the Chief, Health, Education and Welfare (HE), U.S. Civil Administration of the Ryukyu Islands (USCAR);

(2) USCAR processes orders through U.S. mail (APO) to Chief, Ryukyu Travel Unit, Japan (RTUJ) in Tokyo, Japan, who places orders with Japanese narcotics wholesale firms;

(3) Purchase orders are filled and delivered to Chief, RTUJ and mailed via registered APO mail to USCAR where they are inventoried and delivered to the local importer.

d. With respect to internal controls,

(1) HE, USCAR maintains a running account of amounts of narcotics imported into the Ryukyu Islands and receives reports from importers and retailers of sales and to whom sales were made;

(2) Sales of narcotics for use by individuals are conducted only on order by and under supervision of physicians who render reports of all such orders and use to the GRI. All such reports are consolidated and a monthly narcotics consumption report is submitted to HE, USCAR;

(3) USCAR is responsible for the submission of quarterly, semi-annual and annual reports of narcotics imports, stock levels and usage through Department of Army to the International Narcotics Control Board in Geneva.

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e. Transfer of U.S. responsibility for narcotics controls in the Ryukyus to the GOJ must be accomplished in coordination with the Control Board in Geneva.

2. Control of Illicit Narcotics Traffic

a. Control of illegal narcotics traffic is also a national responsibility subject to international (United Nations) agreements and regulations. Occurrences of illegal traffic, manufacture or use by an individual or group are reportable to the International Narcotics Control Board by the responsible national government.

b. Controls exercised by the GRI are:

(1) Surveillance by trained narcotics agents of commercial ports of entry and investigations of possible local manufacturing sources, traffic and users.

(2) Police surveillance of suspicious individuals and/or business establishments where traffic and use of narcotics may be expected to be found.

c. Court confirmed violations of narcotics laws are reported by the GRI to USCAR and by USCAR to the International Narcotics Control Board via Department of the Army channels.

d. Narcotics controls exercised by the U.S. military on Okinawa are a command responsibility, accomplished as follows:

(1) Military Service Personnel entering the Ryukyu Islands through military ports are under continual surveillance by narcotics control officers of the units to which the servicemen are assigned. Unit commanders, assisted by narcotics control officers, conduct periodic inspections of personnel and personal effects and equipment in which narcotics may be concealed.

(2) Plain clothes military investigators and uniformed police maintain constant surveillance on and off the military reservations to detect and apprehend military personnel involved in illegal use of or traffic in narcotics.

e. The U.S. Forces will following reversion continue, within limits prescribed by the SOFA, to enforce narcotic control laws and regulations over military personnel and military ports of entry.

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OKINAWA REVERSION PLANNING

PREPARATIONS FOR GOJ ASSUMPTION OF  
RESPONSIBILITY FOR CONTROLS OVER THE PERMANENT IMMIGRATION  
OF JAPANESE NATIONALS INTO THE RYUKYUS  
AND THE ESTABLISHMENT OF FAMILY REGISTERS

SECTION I - U S POSITION

1. The USC is prepared to discuss with the GOJ and GRI preparations for GOJ assumption of responsibility for controls over the permanent immigration of Japanese nationals into the Ryukyus and the establishment of family registers, to be effective on Reversion Day.
2. Matters for discussion might include, but would not necessarily be limited to, the following:
  - a. Current remaining USC functions relating to permanent immigration of Japanese nationals into the Ryukyus and the establishment of family registers; and
  - b. Training and orientation of personnel in post-reversion procedures concerning establishment of family registers.
3. The USC is aware that, in anticipation of assuming responsibility for the establishment of family registers, the GOJ may find it necessary to take certain preparatory actions in Okinawa and to assign additional personnel to Okinawa. The U.S. should be consulted through PrepCom channels before preparatory actions affecting U.S. continuing administrative responsibilities are taken, and the U.S. should continue to be kept advised in advance of the introduction of additional GOJ personnel.

OKINAWA REVERSION PLANNING

PREPARATIONS FOR GOJ ASSUMPTION OF  
RESPONSIBILITY FOR CONTROLS OVER THE PERMANENT IMMIGRATION  
OF JAPANESE NATIONALS INTO THE RYUKYUS  
AND THE ESTABLISHMENT OF FAMILY REGISTERS

SECTION II - SUPPORTING INFORMATION

1. In the Ryukyus, as in Japan, family registers are maintained by the municipalities of residence. The only exception is for Ryukyuan residents in Japan, for whom the Okinawa Family Register Office, Fukuoka District Office, GOJ Ministry of Justice, maintains family registers.
2. Ryukyuan are defined by HICOM legislation and by local law as persons who maintain their Permanent Family Register (KOSEKI) in the Ryukyu Islands and are presently residing therein. Although Ryukyuan are Japanese nationals, there has been a need during the period of U.S. administration to distinguish residents in the Ryukyus from residents of mainland Japan, in order to administer Ryukyuan welfare and tax laws, to determine eligibility to vote or stand for public office, and to provide a basis for immigration controls. Consequently, the following Civil Administration directives have been promulgated:
  - a. CA Directive No. 5 (21 July 1954), which requires HICOM approval for a non-Ryukyuan to change from a temporary visitor's status to permanent resident status;
  - b. CA Directive No. 6 (23 July 1954), which requires HICOM approval for transfer of the Permanent Family Register from Japan to the Ryukyu Islands.
  - c. CA Directive No. 6 (6 July 1955), which authorizes shi-cho-son offices in the Ryukyu Islands to communicate directly with counterpart offices in Japan for the transmission of information and documents intended for entry into official Japanese or Ryukyuan family registers. This helps to ensure that the records of the Okinawa Family Register Office, Fukuoka District Office, GOJ Ministry of Justice are kept up-to-date.
3. The acquisition of permanent resident status is a prerequisite for transfer of the family register from Japan to the Ryukyu Islands under the current system. Before an application for permanent residence or transfer of the family register is approved, an investigation is conducted by the GRI Immigration Agency and an appropriate recommendation is forwarded to USCAR by the Chief Executive.
4. With reversion the USCAR procedures and controls described in paras 2 and 3 above will be abolished and pertinent ordinances rescinded.

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OKINAWA REVERSION PLANNING

PREPARATIONS FOR GOJ ASSUMPTION OF  
RESPONSIBILITY FOR ENTRY AND IMMIGRATION CONTROLS

SECTION I - U S POSITION

1. The USG is prepared to discuss with the GOJ and GRI preparations for GOJ assumption of responsibility for entry and immigration controls to be effective on Reversion Day.
2. Matters for discussion might include, but would not necessarily be limited to, the following:
  - a. Dissemination of information to GOJ and USG consular establishments on the requirement for a Japanese visa in order for non-Japanese (excluding those provided for under SOFA) to enter Okinawa after reversion.
  - b. Dissemination of information to common carriers serving Okinawa on new visa requirements effective on reversion.
3. The USG is aware that, in anticipation of assuming responsibility for entry and immigration controls, the GOJ may find it necessary to take certain preparatory actions in Okinawa and to assign additional personnel to Okinawa. The USG should be consulted through PrepCom channels before preparatory actions affecting U.S. continuing administrative responsibilities are taken, and the U.S. should continue to be kept advised in advance of the introduction of additional GOJ personnel.

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OKINAWA REVERSION PLANNING

PREPARATIONS FOR GOJ ASSUMPTION OF  
RESPONSIBILITY FOR ENTRY AND IMMIGRATION CONTROLS

SECTION II - SUPPORTING INFORMATION

1. Entry Controls: At present foreign nationals, excluding U.S. citizens but including Japanese nationals, who desire to enter the Ryukyu Islands must apply for an entry permit at a U.S. consular office abroad or through the Ryukyuan Travel Unit in Tokyo. After reversion all foreign (i.e. non-Japanese) nationals, except members of the U.S. Forces exempted by the SOFA, will be required to obtain a Japanese visa from a Japanese consular office prior to entry into the Ryukyu Islands.
2. It has already been recognized in the PrepCom Administrative Transfer Subcommittee that information on the impending change in entry procedures should be disseminated to all U.S. consular offices abroad through official U.S. State Department channels, and that U.S. consular officials should be instructed to refer all persons who desire to enter Okinawa after reversion to the appropriate GOJ consular office. It would appear that Japanese consular establishments should be similarly notified at an early date by the Foreign Office of the impending change. Concurrently, all transportation lines which schedule flights or vessels to the Ryukyu Islands should be notified of the pending change.
3. Immigration Controls: With reversion the responsibility for implementing exit/entry controls at ports of entry in the Ryukyu Islands, and the registration of alien residents in Okinawa, will be exercised by the GOJ. The USG understands that the GOJ plans to maintain a staff of about 115 immigration bureau employees in the Ryukyus. In order to form such a staff, the GOJ reportedly plans to retain the present GRI Immigration Agency staff of 103 employees, augmenting it with GOJ Immigration Bureau personnel in certain key positions. It is further understood that the GOJ plans to institute a limited training program for GRI immigration employees. The USG is prepared to assist the GOJ as appropriate in the implementation of its Ryukyuan immigration controls planning.

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OKINAWA REVERSION PLANNING

PREPARATIONS FOR GOJ ASSUMPTION OF  
RESPONSIBILITY FOR POSTAL FUNCTIONS

SECTION I - U S POSITION

1. The USG is prepared to discuss with the GOJ and CRI preparations for, and timing of, GOJ assumption of responsibility for postal functions.
2. Matters for discussion might include, but would not necessarily be limited to, the following:
  - a. Notification to international postal authorities of the assumption by Japan at reversion of responsibility for postal functions in the Ryukyu Islands;
  - b. Arrangements for exchange of mail between U.S. Forces and local postal administration after reversion.
3. The USG is aware that, in anticipation of assuming responsibility for postal functions, the GOJ may find it necessary to take certain preparatory actions in Okinawa and to assign additional personnel to Okinawa. The USG should be consulted through PrepCom channels before preparatory actions affecting U.S. continuing administrative responsibilities are taken, and the U.S. should continue to be kept advised in advance of the introduction of additional GOJ personnel.

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OKINAWA REVERSION PLANNING

PREPARATIONS FOR GOJ ASSUMPTION OF  
RESPONSIBILITY FOR POSTAL FUNCTIONS

SECTION II - SUPPORTING INFORMATION

1. The CRI Postal Services Agency provides all types of civil postal services for the Ryukyus, both domestic and international. The CRI's techniques and expertise have been developed through the years with advice and assistance of the U.S. and technical training assistance programs provided by the GOJ. The types of services provided by the CRI are essentially the same as in Japan and other nations. U.S. involvement has diminished as the CRI's capabilities have increased. Issuance of postage stamps, settlement of accounts for international parcel post services, negotiation of airmail transportation agreements, processing of postal claims and servicing of money order transactions are examples of activities which the CRI handles without recourse to the U.S. The U.S. continues to provide advice and assistance with respect to philatelic operations (e.g. editing of English language publicity) and acts as liaison between the CRI and APO officials. Aside from these activities, the CRI Postal Services Agency operates independently.
2. Parcel post matters between the Ryukyus and 32 foreign countries, not including the U.S. and Japan, are now handled on the basis of the standard Universal Postal Union (UPU) Parcel Post Agreement to which Japan is a signatory but the U.S. is not. Through U.S. Post Office assistance, arrangements were made with the UPU for the Ryukyus to apply the standard UPU Parcel Post Agreement. Therefore, no revision in these procedures is necessitated by reversion. Rates must of course be adjusted to be consistent with Japanese monetary units and post-reversion settlement of accounts will of course be with the Japanese Ministry of Posts and Telecommunications.
3. A special parcel post agreement exists between the U.S. and the Ryukyu Islands. After changeover to the Japanese postal system, parcel post will be handled on the basis of the existing agreement between Japan and the U.S. Careful preparations will be required to accomplish the changeover.
4. A special one-way money order agreement exists between the Ryukyus and the U.S. This agreement permits transfer of funds by money order from the U.S. to the Ryukyus only. The maximum amount per money order is \$100.00. There is a money order exchange agreement between Japan and the U.S. The present system between the Ryukyus and the U.S. is seldom used. Discontinuance would have no adverse impact.
5. An agreement exists for exchange of money orders between the Ryukyus and Japan. This agreement should terminate at the time of changeover to the Japanese postal system, after which the normal Japanese domestic system will be applicable to the Ryukyu Islands.

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6. A local agreement exists covering the exchange of mails between local military post offices and the GRI. This agreement, entitled "Detailed Postal Operating Arrangement Between Headquarters, Ryukyus Command and the Ryukyu Postal Administration", has been in effect since 1954. APO authorities have advised that they will shortly complete a study of what if anything must be done to assure continuation of this exchange after reversion.

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THE PREPARATORY COMMISSION  
Naha, Okinawa

31 January 1972

OFFICIAL MINUTES

SUBJECT: One Hundred-and-thirty-second Meeting of PrepCom Alternates,  
1000 hours, 21 January 1972

Participants:

Members: Mr. Fearey, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Nakayama, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The U S Alternate passed out copies of papers (attached) on the following seven subjects:

- a. Preparations for Conversion of Civil Radio Call Signs from the U S System to the Japanese System
- b. Procedures for Future Disposal of Unexploded Ordnance
- c. Preparations for GOJ Assumption of Responsibility for Quarantine Controls
- d. Preparations for GOJ Assumption of Responsibility for Registration of Ryukyuan Vessels
- e. Preparations for GOJ Assumption of Responsibility for World Health Organization Programs in the Ryukyus
- f. Preparations for GOJ Assumption of Responsibility for RDWC Operations
- g. Preparations for GOJ Assumption of Responsibility for REPC Operations

2. The U S Alternate noted that he had now tabled papers on 12 of the 17 subjects in the "Initial List of Suggested Preparatory Commission Phase III Topics." He said it was desirable to make as much progress as possible on Phase III reversion preparations early in the short period remaining before R-day, considering the inevitable tendency for things to pile up at the end. The U S side was prepared to meet on any of the 17 topics at any time.

PREPCOM 31 January 1972  
SUBJECT: One Hundred-and-thirty-second Meeting of PrepCom Alternates, 1000  
hours, 21 January 1972

including the five on which papers had not yet been presented. As he had noted at earlier meetings, much work had already been done in many areas, largely by direct GOJ-GRI-USCAR contacts. However, in most cases subcommittee discussions would probably be useful. Such discussions could be entered into initially on an exploratory basis without the Governments necessarily having firm proposals or positions.

3. The GOJ Alternate said he had been instructed by Tokyo to start discussion on water facility transfer preparation problems. Three experts, from ONTA, the Ministry of Welfare, and the DFAA, would be arriving in Okinawa on 24 January. If possible, the GOJ would like to have intensive subcommittee discussions on 25, 26, and 27 January. The GOJ Alternate also mentioned that he had a paper on water which he hoped to have translated into English and delivered to the USG and GRI by 24 January; this paper could be studied in conjunction with the paper on RDWC operations which the U S Alternate had just tabled. The U S Alternate assured the GOJ Alternate that COL Lombard and other U S experts would be prepared to meet with the GOJ experts 25-27 January.

4. The GOJ Alternate said that the GOJ planned to establish by 15 February a preparatory office, "within the framework of the GRI," to prepare for indirect employment of base workers. This office would look for space, bring in personnel, and begin its actual operations on 1 April, a month and a half before reversion. The U S Alternate said he recognized the need for such preparations and that the U S would be happy to cooperate. He asked that the GOJ continue to give advance information about its specific plans.

5. The GOJ Alternate noted that the SOFA Subcommittee had reached some tentative conclusions about auto registration and was now working on a paper. In response to the U S Alternate's question, the GOJ Alternate confirmed that the paper would be submitted at an early Alternates' meeting.

6. The Alternates agreed to hold their next meeting at 1000 hours, 28 January 1972.

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APPROVED:

H. Senaga GRI Alternate      Shiro Gushida GOJ Alternate      Robert H. Ferry U S Alternate

PREPCOM 31 January 1972  
SUBJECT: One Hundred-and-thirty-second Meeting of PrepCom Alternates, 1000  
hours, 21 January 1972

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OKINAWA REVERSION PLANNING

PREPARATIONS FOR CONVERSION OF  
CIVIL RADIO STATION CALL SIGNS FROM  
THE U.S. SYSTEM TO THE JAPANESE SYSTEM

INFORMATION PAPER

1. Under the U.S. Administration, U.S.-type radio call signs have been assigned to all stations requiring radio call signs.
2. Effective at Reversion, all U.S.-type radio call signs in the Ryukyus will be cancelled.
3. It is understood that the GRI has furnished to the GOJ a complete list of call signs now in use. It is further understood that the GOJ has already prepared substitute call signs for assignment as appropriate. Because of the interest of certain U.S. firms on Okinawa, confirmation of this understanding would be appreciated.

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OKINAWA REVERSION PLANNING

PROCEDURES FOR FUTURE DISPOSAL  
OF UNEXPLODED ORDNANCE

SECTION I - U.S. POSITION

1. The USG is prepared to discuss with the GOJ and GRI procedures for post-reversion disposal of unexploded ordnance.
2. Matters for discussion might include, but would not necessarily be limited to, the following:
  - a. Current procedures for disposal of unexploded ordnance;
  - b. USG orientation and training of GOJ and Ryukyuan police officials in disposal techniques.
3. The USG is aware that, in establishing procedures for post-reversion disposal of unexploded ordnance, the GOJ may find it necessary to take certain preparatory actions in Okinawa. The USG should be consulted through PrepCom channels before such actions affecting continuing U.S. administrative responsibilities are taken.

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OKINAWA REVERSION PLANNING  
PROCEDURES FOR FUTURE DISPOSAL  
OF UNEXPLODED ORDNANCE

SECTION II - SUPPORTING INFORMATION

1. Unexploded ordnance disposal procedures have been established through a close working relationship between U.S. Army Explosives Ordnance Disposal (EOD) units and local police stations throughout the Ryukyus, with the Public Safety Department, USCAR, acting as coordinating office. Unexploded ordnance is found almost daily throughout the Ryukyu Islands, mainly shells from World War II. Most of these shells are found in southern Okinawa. Usually they are in small quantities of one or two rounds at land excavation sites for construction projects. Most are corroded and in a dangerous condition requiring expert removal. Occasionally large quantities of shells are found in old air raid shelters or ammunition bunkers and caves.

2. Disposal of unexploded ordnance is accomplished in the following manner:

a. The finder reports his discovery to the nearest police station or police box. A local policeman makes a physical check, confirms the finding, and identifies the location and type of shell. If the shell is in a location where pedestrian or vehicular traffic may be involved, the policeman takes measures to cordon off the shell with ropes and posts precautionary signs. If required, he remains on the scene until the U.S. Army EOD team arrives. In the case of a white phosphorus shell which has ignited and requires immediate action, the policeman remains on the scene after making his report and keeps people away from the area until the EOD team arrives. There may be cases where a citizen delivers a shell directly to the police station or box. In these cases the citizen is usually unaware of the danger involved in moving old ordnance. The receiving police station places such shells in a buried metal container (55 gallon oil drum) and makes a report through channels to EOD for disposal. Calls for EOD assistance are telephoned through the police communication net to the USCAR Public Safety Department which, in turn, transmits the request by telephone to the U.S. Army EOD. The primary reason for routing the request for EOD assistance through PS, USCAR, is the bi-lingual capability of PS personnel.

b. The U.S. Army EOD Team responds and reports to the police station making the request. The explosives officer of the police station escorts the EOD Team to the scene where the explosives are located. The shell may be removed by the EOD team or, if it is in a condition that makes removal

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dangerous, the shell may be blown up on the scene. If disposal on the scene is required, the police station assigns additional men to evacuate personnel from the immediate area. If the shell can be removed, the EOD team picks it up and transports it to the ammunition disposal area in Yomitan for final disposal.

c. The U.S. Navy EOD Team, presently located at Naha Air Base, disposes of all ordnance found below sea level. However, PS, USCAR reports all findings to the U.S. Army EOD which, in turn, makes requests to the U.S. Navy EOD. The Navy EOD has disposed of numerous torpedos and mines found along the coasts of Okinawa and the offshore islands.

d. Unexploded ordnance is also found in the Yaeyama and Miyako Gunto. The procedures already described are followed except that in most cases the EOD disposes of the ordnance at the site where it is found. Since the EOD teams must use TNT and other blasting agents for disposal, the teams utilize military aircraft to reach the offshore islands rather than commercial aircraft. Commercial aircraft are prohibited from carrying explosives.

3. The USG is prepared to cooperate fully in assisting the GOJ to prepare to assume responsibility for post-reversion disposal of ordnance found in off-base areas. USCAR, for example, is ready to coordinate orientation training for selected Ryukyuan police officers.

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Preparatory Commission

OKINAWA REVERSION PLANNING

PREPARATIONS FOR GOJ ASSUMPTION OF  
RESPONSIBILITY FOR QUARANTINE CONTROLS

SECTION I - U.S. POSITION

1. The USG is prepared to discuss with the GOJ and GRI preparations for, and timing of, the transfer to the GOJ of responsibility for quarantine controls.
2. Matters for discussion might include, but would not necessarily be limited to, the following:
  - a. Current remaining USG quarantine functions in Okinawa;
  - b. Quarantine operations affecting movement of United States security forces and supporting vessels, aircraft, cargo, materiel, personnel, civilian components, contractors, and dependents under SOFA after reversion, including procedures similar to those in mainland Japan for U.S. Forces medical representatives to perform quarantine functions at U.S. Forces points of entry and exit.
3. The USG is aware that, in anticipation of assuming responsibility for quarantine controls, the GOJ may find it necessary to take certain preparatory actions in Okinawa and to assign additional personnel to Okinawa. The USG should be consulted through PrepCom channels before preparatory actions affecting continuing U.S. administrative responsibilities are taken, and the U.S. should continue to be kept advised in advance of the introduction of additional GOJ personnel.

OKINAWA REVERSION PLANNING

PREPARATIONS FOR GOJ ASSUMPTION OF  
RESPONSIBILITY FOR QUARANTINE CONTROLS

SECTION II - SUPPORTING INFORMATION

1. The GRI carries out routine quarantine controls over persons, ships, aircraft, cargo, animals and plants entering civilian ports and airports of the Ryukyu Islands. The U.S. Civil Administration monitors these activities. Medical officers and other personnel of the U.S. Armed Forces are responsible for quarantine controls at points of entry and exit for U.S. Forces personnel, civilian components, dependents and material.
2. While the "Agreement under Article VI of the Treaty of Mutual Cooperation and Security" (SOFA) does not mention quarantine controls per se, an Entry Subcommittee of the U.S.-Japan Joint Committee has set forth guidelines for U.S. Forces quarantine procedures in Japan. This Subcommittee was established under SOFA Article XXV and is co-chaired by the USG and the GOJ.
3. U.S. Forces medical representatives in Japan perform quarantine functions where U.S. Forces personnel points of entry and exit and U.S. Forces vessels, aircraft and material are concerned. Under Joint Committee guidelines, U.S. Forces' quarantine operations include reports to, and coordination with, GOJ authorities. It will be necessary for U.S. Forces quarantine personnel in the Ryukyus to become familiar with these procedures prior to Reversion Day.

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OKINAWA REVERSION PLANNING

PREPARATIONS FOR GOJ ASSUMPTION OF  
RESPONSIBILITY FOR REGISTRATION OF RYUKYUAN VESSELS

SECTION I - U.S. POSITION

1. The USC is prepared to discuss with the GOJ preparations for, and timing of, GOJ assumption of responsibility for the registration of Ryukyuan vessels.
2. Matters for discussion might include, but would not necessarily be limited to, the following:
  - a. Present system of registration in the Ryukyu Islands;
  - b. Arrangements for formal transfer of existing vessel registrations and conversion of ship radio station call signs.
  - c. Arrangements for the USC and GOJ to publicize, through their respective diplomatic and consular establishments, the transfer of responsibility for the protection of Ryukyuan vessels.
3. The USC is aware that, in preparation for the transfer of registration (and ship radio call signs), the GOJ may find it necessary to take certain preparatory actions in Okinawa and to assign additional personnel to Okinawa. The U.S. should be consulted through PrepCom channels before preparatory actions affecting U.S. continuing administrative responsibilities are taken, and the U.S. should continue to be kept advised in advance of the introduction of additional GOJ personnel.

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OKINAWA REVERSION PLANNING

PREPARATIONS FOR GOJ ASSUMPTION OF  
RESPONSIBILITY FOR REGISTRATION OF RYUKYUAN VESSELS

SECTION II - SUPPORTING INFORMATION

1. In accordance with NIKOM Ordinance No. 57, as amended, Ryukyuan vessels on the high seas display a two-part flag set representing Ryukyuan registry. The lower element of this set is a facsimile of the Japanese National Flag while the upper element is a white pennant with the word "RYUKYUS" superimposed in red in both Roman letters and Japanese characters.
2. Under international law, ships have the nationality of the state whose flag they are entitled to fly. The nationality claim must be based on a legitimate and genuine link between the state and ship. The vessel flag is notice of the registration of a vessel, and the vessel is governed by the laws of the flag state in regards to jurisdiction and control in administrative, technical and social matters. It also means that the vessel is entitled to the protection of the state that allows it to fly its flag.
3. Current Japanese and GRI laws are specific in the identification and registration of maritime vessels:
  - a. Article 2 of the Japanese Vessels Law (Law #46 of 1899) forbids the display of the Japanese flag on any vessels other than Japanese. Japanese vessels are defined by Article 1 as "those owned by the government, by Japanese subjects, or by Japanese companies or juridical persons, all of whose representatives or directors are Japanese subjects." Article 4 of this law requires Japanese vessels to be registered in a port in Japan.
  - b. The Ryukyuan Law (the Act Concerning Vessels, i.e., GRI Act #46 of 1982) contains no provision pertaining to vessel flags. It stipulates, however, that only Ryukyuan vessels may transport goods or passengers between Ryukyuan ports (Art. 3). Ryukyuan vessels are defined as "those owned by Ryukyuan companies or by Ryukyuan companies all of whose directors are Ryukyuan" (Art. 2). The vessels must be registered with the marine authorities at the domestic port of registry (Art. 5). The name of the port of registry must appear on the vessel as part of its identity (Art. 9). This law further stipulates the misrepresentation of the port of registry or of nationality is a criminal offense (Art. 22).
4. Ryukyuan may travel with either a USCAR travel document or a Japanese passport. Regardless of the type travel documentation they possess, however, Ryukyuan are entitled to protection from both the USC and GOJ while traveling.

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abroad. Consequently crew members of Ryukyuan vessels who encounter difficulties may seek assistance from either or both governments. Ryukyuan-owned vessels, on the other hand, are registered in the Ryukyus by the CRI, a local government established by the U.S. Government. The U.S., therefore, has ultimate responsibility for their protection. Ryukyuan crews, however, are more frequently inclined to first approach Japanese Consular Offices for assistance due to the close cultural and language ties. Third country officials, unable to distinguish between Ryukyuan and Japanese vessels due to similarity of registration documents and flags, are often unaware of the U.S. responsibility for the protection of Ryukyuan vessels, resulting in some confusion. USCAR has therefore taken steps to insure that U.S. Embassies and Consulates are informed of the special status of Ryukyuan vessels and the responsibility of the USG to assist Ryukyuan vessels experiencing difficulty. The USG, which has made every effort to protect Ryukyuan interests abroad, has also solicited the assistance of other governments, in particular the COJ, in achieving this end. For example, in Australia, the U.S. and COJ have jointly succeeded in obtaining Ryukyuan participation in the Agreement on Fisheries between Japan and the Commonwealth of Australia. The Japanese and Ryukyuan fishing industries have also obtained safe fishing agreements with the Government of Indonesia. The COJ Embassy has been very active in Ryukyuan fishing matters in Indonesia.

5. The USG, in order to ensure a smooth and expeditious transfer of responsibility for registration, is aware that the COJ may wish to send a team of qualified personnel to the Ryukyus prior to reversion to advise and work with the CRI Maritime Section.

6. Under international regulations, and U.S. and Japanese law, ship radio station call signs must change from U.S. to Japanese simultaneously with the shift of Ryukyuan vessels to Japanese registration. At reversion, the USG will cancel all U.S. radio station call signs then in effect for Ryukyuan vessels.

OKINAWA REVERSION PLANNING

PREPARATIONS FOR GOJ ASSUMPTION OF  
RESPONSIBILITY FOR WORLD HEALTH  
ORGANIZATION PROGRAMS IN THE RYUKYUS

SECTION I - U.S. POSITION

1. The USG is ready to discuss with the GOJ preparations for GOJ assumption of responsibility for World Health Organization (WHO) programs in the Ryukyu Islands.
2. Matters for discussion might include, but would not necessarily be limited to, the following:
  - a. Nature of current WHO programs in the Ryukyu Islands;
  - b. Arrangements for, and timing of, transfer of responsibility for coordination of WHO programs from the USG to the GOJ.
3. The USG is aware that, in assuming responsibility for WHO programs, the GOJ may find it necessary to take certain preparatory actions in Okinawa. The USG should be consulted through PrepCom channels before such actions affecting continuing U.S. administrative responsibilities are taken.

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OKINAWA REVERSION PLANNING

PREPARATIONS FOR GOJ ASSUMPTION OF  
RESPONSIBILITY FOR WORLD HEALTH  
ORGANIZATION PROGRAMS IN THE RYUKYUS

SECTION II - SUPPORTING INFORMATION

1. Since 1950 WHO has provided valuable assistance to the Ryukyu Islands. This assistance has taken the form of:

- a. Fellowships for training Ryukyuan medical workers in medicine, nursing, maternal and child health, health education, and public health and sanitation.
- b. Assignment of consultants to the Ryukyu Islands for short-term, in-country training in the above fields.

WHO assistance, which has been requested by GRI and which does not require local financial support, has been programmed to continue until 31 December 1973. Continuation of such assistance beyond reversion, however, will require GOJ assumption of responsibility for coordination with WHO.

2. WHO has also offered professorial assistance for FY 71 and CY 72 and fellowships through CY 73 to a GRI and GOJ supported project, the new College of Health Science, University of the Ryukyus. The WHO assistance is in the form of an agreement calling for certain logistical support by the GRI for the long-term, WHO-sponsored professors. This support includes secretarial assistance, in-country transportation, storage of the necessary equipment and supplies to be provided by WHO and the GRI assistance in locating suitable housing, telephone service and other services which are normally supplied to long-term WHO consultants. The USG, before entering into this agreement with WHO, required assurance in the form of a letter from the GRI that the WHO contract requirements for local support would be met at no expense to the USG. The WHO assistance to the College of Health Science is a direct contribution to the development of a GOJ assisted GRI program.

3. USG and GOJ representatives conferred with the Pacific Regional Director of WHO on 23 September 1971 and developed an Aide Memoire (Inclosure) for implementation of WHO fellowships and consultantships for the Ryukyus for calendar years 1972-1973. Notification of approval of the Aide Memoire by the WHO head office in Geneva was received 10 November 1971.

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CJRS/lmm

WORLD HEALTH  
ORGANIZATION



Régional Office for the Western Pacific

United Nations Avenue  
P. O. Box 2932  
12115 MANILA, Philippines

Tel. : 69-20-41 Telex : 3260

ORGANISATION MONDIALE  
DE LA SANTÉ

Bureau régional du Pacifique occidental

United Nations Avenue  
B. P. 2932  
12115 MANILLE, Philippines  
Telegr. : UNISANTE. MANILA

Ryukyus 6401-F (0003)

In reply please refer to : EP-10 Ryukyus  
Prière de rappeler la référence :

2 November 1971

Sir,

I have the honour to invite your attention to my letter dated 7 October 1971 enclosing three copies of an aide-mémoire on a meeting held in my office on 23 September 1971, to discuss the delivery of WHO assistance to the Ryukyus following reversion of the Ryukyus to Japan.

I am pleased to inform you that advice has now been received from our Director-General in Geneva in respect to the suggestions contained in the aide-mémoire. Dr. Candau has indicated that for the purposes of our planning, the dates proposed for the change-over from WHO's present procedures for programme delivery to the Ryukyus are suitable. This in effect means that 31 December 1972 will be the date when WHO will cease to employ Japanese short-term consultants in the Ryukyus and the sending of Ryukyuan fellows to Japan.

I have the honour to be,

Sir,

Your obedient Servant,

Sgd. F. J. Dy

Francisco J. Dy, M.D.  
Regional Director

The Civil Administrator  
United States Civil Administration  
of the Ryukyu Islands  
Attention: The Director of Health,  
Education and Welfare  
URASOE, Naha  
Okinawa  
Ryukyu Islands

cc: Please see attached list.

cc: The Secretary of State, Attention: Office of International  
Economic and Social Affairs, Washington  
The Surgeon General, Public Health Service, Department of  
Health, Education and Welfare, Washington  
The Director, Office of International Health, Public Health  
Service, Department of Health, Education and Welfare,  
Washington  
The Associate Director, Office of International Health,  
Public Health Service, Department of Health, Education  
and Welfare, Washington  
The WHO Representative, Taipei

CJPS/lma

WORLD HEALTH  
ORGANIZATION



ORGANISATION MONDIALE  
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MANILA, Philippines

P. O. Box 2932

Tel: 5 20 41

Bureau régional du Pacifique occidental

United Nations Avenue

MANILLE, Philippines

Telegr.: UNISANTE, MANILA

Telex: 3260

In reply please refer to: Ryukyus 6401-F (0005)  
Prière de rappeler la référence:

7 October 1971

S i r ,

I have the honour to transmit herewith, for your information, three copies of an aide-mémoire on a meeting held in my office on 23 September 1971 concerning the continued implementation of WHO's programme to the Ryukyus following reversion of the Ryukyus to Japan. Copies of the aide-mémoire have been given to Dr. S. P. English, Jr., Director, Office of International Health, Public Health Service, Department of Health, Education and Welfare, United States of America; Dr. James King, Associate Director of the same office; and Mr. K. Watanabe, Assistant Chief Liaison Officer, International Affairs, Minister's Secretariat, Ministry of Health and Welfare, Japan, who were present in the meeting.

I have written to my Director-General in Geneva to seek his approval on the suggestions contained in the aide-mémoire and I shall keep you informed of developments. In the meantime, should you have any comments on the aide-mémoire we shall be glad to receive them.

I have the honour to be,  
S i r ,  
Your obedient servant,

Sgd. Dr. S. Flecho  
Francisco J. Dy, M.D.  
Regional Director

The Civil Administrator  
United States Civil Administration  
of the Ryukyu Islands  
Attention: The Director of Health,  
Education and Welfare  
URASOE, Naha  
Orinawa  
Ryukyu Islands

ENCLOSURE: As stated above.

cc: Please see attached list.

cc: The Secretary of State, Attention: Office of International  
Economic and Social Affairs, Washington  
The Surgeon General, Public Health Service, Department of  
Health, Education and Welfare, Washington  
The Director, Office of International Health, Public Health  
Service, Department of Health, Education and Welfare,  
Washington  
The Associate Director, Office of International Health,  
Public Health Service, Department of Health, Education  
and Welfare, Washington  
The WHO Representative, Taipei

MADE MEMOIRE ON A MEETING HELD IN THE OFFICE OF THE REGIONAL DIRECTOR TO DISCUSS IMPLEMENTATION OF FELLOWSHIPS AND CONSULTANT RECRUITMENT FOR THE RYUKYUS AROUND THE TIME OF REVERSION OF RYUKYUS TO JAPAN

Held on 23 September 1971  
in the RD's Office/WPRO

Presents: Dr. S. E. Ehrlich, Jr., U.S. Chief Representative to the 22nd Regional Committee Meeting (RCM)  
Dr. James King, Alternate U.S. Representative to the RCM  
Mr. K. Watanabe, Alternate Representative of Japan to the RCM  
Dr. F. J. Dy, Regional Director/WPRO  
Dr. S. Flachs, Director of Health Services/WPRO  
Dr. C. J. Ross-Smith, Assistant Director of Health Services/WPRO  
Miss B. Newton, Chief, Administration & Finance, WPRO  
Dr. A. M. Rankin, Regional Adviser on Education and Training, WPRO

The consequences for WHO in delivering its programme of assistance to Ryukyus following the reversion to Japan was discussed. Since Ryukyus would, after reversion, be considered as a prefecture of Japan, it was noted that under existing WHO policy, it would not be possible to send fellows from the Ryukyus to Japan to study; nor would it be possible to recruit Japanese staff members to serve in the Ryukyus. Although mid-1972 is thought to be the likely time of reversion, no definite date of reversion was mentioned.

2. There will be no problem with delivery of the remaining WHO programme for 1971 to the Ryukyus. Delivery of the 1972 programme, however, will pose some problems. For 1972 there is provision for WHO to provide eighteen consultant months for lecturers to the School of Health Sciences and eighteen fellowships (153 fellowship months). As Japanese is the language of instruction in the School of Health Sciences, WHO consultants/lecturers have been coming from Japan and for the 1972 programme it is desirable to continue using Japanese consultants. Regarding fellowships, several fellows from the Ryukyus are normally placed in Japan, and this situation will continue to obtain in 1972.

3. It was unanimously agreed for the sake of orderly programme development and delivery that WHO should, subject to the agreement of the Director-General, select 31 December 1972 as the date on which WHO should cease to employ Japanese short-term consultants for the Ryukyus and the sending of Ryukyuan fellows to Japan. If this proposal is accepted it will mean that no Ryukyuan fellows will commence fellowships in Japan after 31 December 1972, but those who are there at that time would complete their fellowships.

4. For 1973 there should be no problem of programme implementation (actually the programme for 1973 is planned to consist of fellowships only). Re the 1973 fellowships, it was mentioned that early in 1972 WHO would be writing to the Governments for applications of candidates for the 1973 fellowships. As the 1973 fellowships were actually requested by Japan, it would be appropriate for WHO to write to Japan requesting applications.

5. Mr. Watanabe pointed out that at the time of reversion there would need to be some discussions on the channels of communication between the Ministry of Health/Ministry of Education of Japan, the Ryukyus and WHO.

- 2 -

6. The Regional Director undertook to inform Japan and the U.S.A. of the Director-General's decision on the above proposal in respect of 31 December 1972. Also, the USCAR authorities in the Ryukyus would be kept fully informed of developments.

cc: WR/Raipai  
Mr. Watanabe  
Dr. Ehrlich  
Dr. James King  
RD  
DES  
CAF  
IRO  
ET  
BFO  
ADES-RS

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OKINAWA REVERSION PLANNING  
PREPARATIONS FOR GOJ ASSUMPTION OF  
RESPONSIBILITY FOR REPC OPERATIONS

SECTION I - U.S. POSITION

1. The USG is prepared to discuss with the GOJ and GRI preparations for GOJ assumption of responsibility for REPC operations at reversion.
2. Matters for discussion might include, but would not necessarily be limited to, the following:
  - a. The practical, operational (as opposed to legal) aspects of the transfer of REPC to Japanese ownership and control;
  - b. Future employment of personnel now employed by REPC;
  - c. Construction projects in progress;
  - d. Development of post-reversion programs and budgets;
  - e. Future electrical power system development;
  - f. FY 73 (U.S.) REPC contract with its labor union;
  - g. Electrification of offshore islands.
3. The USG is aware that, in anticipation of assuming responsibility for REPC operations, the GOJ may find it necessary to take certain preparatory actions in Okinawa and to assign additional personnel to Okinawa. The U.S. should be consulted through PrepCom channels before preparatory actions affecting continuing U.S. administrative responsibilities are taken, and the U.S. should continue to be kept advised in advance of the introduction of additional GOJ personnel.

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OKINAWA REVERSION PLANNING  
PREPARATIONS FOR GOJ ASSUMPTION OF  
RESPONSIBILITY FOR REPC OPERATIONS

SECTION II: SUPPORTING INFORMATION

A. Ownership

1. Background: The Ryukyu Electric Power Corporation (REPC) was chartered by CA Ordinance 129 of 1954 as a 100% USCAR owned instrumentality. In July 1965, the operation of the Island Power System was transferred from the US Army contract system operated by the Gilbert Pacific Inc. to the REPC. During the next two years, the REPC continued essentially unchanged the operational methods and organizational structure employed by Gilbert Pacific Inc. The REPC reorganized on 1 July 1967 and again on 16 December 1968. The current organization structure is shown at Incl 1.

The REPC generates and wholesales power to the US Military Services on Okinawa, to industry, and to five Government of the Ryukyu Islands franchised power distribution companies which in turn retail power to the civilian economy in Central and Southern Okinawa. Also, the REPC provides direct retail power distribution to five municipalities of Ginoza, Kushi, Higashi, Ogimi and Kunigami in Northern Okinawa and to 21 offshore islands as of 30 Nov 71.

Commencing in 1967 the REPC began the electrification of the five sons in northern Okinawa. This \$3.3 million program to construct transmission and distribution facilities was largely completed by the end of FY 71.

In 1969, the REPC undertook the electrification of the offshore islands. The provision of reliable, 24 hour power to about 33 offshore islands is a corporate objective and it is planned that this will be complete before reversion.

2. Present: The REPC is 100% owned by the United States Civil Administration of the Ryukyu Islands. As of 31 Oct 71 the corporation's equity was:

Capital	\$ 15,406,035
Retained earnings	28,379,987
Net Worth	43,786,022

The REPC owns the Kin, Machinato and Chatan steam turbine plants, Gusukuma gas turbine plant, Fairbanks-Morse diesel plants and all 138 and 69 KV transmission lines and most off-post 13.8 KV transmission lines and substations. REPC rents the power barge IMPEDANCE from the US Army.

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As of 31 Nov 71, the REPC plant assets are valued at \$66,778,161. The island power system and the power generating facilities are illustrated at Incls 2 and 3 respectively. A detailed listing of facilities has been provided to the GOJ through the US Embassy, Tokyo.

The control of the REPC is exercised through the Director of the USCAR Public Works Department who also serves as the Chairman of the Board of Directors of the corporation. The Board of Directors consists of five directors appointed by the Civil Administrator. At present these are:

- 1 - Chairman (Director of Public Works, USCAR)
- 1 - Representative REPC (President, REPC)
- 1 - Representative RDLC (President, RDLC)
- 1 - Representative USARYIS (Chief Utilities Division, USARYIS Facilities Engineer)
- 1 - Representative GRI (Director, Trade & Industry Department)

B. Contractual Obligations

The REPC has entered into numerous contractual agreements as a normal manner of conducting its business. Agreements with employees, labor unions, US Government agencies, construction contractors and others are in being. The Government of Japan, as successor owner of the REPC, has agreed to accept and assume responsibility for these contractual obligations. It should be noted that the current labor agreement runs until 30 Jun 72 and will probably require extensive negotiation for renewal.

C. Development of Electric Power Systems

Planning, preparation, coordination and execution of programs for the development of electric power systems within the Ryukyus are continuing functions of the Civil Administration and the REPC. USCAR and the REPC are guided by Article I of its charter which states in part "For the purpose of acquiring, maintaining and operating electric power systems in the Ryukyu Islands for the generation, transmission, distribution and sale of electric energy for the use and benefit of the Ryukyuan people, for agricultural and industrial development, and for other purposes there is created, as an instrumentality of the United States Civil Administration of the Ryukyu Islands (hereinafter referred to as USCAR) a body corporate by the name of "Ryukyu Electric Power Corporation" (hereinafter referred to as the "corporation").

The REPC estimates future power demands on a continuing basis. The estimates of demands and load centers constitute the basis for planning and programming of power generation and transmission facilities. The

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REPC owns most of the generating and transmission facilities on Okinawa and is the only agency having planned and constructed significant power generation and transmission facilities on Okinawa during the past ten years.

The REPC's current 1971 and 1972 Capital Investment Program are illustrated at Incls 6 and 7. The FY 72 program includes production, transmission, distribution and other projects totalling \$4.06 million to be paid for with corporate earnings. The FY 71 program included three special projects (general office facilities, a 3-85 MW generating unit at Machinato and funding for offshore electrification) totalling \$20,950 million to be constructed through joint REPC/construction contractor financing.

The REPC plans to complete the 3d - 85 MW generating unit at Machinato prior to May 73. Present indications are that a 125 MW generating unit will be required prior to May 74. The location of that plant has been determined. The USG plans to initiate design only of that plant. The USG is willing, in coordination with the GOJ, to provide its services to accomplish part or all of the planning, preparation and execution of a program to provide for timely completion of this new plant to meet the anticipated power requirements of the CY 74 peak season. A key factor here is the placement of orders to manufacturers for long lead time equipment items, possibly making commitments prior to reversion day.

The REPC currently has approval to borrow up to \$3.0 million for the purpose of electrifying the offshore islands in the Ryukyus during FY 71 and FY 72. The capital investment program at Incl 6 includes that program.

D. Power Rates

The Civil Administrator reviews the REPC rate structure annually and revises the rates as may be required to provide a rate of return which will range from 6.5% to 7.5%. The past and present REPC rate structure is at Incl 4.

The present wholesale power rates are for delivery of 13.8 KV, 69 KV and 138 KV power and includes both off-peak and night power rates.

The REPC employs two retail power rates. They are the lowest and the highest of the retail power rates for the five GRI franchised power distribution companies. The Chief Executive of the GRI approves the power rates for the five Ryukyuan owned power distribution companies.

The power rate for the REPC's retail customers located on the main island of Okinawa is that of the Okinawa Power Distribution Company (Incl 4). The power rate for the REPC's retail customers located on other islands is that of the Nago Power Distribution Company (Incl 4).

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E. Treasury Loan

During the period 1964 through 1967, the USG issued 29 promissory notes to the REPC for the purpose of financing the costs associated with the construction of the Kin Power Plant. Authority for the loan is Title II, PL 86-383 dated 28 September 1959. The total face amount of the 29 promissory notes is \$10,247,000. The notes are listed at Incl 5.

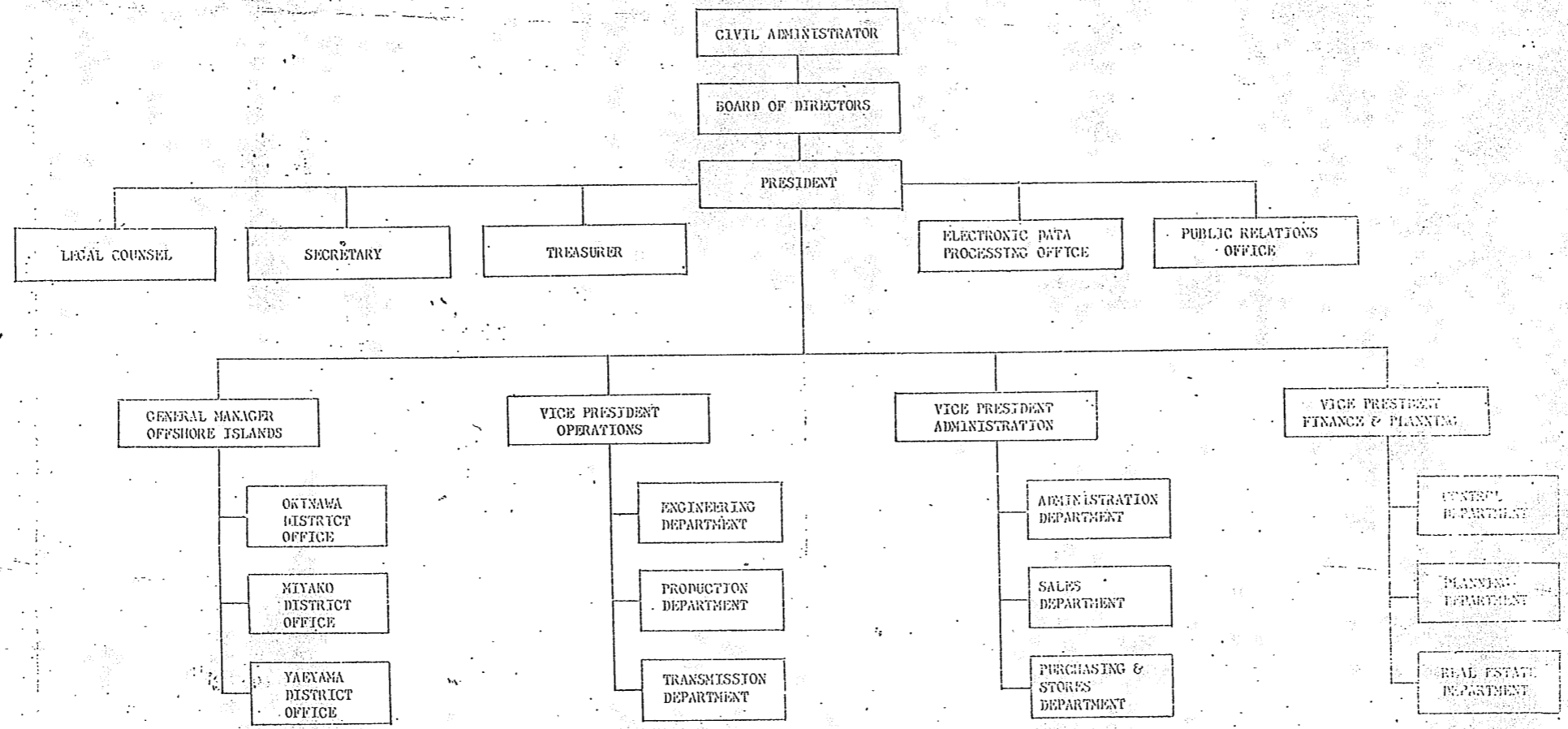
The Treasury Department has established General (Miscellaneous) Receipt Account, 212931, Repayment of Loans, Construction of Power System, Ryukyu Islands, Army. Collections of amounts representing repayment of principal on the loan made from A21X2701, Construction of Power Systems, Ryukyu Islands, Army, are credited to the above account. Collections of interest payments are credited to General (Miscellaneous) Receipt Account 211449, Interest on other Loans to States, Municipalities, and other public bodies, not otherwise classified.

The interest on the promissory notes has varied slightly within the range of  $4\frac{1}{8}$  -  $4\frac{1}{4}$ %. The first payment on the principal of the last (29th) note becomes due on 11 July 1973. The last payment of the last (29th) note becomes due on 11 July 1997.

7 Incls  
as

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RYUKYU ELECTRIC POWER CORPORATION  
ORGANIZATION CHART

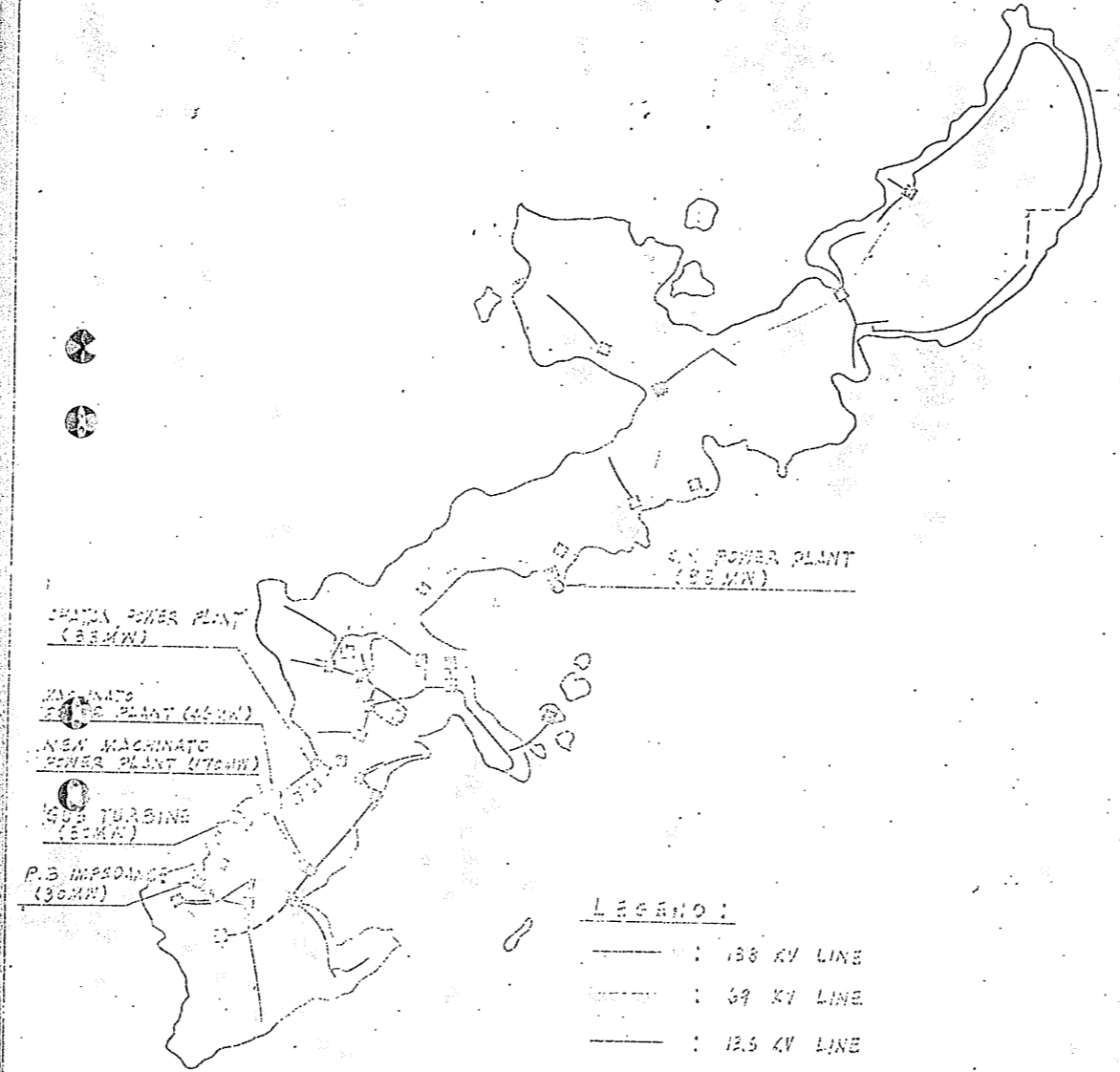


4-12-1 4

EFFECTIVE: 1 OCTOBER 1971

ISLAND POWER SYSTEM - OKINAWA

RYUKYU ELECTRIC POWER CORPORATION  
(AS OF 30 NOV. 1971)



SHADA POWER PLANT  
(38 MW)

MACHINATO  
POWER PLANT (40 MW)

NEA MACHINATO  
POWER PLANT (17.2 MW)

GUS TURBINE  
(8.2 MW)

P.B. IMPROVEMENT  
(36 MW)

G. POWER PLANT  
(25 MW)

LEGEND :

- : 138 KV LINE
- : 69 KV LINE
- : 12.5 KV LINE
- : POWER PLANT
- : SUBSTATION OR SW. STATION
- - - : PROPOSED

POWER RATES

RYUKYU ELECTRIC POWER CORPORATION

FY	Wholesale			Retail			
	Military	Civilian		Military	Civilian		
	Demand Charge Per KW Per Month	Energy Charge Per KWH	Effective Date	Demand Charge Per KW Per Month	Energy Charge Per KWH	Effective Date	Average Unit Price ** Per KWH
62	*	*	*	\$1.83	\$0.0112		\$0.0154
63	*	*	*	\$1.83	\$0.0112		\$0.0154
64	*	*	*	\$1.83	\$0.0112		\$0.0154
65	*	*	*	\$1.74	\$0.0106	1 Jan 65	\$0.0150
66	\$1.64	\$0.0085	1 Jul 65	\$1.74	\$0.0106		\$0.0146
67	\$1.64	\$0.0085		\$1.74	\$0.0106		\$0.0146
68	\$1.762	\$0.00927	1 Jul 67	\$1.74	\$0.0106		\$0.0142
69	\$1.762	\$0.00927		\$1.79	\$0.0093	1 Mar 68	\$0.0134
70	\$1.762	\$0.00927		\$1.762	\$0.00927	1 Jul 69	\$0.0133
71	\$2.30	\$0.00743	1 Jul 70	\$1.762	\$0.00927		\$0.0133

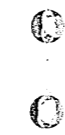
\* REPC sold electric power only to the civilian economy prior to 1 Jul 65.

\*\* Unit prices are derived assuming load factor of 60%.

RYUKYU ELECTRIC POWER CORPORATION

30 November 1971

<u>GENERATING FACILITIES</u>	<u>NAME PLATE CAPACITY</u>
Machinato Steam Power Plant	46 MW
Kin Steam Power Plant	88 MW
Chatan Steam Power Plant	33 MW
Gusukuma Gas Turbine Station	30 MW
Fairbanks Morse Diesel Generators (9)	21.6 MW
Impedance Power Barge	30 MW
New Machinato Steam Power Plant	170 MW
Total Installed Capacity	418.6 MW
Less Largest Single Unit	85 MW
Firm Power	333.6 MW



COMPARISON OF RETAIL POWER RATES

Service Category		REPC		Okinawa PDC	Hijagawa PDC	Nago PDC	Miyako EPC	Yacyama EPC
		Okinawa Island	Off-shore Island	Chuo PDC Matsuoka PDC				
Flat Rate	Per Bulb Per Month							
Customer Charge	Per Customer	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08
Lighting Charge	Up to 40 W bulb	0.40	0.40	0.40	0.40	0.40	0.55	0.55
	Over 40 W up to 60 W bulb	0.55	0.55	0.55	0.55	0.55	0.75	0.75
	Over 60 W up to 100 W bulb	0.85	0.85	0.85	0.85	0.85	0.95	0.95
	Over 100 W bulb per every additional 100 W or under	0.71	0.71	0.71	0.71	0.71		
Appliances	Per Unit Per Month							
	Up to 20 VA radio	0.20	0.20	0.20	0.20	0.20		
	Over 20 VA up to 30 VA radio	0.30	0.30	0.30	0.30	0.30	0.50	0.50
	Up to 50 VA appliance	0.40	0.40	0.40	0.40	0.40	0.65	0.60
	Over 50 VA appliance per every additional 50 VA or under	0.25	0.25	0.25	0.25	0.25	0.35	0.55
Residential Svc.	Per Month							
	First 10 KWH (Minimum Charge)	0.52	0.52	0.52	0.52	0.52	0.75	0.75
	Next 40 KWH, per KWH	0.0320	0.0445	0.0320	0.0330	0.0445	0.062	0.062
	Next 50 KWH, per KWH	0.0320	0.035	0.0320	0.0330	0.035	0.052	0.052
	Next 200 KWH, per KWH	0.0223	0.027	0.0223	0.0235	0.027	0.037	0.037
	Over the above, per KWH	0.0202	0.024	0.0202	0.0225	0.024		
Commercial Power Svc.	Demand charge, per KW	1.35	1.45	1.35	1.35	1.45		
	Energy charge, per KWH	0.0118	0.0150	0.0118	0.0124	0.0150		
Low V. P. Svc	Demand charge, per KW	1.33	1.45	1.33	1.33	1.45		1.60
	Energy charge, per KWH	0.0113	0.0147	0.0113	0.0127	0.0147		0.018
High V. P. Svc	Less than 500 KW							
	Demand charge, per KW	1.25	1.35	1.25	1.25	1.35	1.70	1.50
	Energy charge, per KWH	0.0110	0.0138	0.0110	0.0116	0.0138	0.018	0.017
	500 KW or over							
	Demand charge, per KW	1.20	1.30	1.20	-	1.30		
	Energy charge, per KWH	0.0110	0.0138	0.0110	-	0.0138		
Special High V.P. Svc	Demand charge, per KW	1.30	-	1.30	-	-		
	Energy charge, per KWH	0.0109	-	0.0109	-	-		

Note: Special High Voltage Power Services are not provided in service areas of Chuo and Matsuoka Power Distribution Companies.

<u>Service Category</u>		<u>Kumejima EPC</u>
Flat Rate	<u>Per Bulb Per Month</u>	
Customer Charge	Per Customer	\$0.08
Lighting Charge	Up to 40 W bulb	0.63
	Over 40 W up to 60 W bulb	0.75
	Over 60 W up to 100 W bulb	1.05
	Over 100 W bulb per every additional 100 W or under	
Appliances	<u>Per Unit Per Month</u>	
	Up to 20 VA radio	0.35
	Over 20 VA up to 30 VA radio	0.40
	Up to 50 VA appliance	0.50
	Over 50 VA appliance per every additional 50 VA or under	0.40
Meter Rate:	First 12 KWH	1.33
	Next 28 KWH, per KWH	0.1083
	Next 20 KWH, per KWH	0.0916
	Next 20 KWH, per KWH	0.0833
	Over 81 KWH, per KWH	0.0666
Low Volatage:		
Demand Charge	First 10 KW, per KW	1.83
	Next 20 KW, per KW	1.66
	Over 30 KW, per KW	1.25
Energy Charge	First 500 KWH, per KWH	0.0333
	Over 500 KWH, per KWH	0.030



REPC TREASURY LOAN

<u>Note Number</u>	<u>Note Amount</u>	<u>Amount of Annual Payment on Principal (25 ea)</u>	<u>Date of First Principal Payment</u>	<u>Date of First Interest Payment</u>
1	\$1,309,000	\$52,360	23 Jan 70	23 Jul 64
2	974,000	38,960	19 Feb 70	19 Aug 64
3	1,105,000	44,200	13 Mar 70	13 Sep 64
4	1,258,000	50,320	15 May 70	15 Nov 64
5	1,261,000	50,440	15 Jun 70	15 Dec 64
6	902,000	36,080	20 Jul 70	20 Jan 65
7	374,000	14,960	14 Aug 70	14 Feb 65
8	418,000	16,720	17 Sep 70	17 Mar 65
9	478,000	19,120	20 Nov 70	20 May 65
10	88,000	3,520	19 Jan 71	19 Jul 65
11	96,000	3,840	19 Feb 71	19 Aug 65
12	240,000	9,600	12 Mar 71	12 Sep 65
13	53,000	2,120	18 Mar 71	18 Sep 65
14	44,000	1,760	26 Mar 71	26 Sep 65

<u>Note Number</u>	<u>Note Amount</u>	<u>Amount of Annual Payment on Principal (25 ea)</u>	<u>Date of First Principal Payment</u>	<u>Date of First Interest Payment</u>
15	\$ 16,000	\$ 1,840	15 Apr 71	15 Oct 65
16	13,000	520	29 Apr 71	29 Oct 65
17	265,000	10,600	18 May 71	18 Nov 65
18	80,000	3,200	15 Jun 71	15 Dec 65
19	200,000	8,000	29 Jun 71	29 Dec 65
20	31,000	1,240	10 Aug 71	10 Feb 66
21	41,000	1,640	21 Sep 71	21 Mar 66
22	100,000	4,000	12 Oct 71	12 Apr 65
23	10,000	400	22 Dec 71	22 Jun 66
24	50,000	2,000	7 Jan 72	7 Jul 66
25	8,000	320	4 Mar 72	4 Sep 66
26	168,000	6,720	28 Jun 72	28 Dec 66
27	156,000	6,240	4 Nov 72	4 May 67
28	49,000	1,960	16 Jun 73	16 Dec 67
29	430,000	17,200	11 Jul 73	11 Jan 68

FY 71 CAPITAL INVESTMENT PROGRAM

1. Ordinary program		
a. Production plant	\$ 60,354	
b. Transmission plant	1,342,331	
c. Distribution plant	547,758	
d. Purchase of military owned power facilities	234,000	
e. General plant	366,000	
f. Real estate acquisition	101,388	
g. Offshore electrification	198,169	
Subtotal		\$2,850,000
2. Special program		
a. General office facilities	\$3,200,000	
b. New Machinato Power Plant (3d - 85 MW)	13,000,000	
c. New offshore electrification	4,750,000	
Subtotal		\$20,950,000
TOTAL		\$23,800,000

FY 72 CAPITAL INVESTMENT PROGRAM

1. Ordinary program		
a. Production plant	51,200	
b. Transmission plant	1,876,200	
c. Distribution plant	563,800	
d. Purchase of military owned power facilities	136,000	
e. General plant	326,000	
f. Real estate acquisition	376,600	
g. Emergency requirements	130,100	
TOTAL		\$3,460,000
2. Design of Nishihara Power Plant #1 Unit		600,000
TOTAL		\$4,060,000

OKINAWA REVERSION PLANNING

PREPARATION FOR GOJ ASSUMPTION OF  
RESPONSIBILITY FOR RDWC OPERATIONS

SECTION I - U.S. POSITION

1. The USG is prepared to discuss with the GOJ and GRI preparations for GOJ assumption of responsibility for RDWC operations at reversion.
2. Matters for discussion might include, but would not necessarily be limited to, the following:
  - a. The practical, operational (as opposed to legal) aspects of the transfer of the RDWC to Japanese ownership and control;
  - b. Future employment of personnel now employed by RDWC;
  - c. Construction projects in progress;
  - d. Development of post-reversion programs and budgets;
  - e. Future water system development; and
  - f. FY 73 (U.S.) RDWC contract with its labor union.
3. The USG is aware that, in anticipation of assuming responsibility for RDWC operations, the GOJ may find it necessary to take certain preparatory actions in Okinawa and to assign additional personnel to Okinawa. The USG should be consulted through PrepCom channels before preparatory actions affecting continuing U.S. administrative responsibilities are taken, and the U.S. should continue to be kept advised in advance of the introduction of additional GOJ personnel.

OKINAWA REVERSION PLANNING  
PREPARATION FOR GOJ ASSUMPTION OF  
RESPONSIBILITY FOR RDWC OPERATIONS

SECTION II: SUPPORTING INFORMATION

A.. Ownership

1. Background: Prior to 1958 the needs of the civilian and military components of the Okinawa population were each met using separate water resources and facilities. Because of the growing demands for potable water by the civilian population and the fact that the US Army could not sell water to these civilians, the US Army and USCAR agreed to jointly assume responsibility for an integrated water system which could serve both sectors of the populace. To this end, the Ryukyu Domestic Water Corporation (RDWC) was established on 4 September 1958. The Facilities Engineer, Headquarters, USARYIS, US Army operates and maintains the integrated water system. RDWC purchases water at cost of production from this system, distributes and wholesales it to local municipalities for distribution and retailing to the public. In 1961 it became apparent that the then existing facilities would not meet the increasing demands of the Okinawan economy. In recognition of this problem, a master plan for development and expansion of the integrated water system was prepared in 1962 and updated in 1965 and 1967. To date, the RDWC has completed construction projects totaling \$31.7 million. Planning, design and construction necessary to meet the projected demands of this updated master plan is either underway or GOJ has been informed of the requirement so that it may be addressed in a timely manner.
2. Present: The present water facilities are owned jointly by the US Army and RDWC with present investments of \$5.5 million and \$31.7 million respectively. As of 30 June 1971 the RDWC total assets and net worth are \$35.1 and \$34.1 million respectively. The facilities are inter-connected to the extent that neither is capable of reasonably independent operation. The principal components of the facilities are four reservoirs totaling about one billion gallons storage; four treatment plants and 44 wells with a combined production capability of 78 million gallons per day; storage tanks and clearwells for 10 MG and 44 MG raw and treated water respectively; 22 pump stations and a total of 178 miles of raw and treated water transmission pipelines. The principal elements of the system are listed at Inclosure 1 and illustrated at Inclosure 2. Listings of RDWC and US Army owned water facilities are at Inclosures 3 and 4, respectively. A detailed listing of facilities has been provided to the GOJ through the US Embassy, Tokyo. RDWC funded active and planned projects are at Inclosure 5 and 6 respectively. The RDWC, which is a USCAR General Fund asset, is included in the economic and financial arrangement settlement with Japan. The USG plans to complete integration of military owned water facilities into the RDWC system before transfer of the RDWC to GOJ. The consolidated water system will also include water facilities at Camp

Hansen and Camp Schwab now owned by the US Marine Corps.

B. Contractual Obligations

The RDWC has entered into numerous contractual agreements as a normal mode of conducting business. Agreements with employees, labor unions, US Government agencies, construction contractors and others are in being. The Government of Japan, as successor owner of the RDWC, has agreed to accept and assume responsibility for these contractual obligations.

C. Water System Development

1. At present, the Fukuji Reservoir project, which will store 9.76 billion gallons of raw water, is under construction. It is anticipated that it will be completed by November 1972 at an estimated cost of \$12.012 million.

2. Present planning to meet immediate and future needs encompasses water demand determination and programming projects and funds to meet these demands. The demands prior to reversion will be met with the existing facilities and with facilities now being constructed. RDWC current and planned projects are illustrated at Inclosures 5 and 6 respectively. To satisfy post reversion projected demands will require the initiation, prior to reversion, of both design and construction for expansion of water sources, treatment and distribution. To assure that the scope of these requirements are understood, GOJ officials have been briefed and provided copies of supporting data. These post reversion facilities will be required to provide additional capacity to the system annually in the amount of 7 to 10 million gallons per day of treated water delivered to the local municipalities. Prior and projected water demand is shown at Inclosure 7.

D. Water Rates

The US Army operates and maintains the integrated water system which produces and distributes potable water to the US Military Services and RDWC on Okinawa. The US Army considers only direct costs in computing the unit cost it applies to metered quantities of water provided to the US Military Services and the RDWC. Direct costs include operation and maintenance costs. The past and present year US Army unit costs for treated water are:

<u>FY</u>	<u>Costs Per 1000 Gallons</u>
66	\$0.1076
67	0.1078
68	0.1089
69	0.1083
70	0.1170
71	0.1286
72	0.154 (Est)

The RDWC uses commercial accounting principles, which consider both direct and indirect costs, in computing its unit costs for sale of water. In 1967, RDWC acquired the services of RW Beck and Associates, Analytical and Consulting Engineers, Seattle, Washington to develop a water rate for the RDWC. The recommended rate is \$0.2194 per 1000 gallons. The RDWC now sells treated water to Ryukyuan municipalities at \$0.2194 per 1000 gallons.

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PRINCIPAL ELEMENTS OF THE WATER SYSTEM

As of 30 Jun 71

A. Reservoirs

1. RDWC Storage Capacity (1,000,000 gallons)

- a. Zukeyama 620
- b. Tengan 330
- c. Camp Hansen 216

2. US Army

- a. Hirayama 40

B. Water Treatment Plants

Treatment Capacity (1,000,000 per day)

1. RDWC

- a. Ishikawa 20
- b. Tybase (Modification to US Army owned water treatment plants) 15

2. US Army

- a. Tybase 15
- b. Tengan 7
- c. Yuza 0.7

C. Wells

1. RDWC

- a. Kadena Phase I and Phase II

K-1

K-3

K-4

K-5

K-9

K-12

K-25

K-27

K-28

K-49

K-50

K-56

K-58

K-59

K-101A

H-3

H-15

- b. Tengan

X-1

X-4

X-6

X-7

X-8

X-9

- c. Kadena, Kinser and Hauge

H-6

H-18A

H-19A

H-20

K-55

K-57A

d. Kadena and Tengan Stage III

P-15

P-18

P-19

P-20

P-21

P-23

P-24

P-25

P-26

P-27

P-28

P-29

P-30

P-31

P-32

2. U. S. Army

a. T-49

b. T-50

D. Storage Tanks

1. RDWC Storage Capacity (1,000,000 gallons)

a. Uema 20  
b. Plaza 5  
c. Ojana 5  
d. Yomitan 2  
e. Nagata 2  
f. Bucknerville 0.25  
g. Tomigusuku 0.5  
h. Yokotsu 2  
i. Tengan Clearwell 1.5

2. US Army

a. Plaza 1.5  
b. Machinato 0.75  
c. Torii Station 0.480

E. Pump Stations

1. RDWC

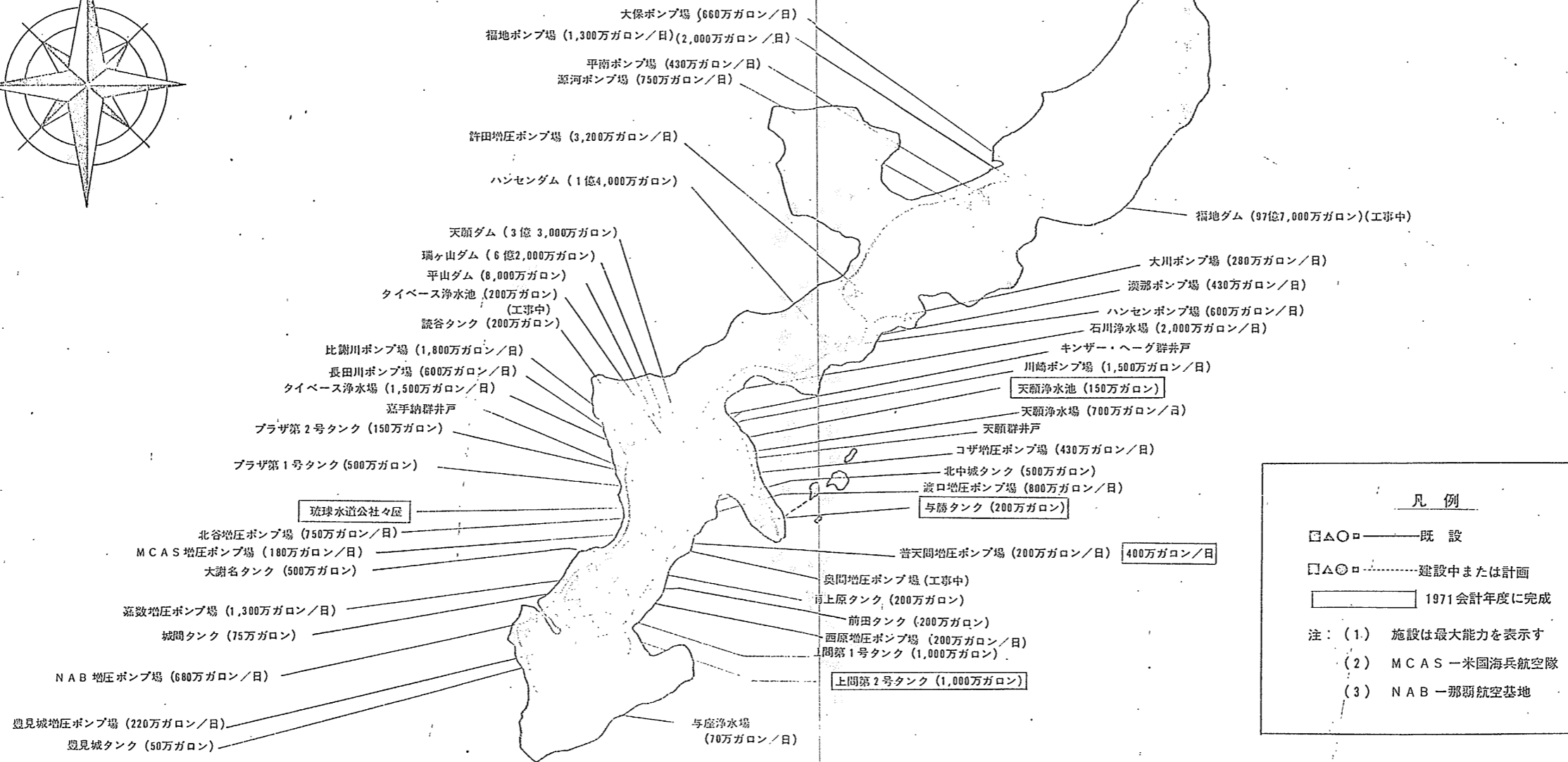
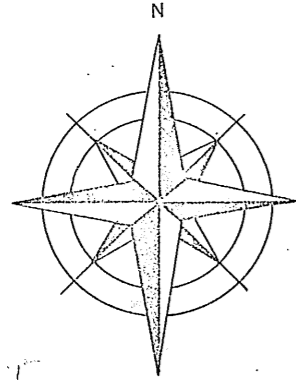
a. Kanna  
b. Okawa  
c. MCAS booster  
d. Hiyagawa (Modification to US Army owned facilities)  
e. Kawasaki (Modification to US Army owned facilities)  
f. Nagatagawa (Modification to US Army owned facilities)  
g. Sukiran booster  
h. Futenma booster



- i. Naha Air Base
- j. Tybase (Modification to US Army owned facilities)
- k. Fukuji
- l. Taiho
- m. Henan
- n. Genka
- o. Kyoda booster
- p. Yamashiro
- q. Tengan (Modification to US Army owned facilities)
- r. Hansen
- s. Torii Booster (Modification to US Army owned facilities)
- t. Jaku Booster (Modification to US Army owned facilities)
- 2. US Army
  - a. Bishigawa
  - b. Kawasaki
  - c. Koza booster
  - d. Kakazu booster
  - e. Jaku.

# 琉球水道公社施設一覽

(1971年6月30日現在)



## 凡例

- ▲○□——— 既設
  - ▲○□----- 建設中または計画
  - 1971会計年度に完成
- 注：(1) 施設は最大能力を表示す  
 (2) M C A S —米國海兵航空隊  
 (3) N A B —那覇航空基地

FACILITIES OF INTEGRATED ISLAND WATER SYSTEM

EXISTING

Facilities Owned by RDWC  
(As of 30 June 1971)

ITEM	Total Acquisition Cost 30 Jun 1971	Accumulated Depreciation 30 Jun 1971	Net Book Value 30 Jun 1971
Reservoirs	\$ 2,217,675	\$ 292,226	\$ 1,925,449
Treatments Plants	3,482,308	254,123	3,228,185
Pump Stations	2,894,705	482,255	2,412,450
Raw Water Pipelines	7,137,780	595,402	6,542,378
Treated Water Pipelines	7,345,145	654,160	6,690,985
Well Fields	2,063,427	222,397	1,841,030
Storage Tanks	2,198,063	104,237	2,093,826
Miscellaneous	1,111,337	75,362	1,035,975
Subtotal	\$28,450,440	\$2,680,162	\$25,770,278
Land	463,722	-0-	463,722
TOTAL	\$28,914,162	\$2,680,162	\$26,234,000

FACILITIES OF INTEGRATED ISLAND WATER SYSTEM

EXISTING

FACILITIES OWNED BY US ARMY  
(As of December 1971)

Item	Total Acquisition Cost
Reservoirs	\$ 30,000
Treatment Plants	1,618,200
Pump Stations	406,000
Raw Water Pipelines	5,800
Treated Water Pipelines	2,800,800
Storages Tanks	265,900
Misc (Tools, Maintenance equipment, spare parts, etc.)	400,000
Total	\$5,526,700

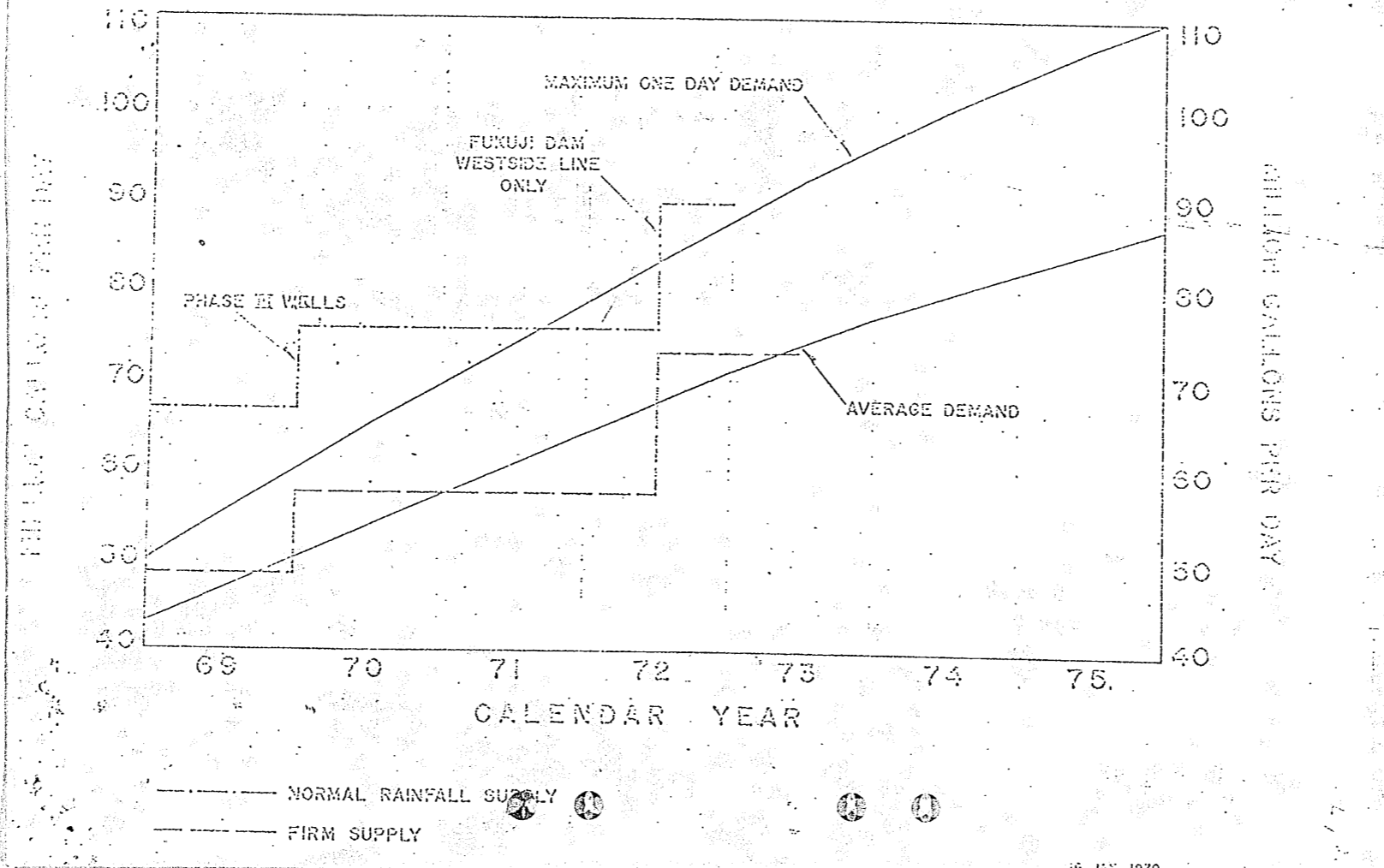
ACTIVE WATER SYSTEM PROJECTS  
(As of 30 Sep 71)

<u>Item</u>	<u>Current Working Estimate</u> ( <u>\$</u> )
A. <u>Reservoir</u>	
1. Fukuji Dam	\$12,011,702
Sub Total	(\$12,011,702)
B. <u>Pump Stations</u>	
1. Hwy 13 & 35	\$ 249,480
2. Modification Fukuji Pump Station	235,005
Sub Total	(\$ 484,485)
C. <u>Raw Water Pipeline</u>	
1. Kawasaki to Henza Jima	\$ 443,706
Sub Total	(\$ 443,706)
D. <u>Well Fields</u>	
1. Remote Control System for Well Pumps at Kadena, Kinser & Tengan	\$ 67,409
Sub Total	(\$ 67,409)
E. <u>Storage Tanks</u>	
1. Tybase Clerwell Addition	\$ 286,362
Sub Total	(\$ 286,362)
F. <u>Miscellaneous</u>	
1. RDWC Maintenance Shop	\$ 106,718
Sub Total	(\$ 106,718)
Grand Total	\$13,400,382

PLANNED WATER SYSTEM PROJECTS  
(FY 72)

<u>PROJECTS</u>	<u>ESTIMATED COST</u>
1. 2 MG Maeda Storage Tank, Construction	\$ 354,000
2. Ishikawa Treatment Plant Expansion, Design	80,000
3. Highway 13 and 30 Booster Pump Station, Construction	125,000
4. Highway 13 and 38 Pipeline and Pump Station, Design	30,000
5. 5 MG Kitanakagusuku Tank, Design	15,000
6. Land Purchase	200,000
7. Meter and Equipment	100,000
8. Contingencies	55,000
TOTAL	\$ 959,000

# WATER DEMAND



THE PREPARATORY COMMISSION  
Naha, Okinawa

14 February 1972

OFFICIAL MINUTES

SUBJECT: One Hundred-and-thirty-third Meeting of PrepCom Alternates,  
1430 hours, 28 January 1972

Participants:

Members: Mr. Fearey, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Murazumi, GOJ  
Mr. Ito, GOJ  
Mr. Nakayama, GOJ  
Mr. Numakoshi, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The U S Alternate noted that he had not yet tabled papers on five of the subjects in the U S-submitted "Initial List of Suggested Preparatory Commission Phase III Topics." He said that the papers involved coordination outside of USCAR, and that he hoped to be able to present them soon.
2. The GOJ Alternate tabled as a suggested PrepCom Phase III topic a paper "Preparation for the Liquidation of the Joint Secretariat" (attached). He suggested that the General Affairs Subcommittee discuss this topic, and the other Alternates agreed.
3. The GOJ Alternate said his own office planned to use the PrepCom building for one or two months after reversion. He and Mr. Murazumi explained that the building had been built before the war by the GOJ Postal Services Agency and refurbished by the USG after the war. The land and building are Japanese State property and are now in the custody of RPC. The building will automatically become GOJ property on R-day. It is not one of the listed civil assets for which the GOJ will pay compensation.
4. The GOJ Alternate noted that the PrepCom Administrative Transfer Subcommittee had been meeting the past three days on the transfer of water facilities and had made good progress. Mr. Murazumi said that the Subcommittee had split into working groups which would report to the Subcommittee, and that the latter would then make recommendations to the Alternates. The U S Alternate said his side wished to be of all possible assistance in ensuring a

PREPCOM

14 February 1972

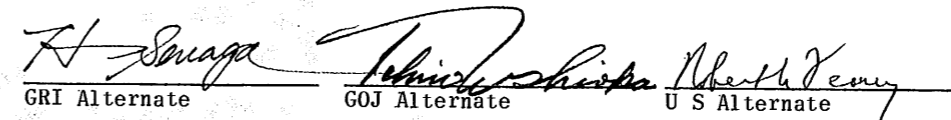
SUBJECT: One Hundred-and-thirty-third Meeting of PrepCom Alternates, 1430  
hours, 28 January 1972

smooth transfer of the RDWC, partly because of the U S Forces' practical interest in the post-reversion water supply.

5. The GRI Alternate said he would be going to Tokyo the following week, but that Mr. Zakimi could sit in for him if the Alternates wished to hold their regularly scheduled meeting on 4 February. The other Alternates agreed to await further developments before deciding whether to hold a meeting on that day.

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APPROVED:

  
GRI Alternate                      GOJ Alternate                      U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File

28 January 1972

GOJ PrepCom

SUGGESTED PREPCOM PHASE III TOPICS

Preparation for the liquidation of the Joint Secretariat

1. Unused fund
2. Common Property
3. Original texts of the Official Minutes of PrepCom and PrepCom Alternates' Meetings
4. Janitresses and Guards
5. Others

THE PREPARATORY COMMISSION  
Naha, Okinawa

14 February 1972

OFFICIAL MINUTES

SUBJECT: One Hundred-and-thirty-fourth Meeting of PrepCom Alternates,  
1000 hours, 4 February 1972

Participants:

Members: Mr. Fearey, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Murazumi, GOJ  
Mr. Nakayama, GOJ  
Mr. Numakoshi, GOJ  
Mr. Yamamoto, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Zakimi, GRI  
Mr. Higa, GRI  
Mr. Asato, GRI  
Miss Sata, Recorder

1. The U S Alternate tabled a Phase III paper on "Preparation for Transfer of USCAR Land Functions" (attached). He urged earliest possible subcommittee discussions of this topic and earliest feasible GOJ and/or GRI pre-reversion assumption of indicated land functions, under continued ultimate U S authority, in order to ensure the smoothest possible transfer of land responsibilities at reversion. The GOJ Alternate noted that land matters were handled mostly by the Ministry of Finance. He said he would notify the other Alternates as soon as the GOJ reached the stage where it could enter into subcommittee discussions.

2. The U S Alternate asked if there were any GOJ or GRI reactions to the papers he had tabled thus far, and whether there was any indication when the GOJ would be able to enter into subcommittee discussions on some of the topics. The GOJ Alternate said that the U S and GOJ papers on water had assisted the recent subcommittee meetings on that topic, but that he was not yet in a position to comment on the other papers. The GRI Alternate had no comment.

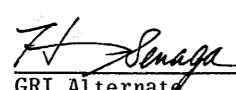
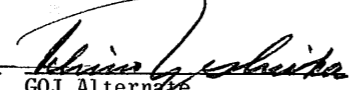
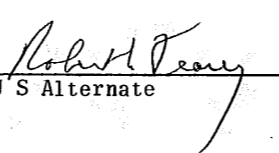
3. The Alternates agreed to hold their next meeting at 1430 hours, 10 February 1972.



PREPCOM 14 February 1972  
SUBJECT: One Hundred-and-thirty-fourth Meeting of PrepCom Alternates, 1000  
hours, 4 February 1972

1 Incl  
as

APPROVED:

    
GRI Alternate GOJ Alternate U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File

OKINAWA REVERSION PLANNING  
PREPARATION FOR TRANSFER OF  
USCAR LAND FUNCTIONS

SECTION I - US POSITION

1. The U.S. is prepared to discuss with the GOJ and GRI preparations for the transfer of USCAR land functions at reversion. To assist a smooth transfer, the U.S. is prepared to turn over to the GOJ or GRI certain land administrative functions prior to reversion.
2. Matters for discussion might include, but would not be limited to, the following:
  - a. The U.S. proposals presented in Phase II for GRI performance, under stipulated conditions, of functions now performed by the Ryukyu Property Custodian (RPC) with respect to the administration of former Japanese State and prefectural lands -- see "Administration of Former Japanese State and Prefectural Lands," tabled by U.S. Alternate on 23 August 1971, <sup>(copy attached)</sup>
  - b. Provision of land and permit training areas for the U.S. Forces;
  - c. Administration of land claims;
  - d. Receiving and processing petitions for use of military controlled land;
  - e. Administration of the encroachment control program;
  - f. Administration of grants to municipalities for farming and firewood gathering.

OKINAWA REVERSION PLANNING  
PREPARATION FOR TRANSFER OF  
USCAR LAND FUNCTIONS

SECTION II - SUPPORTING INFORMATION

1. Preparations should be expedited to facilitate a smooth transfer of responsibility for land matters to the GOJ at reversion. This purpose would be promoted by the earliest possible assumption before reversion by the GRI, with GOJ approval and under continuing U.S. ultimate authority, of a number of land administrative functions.

a) Proposals for GRI assumption of functions pertaining to former Japanese State and prefectural lands were presented by the U.S. in Phase II and, it is believed, should be pursued for adoption as soon as possible in Phase III.

b) Provision of land and training areas to the U.S. Forces will be a GOJ responsibility after reversion under the US-Japan SOFA. The USG has not acquired additional land in Okinawa for some years, but is prepared to provide any desired information in this area to the GOJ.

c) The U.S. will continue to receive and process land claims until reversion, and is prepared to provide the GOJ with any desired information with respect thereto. In addition, Article IV, para 2, of the Reversion Agreement provides for a continuing U.S. responsibility for certain land claims originating prior to reversion. The USG will, in consultation with GOJ, maintain an agency after reversion for settlement of these claims. The USG plan for the establishment and operation of this agency will be provided to the GOJ at an early date. Other land claims will be the responsibility of the GOJ pursuant to the SOFA and administered under its own procedures.

d) Numerous requests are received for permission to use military controlled land for access, construction, and public utility rights-of-way. All such requests go through the GRI and USCAR to the military service concerned. Since these requests involve facilities and areas to be provided the U.S. Forces by Japan after reversion, they are of concern to the GOJ. Early transfer of the functional aspects of this program, with continued USCAR coordination, will insure protection of both USG and GOJ interests and avoid unnecessary delay in processing urgent requests.

e) Encroachments represent a major problem in administration of the U.S. land program, requiring constant surveillance. Upon discovery of an encroachment, determination must be made whether to require removal or to legitimize by issuance of a permit. Earliest possible transfer of the functions involved, with USCAR coordination, is desirable.

f) A limited, beneficial use of over 16,000 acres of U.S. controlled land has been placed under the administration of the mayors of various municipalities, which have issued permits, or "outgrants," for farming and gathering firewood. The owners of the land are given first opportunity to use their land for such designated purposes. If they decline or cannot be located, the mayor assigns the permit to needy persons. Responsibility for administration of this program, including the recalling of permits when necessary, should be assumed by the GOJ or GRI, in consultation with USCAR, as soon as feasible.

2000 at 13 Aug 1971

OKINAWA REVERSION PLANNING  
ADMINISTRATION OF FORMER JAPANESE STATE  
AND PREFECTURAL LANDS

SECTION I: Negotiating Instructions

1. The United States is prepared to authorize, with the concurrence of the COJ, GRI performance of the functions performed by the Ryukyu Property Custodian (RPC) with respect to the administration of former Japanese State (National) and Okinawa Prefectural property and assets thereof, subject to the following conditions:

a. The ultimate authority of the USG in land matters, as reflected in U.S. Navy Military Government Proclamation No. 7 (Custodian of Property), will be maintained until Reversion. A U.S. Government RPC, therefore, will be required until Reversion to monitor, and to ensure, the proper execution of the authorized RPC functions.

b. The authorization of functions to the GRI will be under a specific understanding that the GRI shall not dispose of title or take any action whatsoever that is inconsistent with the responsibilities of the U.S. as custodian of the property or is in conflict with residual Japanese title or interests.

c. The GRI will maintain appropriate administrative and financial records open to inspection by the U.S. RPC and shall submit to the U.S. RPC or his successor a quarterly report of activities to include a financial statement.

d. Copies of required leases, administrative records and maps and other requisite files will be made available to the GRI to be used for the competent administration of the subject property.

e. The HICOM, through the U.S. RPC or his successor, reserves the right to recover all or part of the administration of subject property until Reversion. The right to recover shall include the authority to allocate RPC assets, as required, for the use of the USG.

f. The U.S. Government and its agencies, assigns, instrumentalities, etc., will have the right to the continued use of State and Prefectural property, to include tidelands and water surfaces, without compensation. No allocation presently possessed or property and water surfaces used by the USG shall be changed or limited in any way without the express written approval of the U.S. RPC.

g. The GRI will administer the RPC assets for the continued general benefit and welfare of the Ryukyuan people. The GRI administrative authority will recognize and give full validity to the prior acts, leases, decisions and determinations of the preceding U.S. RPC administration. Existing leases and other contractual arrangements pertaining to the disposition of the RPC properties and/or administration of RPC business, shall be respected to the maximum extent possible consistent with the efficient and beneficial administration of RPC properties.

h. Boundary disputes may be settled by the GRI subject to the provisions of existing laws.

i. The GRI is authorized to retain and use income derived from its administration of the property. Further, the GRI shall accept full legal and financial responsibility for its administration of the RPC function.

j. In accepting the administration, the GRI will agree to employ the local national (LN) personnel of the present U.S. RPC, to include those on Miyako and Ishigaki and in the Naha office, and to retain these persons who are most familiar with the property and administration of same. Certain LN personnel, to be designated by the U.S. RPC, will be retained temporarily to assist the U.S. RPC in phasing-out this activity. All salaries, wages and expenses involved in the administration of subject property will be borne by the GRI from income derived from the administration of same as has been the past procedure and custom.

OKINAWA REVERSION PLANNING  
ADMINISTRATION OF FORMER JAPANESE STATE  
AND PREFECTURAL LANDS

SECTION II: Supporting Information

1. The U. S. Ryukyuan Property Custodian (RPC) is the custodian of former Japanese State (National) and Prefectural property in the Ryukyu Islands which are under U.S administration. With minor exceptions, the property consists entirely of land. Breakdown and location of the approximately 97,388 acres of RPC controlled land are:

	State	Prefectural	Total
Okinawa	31,141.62	4,893.87	36,035.49
Miyako	867.16	63.56	930.72
Yaeyama	60,414.61	7.80	60,422.41
<b>Total Acres</b>	<b>92,423.39</b>	<b>4,965.23</b>	<b>97,388.62</b>

2. More than ninety percent of the above property is administered by the GRI in accordance with the provisions of HICOM Directive No. 2, 12 April 1962 (Management of Prefectural and Japanese State Forest Land) as forest property. The RPC administers approximately 1,540 acres of non-forest land in the islands which are leased as follows:

	State	Prefectural	Leases	Monthly Income from Rental (\$)
Okinawa	59.66	104.29	3,242	9,661.45
Miyako	678.34	0.26	1,767	223.71
Yaeyama	697.36	0.00	331	85.00
<b>Total</b>	<b>1,435.36</b>	<b>104.55</b>	<b>5,340</b>	<b>9,970.16*</b>

\* Over \$7,000 is obtained from the leasing of the Prefectural Land.

The RPC has also allocated, without compensation, over 24,000 acres of subject property for U.S. Forces use.

THE PREPARATORY COMMISSION  
Naha, Okinawa

9 March 1972

OFFICIAL MINUTES

SUBJECT: One Hundred-and-thirty-fifth Meeting of PrepCom Alternates, 1000 hours, 25 February 1972

Participants:

Members: Mr. Fearey, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Murazumi, GOJ  
Mr. Ito, GOJ  
Mr. Numakoshi, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Francis, U S  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The U S Alternate said he had no additional Phase III papers to table. He noted that since the previous Alternates' meeting, he had tabled papers entitled "Arrangements for Transfer of Title to Civil and Joint Use Assets as Defined in Article VI of Okinawa Reversion Agreement" and "Preparations for GOJ Assumption of Responsibility for RDLC Operations" (attached). He observed that he had now tabled papers on fifteen Phase III topics and said he hoped to present the remaining two shortly.

2. The U S Alternate asked if the recent measures to strengthen the security of the PrepCom building had been satisfactory. The other Alternates replied in the affirmative.

3. The GOJ Alternate described his one-week stay in Tokyo. He had met with many officials from various Ministries and explained the status of PrepCom affairs. However, he had not brought back any results worthy of mention. He hoped that, in the long run, his efforts would be influential in expediting the handling of pending PrepCom items. He met with MITI people on REPC problems and with ONTA officials on other items. He also met with officials from the Ministry of Finance. No final conclusion was reached on incomplete aid projects and it was hoped that USCAR officials would go to Tokyo next week to discuss this matter. Finally, he met with the officials who are in charge of planning for reversion ceremonies and explained the general situation as it exists in Okinawa. No concrete conclusions had been reached, but the exchange of views should prove helpful.

PREPCOM

9 March 1972

SUBJECT: One Hundred-and-thirty-fifth Meeting of PrepCom Alternates, 1000 hours, 25 February 1972

4. The U S Alternate asked about the possibility that radical students and FUKKIKYO might try to disrupt the reversion ceremonies. The GOJ Alternate said he had no concrete information and could not make any definite statement.
5. The GRI Alternate noted that Mr. Maeda of the Ministry of Finance had visited Washington recently and asked if there was any news on currency conversion. The U S Alternate said that HICOM and the Chief Executive had discussed this matter at their meeting the previous day. The U S Alternate said that HICOM had noted that both the U S and GOJ representatives at the Washington meetings had noted the technical difficulties of early conversion proposals, and had agreed that the matter required further study, which it was receiving by both sides.
6. The U S Alternate emphasized that there are matters on which PrepCom should move ahead as soon as possible, e.g., preparations for transfer of the functions performed by the Ryukyu Property Custodian. The USCAR experts in this field might not be available much longer and their expertise should be taken advantage of while there was still time. This was just one of a number of examples that could be cited.
7. Mr. Murazumi reported that an Administrative Transfer Subcommittee meeting on water had been held on 23 February. He said the Subcommittee appreciated the efforts of its working group, but that more remained to be done before the group could give its report to the Subcommittee. The U S Alternate said COL Lombard had advised him of the progress made in this area.
8. The Alternates agreed to hold their next meeting at 1000 hours, 3 March 1972.

2 Incl  
as

APPROVED:

H. Senaga      Reino Shirota      Robert J. Gray  
GRI Alternate      GOJ Alternate      U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File

OKINAWA REVERSION PLANNING

ARRANGEMENTS FOR TRANSFER OF TITLE TO  
CIVIL AND JOINT USE ASSETS AS DEFINED IN ARTICLE VI  
OF OKINAWA REVERSION AGREEMENT

U.S. POSITION

This topic appeared as the first item on the "Initial List of Suggested Preparatory Commission Phase III Topics" tabled by the U.S. Alternate on 23 December 1971. Subsequent informal discussions have disclosed that the GOJ views the applicable provisions of the Reversion Agreement as self-executing and sees no need for any further transfer of title. The USG concurs in this position.

OKINAWA REVERSION PLANNING

PREPARATIONS FOR GOJ ASSUMPTION  
OF RESPONSIBILITY FOR RDLIC OPERATIONS

SECTION I - US POSITION

1. The USG is prepared to discuss with the GOJ and GRI preparations for GOJ assumption of responsibility for RDLIC operations at reversion.
2. Matters for discussion might include, but would not necessarily be limited to, the following:
  - a. The practical, operational (as opposed to legal) aspects of the transfer of the RDLIC to Japanese ownership and control;
  - b. The introduction of Japanese specialists into RDLIC prior to reversion;
  - c. The post-reversion administration of the Commodity Credit Corporation (PL 480) account; and
  - d. Continued employment of RDLIC personnel after reversion, including retention of RDLIC employees undergoing training outside Okinawa Prefecture on Reversion Day.
3. The USG is aware that, in anticipation of assuming responsibility for RDLIC operations, the GOJ may find it necessary to take certain preparatory actions in Okinawa and to assign additional personnel to Okinawa. The US should be consulted through PrepCom channels before preparatory actions affecting US continuing administrative responsibilities are taken, and the US should continue to be kept advised in advance of the introduction of additional GOJ personnel.

OKINAWA REVERSION PLANNING

PREPARATIONS FOR GOJ ASSUMPTION  
OF RESPONSIBILITY FOR RDLIC OPERATIONS

SECTION II - SUPPORTING INFORMATION

1. a. As of 30 September 1971, RDLIC, excluding the Title IV, PL480 Program, had total assets of \$58.8 million and a net worth of \$54.6 million. It had fixed liabilities of \$4 million and was contingently liable as guarantor of the obligations of third parties for an amount aggregating \$7.6 million.
  - b. As of 30 September 1971, the Title IV, PL480 Program had total assets of \$6.7 million and fixed liabilities of \$6.2 million in the form of loans from the Commodity Credit Corporation (CCC). RDLIC only administers the CCC (PL480) account and the assets and liabilities of the CCC are not included in those of RDLIC. The PL480 loan is an indebtedness of the Government of the Ryukyu Islands which the GOJ has assumed and will pay to the USG in US dollars (Article VI of Reversion Agreement). The USG would be interested in information on the future administration of this program, including procedures contemplated for the repayment of the CCC loan.
  - c. As of 30 September 1971, RDLIC had on-hand cash of \$13.5 million and undisbursed portion of loans approved of \$23.9 million (FY69, \$2.3; FY70, \$6.8; FY 71, \$10.9; and FY72, \$3.9).
2. The GOJ may wish to introduce some of its personnel into RDLIC prior to reversion. The USG could agree to this on the understanding that these officials would not become involved in the management of the pre-reversion RDLIC program.
3. The USG is prepared to have a CPA firm conduct a complete audit of RDLIC prior to reversion. This should be done no earlier than sixty days prior to reversion so as not to interfere with normal RDLIC operations. If such an audit is desired, RDLIC would declare a moratorium on the approval of loan applications on the day the audit commences; no loans would be approved between audit commencement and reversion day.
4. RDLIC employees undergoing training outside the Ryukyu Islands on reversion day and receiving compensation as approved by the RDLIC Board of Directors should, it is believed, be allowed to continue such training, receive such compensation and have the same position guarantees they would have enjoyed had control of RDLIC not been transferred. Several RDLIC employees are presently attending college in the United States on USCAR scholarships. These employees should, it is believed, have guaranteed RDLIC job rights after completion of their course of instruction.



THE PREPARATORY COMMISSION  
Naha, Okinawa

28 March 1972

OFFICIAL MINUTES

SUBJECT: One Hundred-and-thirty-sixth Meeting of PrepCom Alternates,  
1100 hours, 17 March 1972

Participants:

Members: Mr. Fearey, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Murazumi, GOJ  
Mr. Nakayama, GOJ  
Mr. Numakoshi, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Francis, U S  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The GOJ Alternate said he wished to note officially that on 15 March the instruments for the ratification of the Reversion Agreement were exchanged in Tokyo. He added that all necessary steps for reversion had now been completed.
2. The GOJ Alternate referred to the Economic Subcommittee meeting which was held on 13 March to discuss REPC matters. He said that the subcommittee would have at least one more meeting on this subject as its work has not finished yet. He added that the GOJ had made preparations for assuming the responsibility for REPC functions upon reversion.
3. The GOJ Alternate passed out copies of two papers (attached), entitled "Roster of Committee Members for the Establishment of Okinawa Denryoku Co., Ltd." and "Preparation Schedule for the Establishment of Okinawa Denryoku Co. Ltd." He said that the plan was to appoint on the following day the nine persons listed in the roster. However, since Chief Executive Yara and REPC President Okuda are in active government service he wished to obtain the U S Alternate's concurrence. The U S Alternate said that the list was a fine one and that he concurred.
4. The GOJ Alternate reported that Messrs. Ichikawa and Okamoto from the MITI Public Utilities Bureau would be in Okinawa 21-27 March for an on-the-spot survey of REPC facilities.
5. The U S Alternate noted that, in the subcommittee discussions of REPC matters, the U S had solicited GOJ positions on the initiation of wage

PREPCOM

28 March 1972

SUBJECT: One Hundred-and-thirty-sixth Meeting of PrepCom Alternates, 1100  
hours, 17 March 1972

negotiations with the REPC union and on other matters. He urged the earliest possible GOJ response, reaffirming the U S desire to be of all possible assistance in the turn-over of the REPC to Japanese control.

6. The GOJ Alternate referred to the Administrative Transfer Subcommittee meeting that was held on 14 March to discuss entry and immigration issues. He said two or three more meetings might be needed in the near future. He also mentioned that good progress had been made at the 14 March meeting. Mr. Francis added that Mr. Kaneko of the GOJ Immigration Bureau had been very helpful at that meeting.
7. The GOJ Alternate mentioned the Administrative Transfer Subcommittee meeting held on 14 March to discuss vessel registration. He said that, except for very minor points, all problems were discussed and the solutions agreed upon. Mr. Francis said it was his understanding that no further meetings were necessary on this subject. Mr. Murazumi said the GOJ had the same understanding.
8. The GOJ Alternate referred to the SOFA Subcommittee meeting that had been held on 15 March to discuss auto registration. He said that progress had been made but that one more meeting was anticipated.
9. The U S Alternate said he was glad to note the progress made in various areas.
10. The GOJ Alternate said that MITI officials, including Mr. Mabuchi, formerly of PrepCom, would hold a briefing that day on the import quota system for members of the Chamber of Commerce of the U. S. in Okinawa.
11. Mr. Francis noted that, immediately prior to the Alternates' meeting, agreement had been reached to hold a subcommittee meeting on 22 March to discuss water matters.
12. The U S Alternate said he continued to hope that he would be able to submit the two remaining U S Phase III papers at an early date. However, USCAR was still awaiting instructions regarding these papers.
13. The Alternates agreed to hold their next meeting at 1000 hours, 24 March 1972.

2 Incl  
as



PREPCOM 28 March 1972  
SUBJECT: One Hundred-and-thirty-sixth Meeting of PrepCom Alternates, 1000  
hours, 17 March 1972

APPROVED:

*H. Samaga* *Robert Perry*  
GRI Alternate GOJ Alternate U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
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5-3-21 1972.3.25  
Roster of Committee Members  
for the Establishment of Okinawa Denryoku Co., Ltd.

YOSHIKUNI, Ichiro	Deputy Director-General, Cabinet Legislation Bureau
KURIYAMA, Renpei	Administrative Vice-Minister Prime Minister's Office
TSUDA, Minoru	Administrative Vice-Minister Ministry of Justice
HATOYAMA, Ichiro	Administrative Vice-Minister Ministry of Finance
KOROZUMI, Yoshihiko	Administrative Vice-Minister Ministry of International Trade and Industry
YARA, Chobyō	Chief Executive Government of the Ryukyu Islands
ISHIRASHI, Kotoku	Vice President Ryukyu Chamber of Commerce
<del>OKUDA</del> YADA, Jinsuke	President Ryukyu Electric Power Corporation
MATSUOKA, Seiho	A Man of Learning and Experience

Preparation Schedule  
for the Establishment of Okinawa Denryoku Co., Ltd.

March 17th (Fri) The First Assessment Committee  
18th (Sat) Appoint members of the Establishment Committee  
21st (Tue) The First Establishment Committee  
30th (Thu) The Second Assessment Committee  
April 3rd (Mon) thru 9th (Sun) Assessment on the spot  
10th (Mon) The First Special Committee  
In the middle part of April The Third Assessment Committee  
24th (Mon) The Second Special Committee  
May 2nd (Tue) The Fourth Assessment Committee (final)  
8th (Mon) The Second Establishment Committee (final)  
13th (Sat) Inaugural General Meeting (in Tokyo)  
15th (Mon) or 16th (Tue) Register the establishment (in Okinawa)

THE PREPARATORY COMMISSION  
Naha, Okinawa

4 April 1972

OFFICIAL MINUTES

SUBJECT: One Hundred-and-thirty-seventh Meeting of PrepCom Alternates, 1000 hours, 24 March 1972

Participants:

Members: Mr. Fearey, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Murazumi, GOJ  
Mr. Ito, GOJ  
Mr. Numakoshi, GOJ  
Mr. Yamamoto, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Francis, U S  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The GOJ Alternate said that two GOJ officials, Messrs. Adachi and Fujimaki, would be in Okinawa the following week and that they would be ready to attend a subcommittee meeting for the purpose of discussing the RDLC. The US Alternate said his side would be glad to participate and would appreciate any advance information about the specific matters to be discussed.

2. Mr. Francis passed out copies of recommendations on vehicle registration and of a draft "RECORD OF UNDERSTANDING, Vehicle Registration" (both attached) which had been agreed to by the PrepCom SOFA Subcommittee. The Alternates agreed to the recommendations for (a) the transfer of further discussions and final agreement on post-reversion procedures for registration of U. S. Forces privately owned vehicles on Okinawa to the SOFA Task Group in Tokyo and (b) for the use of the draft Record of Understanding as a basis for discussions in Tokyo.

3. The GRI Alternate asked for an explanation of what the SOFA Task Group actually is. The U S Alternate and Mr. Francis gave a brief explanation. The U S Alternate said he would furnish a written statement about the Group as soon as possible.

4. Mr. Francis reported that the General Affairs Subcommittee had met on 23 March and had agreed that, in light of the intrusion by demonstrators on

PREPCOM  
SUBJECT: One Hundred-and-thirty-seventh Meeting of PrepCom Alternates, 1000 hours, 24 March 1972

4 April 1972

22 March, the following actions should be taken to improve PrepCom security:

- a. A bilingual sign, restricting entrance to the PrepCom compound to those having permission, should be posted at the front gate. USCAR Legal Department Director Green, Mr. Murazumi, and Mr. Zakimi had been asked to work on the wording of the sign.
- b. The front gate would remain closed, at least for the immediate future, and the guards would open it as necessary to permit authorized persons to enter.
- c. In case the security situation so requires, the guards would close, the metal shutter over the front door of the PrepCom building.
- d. The feasibility of a direct alarm system to the nearest GRI police station, similar to the alarm system already connected to the fire station, would be investigated by the USG.
- e. The present intercom system would be extended to connect the guard shack at the front gate with appropriate offices within the PrepCom building, for use in case of emergency.
- f. It was recognized that the placing of barbed wire on the front wall would improve the security of the compound, but might be undesirable for the PrepCom public image. (Mr. Francis said that Ambassador Takase, the GOJ Alternate, and the GRI Alternate had agreed that barbed wire should not be used. The U S Alternate concurred.)
- g. Based on a subcommittee agreement, the GRI had already contacted the management of the Cancer Center behind the PrepCom compound and requested permission for a PrepCom watchman to remove the many empty pop bottles from the roof of the Center building. Permission had been granted and the removal would take place the following day.
- h. Also based on subcommittee agreement, the GRI had asked the help of the neighboring fire station personnel in alerting PrepCom to any suspicious activities which might occur to the rear and side of the compound.
- i. USCAR Public Safety Department Director Simmons and CPT Sowers of the USARYIS Provost Marshal's office would consider the possible use of colored dye by the guards to mark intruders during future demonstrations. No agreement was reached at the subcommittee meeting because of technical and legal difficulties. If necessary, another meeting would be held on this point.
- j. GOJ representatives could discreetly take pictures of any intruders who actually entered the compound. No photographs would be permitted prior

PREPCOM  
SUBJECT: One Hundred-and-thirty-seventh Meeting of PrepCom Alternates, 1000 hours, 24 March 1972

4 April 1972

to trespassing inasmuch as it might provoke violence.

The Alternates concurred in this report of subcommittee agreements.

5. The U S Alternate referred to the Economic Subcommittee meeting held on 22 March to discuss water matters. He said he understood the discussion was similar to the same subcommittee's discussion on 13 March of electric power matters. He emphasized that the REPC and RDWC labor unions had submitted their demands for Spring Struggle negotiations and were anxious for such negotiations to begin. He said he would appreciate the GOJ and GRI views, because the period to which any negotiations apply would be after reversion. He noted that the USG is not in a position to talk to the unions without having the views of the other Governments.
6. The U S Alternate said he understood that the GOJ might be ready to discuss cultural center matters soon. The GOJ Alternate said he expected an expert from Tokyo to arrive within the next week or two. When the date of his visit was fixed, the GOJ would take the initiative in setting up a subcommittee meeting. The U S Alternate said his side was ready to participate in a meeting because it was eager to hear the GOJ desires in this respect. He added that he did not yet have instructions on the disposition of the movable property in the cultural center buildings but hoped to have them soon.
7. The Alternates agreed to hold their next meeting at 1000 hours, 31 March 1972.

2 Incl  
as

APPROVED:

H. Sonaga      Roberto Chioka      Robert Feary  
GRI Alternate      GOJ Alternate      U S Alternate

DISTRIBUTION:

USG  
GOJ  
GRI  
File

The SOFA Subcommittee recommends that the Alternate representatives concur in the transfer of further discussions and final agreement on post reversion procedures for registration of U. S. Forces privately owned vehicles on Okinawa to the SOFA Task Group in Tokyo. In transferring this topic to the SOFA Task Group, it is recommended that the proposed draft GOJ "Record of Understanding" (attached) be used as a basis for discussions there, and that the concurrence of the U. S. Forces, Okinawa in the grace periods proposed therein for completion of registration of such vehicles and for imposition of GOJ compulsory insurance requirement be noted.

RECORD OF UNDERSTANDING

Vehicle Registration

In accordance with Paragraph 3, Article X of the Status of Forces Agreement, the Japanese laws and regulations will become applicable after reversion to the inspection and registration of motor vehicles privately owned by members of United States armed forces, the civilian component and their dependents. The same will be applied to the compulsory insurance which is the prerequisite for the inspection.

In full cognizance of the above, the subcommittee discussed the matters relating to the inspection and registration of such vehicles as well as the compulsory insurance and recommends as follows:

1. With regard to the inspection, the Japanese authorities, recognizing that the inspection by U S armed forces is being conducted in a proper manner, will pay due regard to the result of such inspection. However, that portion of the inspection, not covered by the U S armed forces inspection, as well as the final judgment will be made by the Japanese authorities concerned. It should be mentioned that, in conducting the above inspection, the safety standard set forth in the Japanese laws should be strictly observed.

2. Since there will be many such vehicles to be registered, a grace period of one year after reversion will be allowed for the registration of the vehicles in order to avoid the rush.

3. With regard to the application of the Ordinance of the Ministry of Transportation concerning safety standards to the vehicles in Okinawa, the Ministry is now studying to provide certain exceptions within a limited period of time after reversion in view of the difference of the safety standards between mainland Japan and Okinawa.

4. With regard to the application of the law concerning the compulsory insurance, a grace period of three months after reversion will be allowed.

THE PREPARATORY COMMISSION  
Naha, Okinawa

12 April 1972

OFFICIAL MINUTES

SUBJECT: One Hundred-and-thirty-eighth Meeting of PrepCom Alternates,  
1030 hours, 31 March 1972

Participants:

Members: Mr. Fearey, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Murazumi, GOJ  
Mr. Nakayama, GOJ  
Mr. Numakoshi, GOJ  
Mr. Yamamoto, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Francis, U S  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The U S Alternate noted that on 28 March the Economic Subcommittee had discussed the RDLC. He said that COL Roush, the Chairman of the RDLC Board of Directors, had attended the meeting and believed that no further PrepCom action was required.

2. The U S Alternate also noted that on 28 March the Administrative Transfer Subcommittee had discussed immigration matters and that a working group of that subcommittee had drafted a proposed "Notice to Alien Residents in Okinawa." He said he had seen this notice and it seemed fine to him.

3. The U S Alternate mentioned that the previous day a GOJ immigration official had briefed interested members of the Chamber of Commerce of the U S in Okinawa on immigration matters and that the briefing had resulted in a rather full account in the Morning Star.

4. The U S Alternate announced that a SOFA Subcommittee meeting had been scheduled for 4 April to discuss the subject of port operations.

5. The U S Alternate referred to a paper he had tabled on 18 February entitled "Arrangements for Transfer of Title to Civil and Joint Use Assets as Defined in Article VI of Okinawa Reversion Agreement." In that paper it had been noted that informal discussion had disclosed that the GOJ viewed the applicable provisions of the Reversion Agreement as sufficient and self-executing and that

PREPCOM

12 April 1972

SUBJECT: One Hundred-and-thirty-eighth Meeting of PrepCom Alternates, 1030 hours, 31 March 1972

the GOJ therefore saw no need for any further transfer of title. The USG had concurred in that position. The U S Alternate said the USG now wished to advise that the USG would retain copies of certain USCAR corporation records, such as those concerning fixed assets, inventories, and financial data on sales, payroll, and other operating expenses. He added that, in view of internal USG audit requirements, the USG would appreciate GOJ assurance that the USG would have access after reversion to all pre-reversion REPC, RDWC, and RDLIC records, should access become necessary.

6. The GRI Alternate said it was the strong desire of his Government that the equipment and materials, such as books and tapes, in the English Language Center (ELC) be given to the GRI. He said that ELC Director Toguchi and his staff might form a small legal entity to provide English language training. He added that, if the U S would give the equipment to the GRI, the Prefectural Government would let this entity use it.

7. The U S Alternate asked if the GRI had discussed with the GOJ the disposition of the ELC building. The GRI Alternate said he had no information on this point.

8. The U S Alternate recalled that the USG had last spring and subsequently urged the GRI to continue to operate the ELC as a public service up to and beyond reversion, after it developed that the USG could not fund the program beyond 30 June 1971. However, the GRI had advised the USG in writing that the GRI could not continue the program beyond 31 March 1972. The USG's offer to lease the building and equipment to the GRI without charge had gone unanswered. Therefore, the USG had proceeded under its regulations to dispose of the ELC equipment. Preparations for this disposal were already far advanced.

9. The U S Alternate said that on 9 March, Mr. Tsugio Shinzato, Executive Director of the Okinawa Management Association, had requested a grant of the ELC equipment on behalf of what seemed to be a private organization. USCAR had advised him of the history of the matter as outlined above and, stating that favorable action on the request would not be possible at this late date, had noted that the USG had never considered turning over the equipment to a private organization, even a non-profit one.

10. The U S Alternate said he had earlier been informed by the GRI of its change of position, had promised to inform the HICOM, and had done so. The U S Alternate added that he would also advise the HICOM of the GRI Alternate's current request. The U S Alternate emphasized that one of the moot points would be the GOJ's position with respect to the building. He very much doubted that it would be possible for the USG to reverse the steps already taken for disposition of the ELC equipment to USG claimants.

PREPCOM

12 April 1972

SUBJECT: One Hundred-and-thirty-eighth Meeting of PrepCom Alternates, 1030 hours, 31 March 1972

11. The GRI Alternate said he thought a letter on the subject from the Chief Executive would be received at USCAR later the same day or on the following day. He urged the U S Alternate to study the matter carefully, and the latter said he would do so.

12. The U S Alternate asked for more details about the GRI's proposed plan. The GRI Alternate said his Government wanted the U S to transfer the ELC equipment to it without charge. In turn, the Okinawa Prefecture Government would let Director Toguchi's group, as a private organization, use the equipment without charge. It would be a government-sponsored private organization. The Prefectural Government would not provide direct financial support, but it would pay the tuition for its English language trainees. The organization would be a non-profit one.

13. The U S Alternate asked if the nature of the organization would be specified in the Chief Executive's letter. The GRI Alternate replied that he did not know. The U S Alternate pointed out that time was short and that the more information the USG could secure at the earliest possible date, the better the chances would be, such as they were, of its being able to review its position.

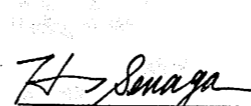
14. The GOJ Alternate said the final disposition of the ELC building was still under study by the Ministry of Finance. He said he hoped that the building could be used for an English Language Center but this was still not decided. As possibilities he mentioned operation by Okinawa Prefecture, by Naha City, or by a private organization.

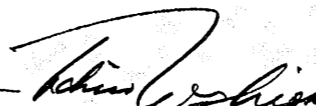
15. The U S Alternate pointed out the difficulty of turning over the equipment to a private organization would be greater than to a public entity. Since the equipment had been bought with U S taxpayers' money, its disposition to a commercial or other private enterprise would present particular difficulty. He said that under U S law it might be impossible to give the equipment gratis to a private organization.


16. The GOJ Alternate said he also saw legal difficulties in making the ELC building available to a private organization. He added that he would get clarification of this point.

17. The Alternates agreed to hold their next meeting at 1000 hours, 7 April 1972.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

PREPCOM 12 April 1972  
SUBJECT: One Hundred-and-thirty-eighth Meeting of PrepCom Alternates, 1030  
hours, 31 March 1972

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THE PREPARATORY COMMISSION  
Naha, Okinawa

1 May 1972

OFFICIAL MINUTES

SUBJECT: One Hundred-and-thirty-ninth Meeting of PrepCom Alternates,  
1000 hours, 21 April 1972

Participants:

Members: Mr. Fearey, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Mr. Murazumi, GOJ  
Mr. Ito, GOJ  
Mr. Numakoshi, GOJ  
Mr. Yamamoto, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Francis, U S  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. For the record, the U S Alternate mentioned the following recent subcommittee meetings:

a. The SOFA Subcommittee met on 4 April and discussed post-reversion port operations at Naha, White Beach, and Tengan. Col McCandless, Director of Transportation Operations, 2nd Log Command, raised several questions, not all of which could be answered at the time. Later the GOJ furnished answers through the PrepCom channel.

b. The Administrative Transfer Subcommittee met on 11 April and discussed the transfer of functions now performed by the RPC with respect to the administration of former Japanese state and prefectural lands. No further PrepCom action is needed on this subject.

c. The Administrative Transfer Subcommittee met on 18 April and discussed "Preparations for GOJ Assumption of Responsibility for Postal Functions" and "Preparations for Conversion of Civil Radio Station Call Signs from the U S System to the Japanese System." No further PrepCom action is needed on either subject.

2. The U S Alternate said that USCAR had been authorized by Washington to donate to the municipalities concerned the movable property contained in the five cultural centers on the following conditions:



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SUBJECT: One Hundred-and-thirty-ninth Meeting of PrepCom Alternates, 1000  
hours, 21 April 1972

- a. That the Government of Japan agrees to the continued use of the cultural center buildings by the municipalities for cultural center purposes.
- b. That the Government of Japan agrees to continued municipal use of the contents of the centers for cultural center purposes.
- c. That each municipality involved agrees that in its post-reversion operation and programs of the cultural centers, it will continue to promote Ryukyuan-American or Japanese-American friendship and mutual understanding.

The U S Alternate said that following receipt of the Government of Japan position on a and b above, and provided that position is in agreement, USCAR representatives will immediately approach the mayors concerned to finalize the agreement referred to in item c above and to complete technical arrangements for transfer of the contents of the centers to the municipalities. The U S Alternate said that the respective mayors had already provided essentially the assurances referred to in item c above.

3. The GOJ Alternate said he understood that his Government was drafting an ordinance regarding the transfer of the cultural center buildings to the municipalities concerned. He said the ordinance provided that the buildings should be used for cultural activities, social welfare activities, and scientific research. Under this draft ordinance, in principle, the cultural centers and the English Language Center (ELC) could be transferred to either the prefecture or to the municipalities for cultural activities and language lessons, respectively. He asked if the two conditions involving the GOJ applied to both the ELC and the cultural centers. The U S Alternate said that he had been speaking only of the cultural centers.

4. The GOJ Alternate said that there was still a dispute between the GRI and the city of Naha over the Naha Cultural Center and that the Ministry of Finance was ready to give the building to either the prefecture or the city. The U S Alternate said that USCAR officials had talked to Mayor Taira of Naha, who agreed along the lines of item c. He added that USCAR had not talked to the GRI about the Naha Cultural Center and did not know the GRI's views. He wondered whether, in light of recent press reports, the GRI had in mind use of the building to promote Ryukyuan-American friendship. The GRI Alternate said he thought the GRI decision was still pending.

5. The U S Alternate said that if the Prefectural Government were allotted the Naha Cultural Center building he believed the conditions in paragraph 2 above would apply to the U S owned movable property, but that the USG had not directly addressed the question of prefectural operation of the premises. He noted that the movable property in the building had been paid for by the

PREPCOM 1 May 1972  
SUBJECT: One Hundred-and-thirty-ninth Meeting of PrepCom Alternates, 1000  
hours, 21 April 1972

U S taxpayer and that the USG could turn it over free only if it continued to serve its original purposes.

6. The GOJ Alternate said he would give a reply to the two conditions involving the GOJ as soon as he received the necessary information from Tokyo. He asked whether the USG required a specific designation of the recipient of the Naha Cultural Center or whether the movable property would be available on the stated conditions whether the building were turned over to the city or the prefecture. The U S Alternate said it made no difference as long as the basic conditions were met.

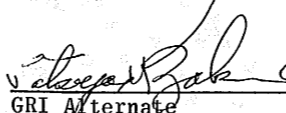
7. The U S Alternate referred to the draft "Report to the Preparatory Commission from the Alternates," which had been prepared by the General Affairs Subcommittee for use at the 4 May meeting of PrepCom Principals. He said he thought the report could be strengthened considerably and made a number of suggestions to that end. He also suggested some ideas for the press release. The other Alternates agreed with the suggestions. The U S Alternate also said he saw no need formally to dissolve the PrepCom.

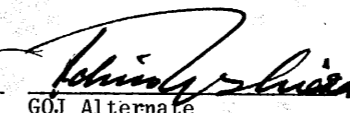
8. The GOJ Alternate said that Ambassador Takase would be happy to participate in a joint press conference immediately following the 4 May Principals' meeting. The U S Alternate said he would seek the HICOM's views on a press conference. The GRI Alternate said he would discuss with CE Yara the question of a joint press conference.

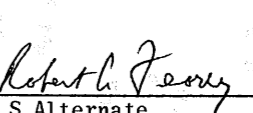
9. The U S Alternate asked if CE Yara desired a "free discussion" period, as in the past, prior to the Principals' meeting. The GRI Alternate said he did not think Mr. Yara would want to raise any substantive matters, but that he might like to have a chanomi-banashi (informal talk over tea). The GOJ Alternate said Ambassador Takase would be willing to participate in a free discussion period. The U S Alternate said he was sure the HICOM would feel the same.

10. The GOJ Alternate said he would leave for Tokyo that afternoon and be back on 26 April. The GRI Alternate said he would also be in Tokyo, from 23 April through 26 April. The GRI Alternate said he planned to resign, effective 27 April, and that he would prefer to have the next Alternates' meeting on that day rather than on 28 April which would be the normal day for the meeting. For this reason, the Alternates agreed to hold their next meeting at 1000 hours, 27 April 1972.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

PREPCOM 1 May 1972  
SUBJECT: One Hundred-and-thirty-ninth Meeting of PrepCom Alternates, 1000  
hours, 21 April 1972

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THE PREPARATORY COMMISSION  
Naha, Okinawa

8 May 1972

OFFICIAL MINUTES

SUBJECT: One Hundred-and-fortieth Meeting of PrepCom Alternates,  
1400 hours, 27 April 1972

Participants:

Members: Mr. Fearey, U S Alternate  
Mr. Yoshioka, GOJ Alternate  
Mr. Senaga, GRI Alternate

Others: Mr. Murazumi, GOJ  
Mr. Ito, GOJ  
Mr. Nakayama, GOJ  
Mr. Numakoshi, GOJ  
Mr. Yamamoto, GOJ  
Mr. Nitta, GOJ  
Mr. Walters, U S  
Mr. Francis, U S  
Mr. Zakimi, GRI  
Miss Sata, Recorder

1. The U S Alternate noted that the General Affairs Subcommittee had met on 24 April and that the Director of the Joint Secretariat had reported that there might be a very small amount of unexpended PrepCom funds remaining on 14 May.

2. The U S Alternate invited comments on the draft "Report to the Preparatory Commission from the Alternates" and draft "Press Statement" which had been prepared for use at the 4 May meeting of PrepCom Principals. The GOJ Alternate reported that he had sent the drafts to Tokyo and was awaiting official comments. However, he made several minor suggestions, all of which were accepted by the other Alternates, for improving the drafts.

3. The U S Alternate said that the HICOM was agreeable to a free discussion period before, and joint press conference after, the 4 May Principals' meeting, if the other Principals so desired. The GOJ Alternate said that Ambassador Takase's position was the same. The GRI Alternate said that he did not yet know CE Yara's desires but would check and advise the other Alternates.

4. The U S Alternate said the HICOM felt the press conference should be strictly confined to PrepCom matters and that this should be made clear in advance. The U S Alternate asked if the press would be interested in a press conference on this basis, in view of the full press statement. The GOJ Alternate

PREPCOM

8 May 1972

SUBJECT: One Hundred-and-fortieth Meeting of PrepCom Alternates, 1400 hours, 27 April 1972

said he expected the journalists to have interest in a press conference, even if it was confined to PrepCom matters. The GRI Alternate said he was sure the press would want a conference.

5. The GOJ Alternate said his Government had no objections to the two conditions required of the GOJ before the U S could transfer the movable properties in the cultural centers, and thus accepted the conditions. He added that the GOJ was ready to transfer the cultural center buildings to local public entities, the Okinawa Prefectural Office, or municipality offices for educational, scientific, or cultural purposes and that the GOJ agreed to disposition of the movable properties on the same basis.

6. The GOJ Alternate said the GOJ had already decided to give the cultural centers, other than the one in Naha, to the municipalities in which they are located. He referred to the competing requests from the GRI and from the City of Naha for the Naha Cultural Center building. He said that, if the City would give up its request, the GOJ would be prepared to transfer the building to the Okinawa Prefectural Office.

7. The GOJ Alternate asked if the U S could transfer the movable property in the Naha Cultural Center to the Okinawa Prefectural Office under the same conditions as would apply to Naha City. The U S Alternate noted that the Mayor of Naha had given the U S the assurances required of a recipient municipality but that the GRI had not even requested the movable property in that center. He asked if and when the GRI would make such a request. The GRI Alternate said he did not know. The GRI Alternate added that he had asked the Mayor of Naha and the interested GRI officials to discuss the situation. The GRI Alternate said that it was a difficult problem and that he could not predict when an agreement might be reached.

8. The U S Alternate said his Government would require the same conditions of the GRI as it would require of the municipalities and asked if the GRI authorities understood this. The GRI Alternate said the GRI Education Department was inclined to use the building as a storage place for historical records and asked if this met the USG requirements. The U S Alternate answered in the negative.

9. The GRI Alternate said that the Mayor of Naha was adamant on acquiring the building, and that the bunkajin (men of culture) in the GRI who wanted it for storing historical records were equally adamant on the other side. The U S Alternate said that if this stalemate extended beyond around 4 May, the U S might reluctantly have to start removing the movable properties from the Naha Cultural Center. He added that the U S would proceed with the arrangements for turning over the movable property in the other cultural centers. The GRI Alternate said he feared no decision would be made by that

PREPCOM

8 May 1972

SUBJECT: One Hundred-and-fortieth Meeting of PrepCom Alternates, 1400 hours, 27 April 1972

date. Mr. Zakimi said he would report as soon as possible on the outcome of the GRI-Naha City discussions. The U S Alternate asked who had the final authority to settle the dispute between the GRI and Naha City. The GRI Alternate said he thought the GOJ would have the ultimate authority.

10. The GRI Alternate said he had heard from the GRI Education Department that Mr. Yamamoto (GOJ PrepCom Element) had advised that the Ministry of Finance intended to transfer the English Language Center building to the Okinawa Prefectural Government if the latter would make it available to a private organization for language training purposes. Mr. Yamamoto verified this.

11. The U S Alternate asked about the meaning of "make it available." The GRI Alternate said a lease was contemplated. The GOJ Alternate explained that ownership and control would remain in the hands of the Prefecture. The U S Alternate requested clarification of the role of the "private organization," specifically whether there would be a contract arrangement. The GRI Alternate said he thought a contract would be needed.

12. The U S Alternate said that, if there was to be any further thought of the U S making the equipment in the ELC available gratis, the language training program would have to be a genuine public service operation open to all the people of Okinawa Prefecture, and it should not result in a profit for a private organization. He suggested that GRI representatives get together with Mr. Francis and reduce the GRI plan to clear and comprehensive written form against the conditions he (the U S Alternate) had earlier specified. The GOJ Alternate said he understood the staff members who would be teaching English would not be government officials, but would be employees of a juridical body under the sponsorship and control of the Prefectural Government.

13. The U S Alternate asked if this body would teach only English. The GRI Alternate said the main program would be English, with perhaps minor additions such as Spanish. The U S Alternate said he was concerned about how Washington would react to this. He doubted greatly that the equipment could be made available if it was to be used for teaching any language except English.

14. The U S Alternate observed that this was Mr. Senaga's last day as GRI Alternate. He said that Mr. Senaga, with his wide experience and great wisdom, had made a tremendous contribution to AdCom and PrepCom for over four years, beginning in February 1968. He personally had often benefited from Mr. Senaga's counsel on a wide range of topics within and outside of PrepCom. The U S Alternate said his Government felt a great sense of debt to Mr. Senaga for his ever constructive approach and many contributions. He extended his very best wishes to Mr. Senaga for the future.

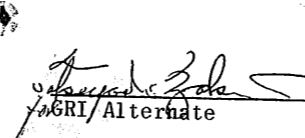
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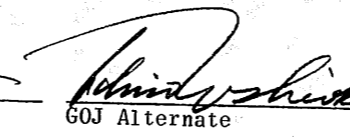
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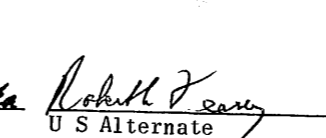
SUBJECT: One Hundred-and-fortieth Meeting of PrepCom Alternates, 1400  
hours, 27 April 1972

15. The GOJ Alternate said he wished to associate himself with these remarks. He too much appreciated Mr. Senaga's achievements and contributions. He added that he hoped their friendship would continue beyond PrepCom days.
16. The GRI Alternate said he appreciated very much the kind support and guidance that had been given to him. He said his memories of the friendship of U S and GOJ PrepCom colleagues and of the many tasks they had accomplished together would remain with him over the years.
17. The Alternates agreed that, unless unforeseen circumstances developed, there would be no additional Alternates' meetings.

APPROVED:

  
GRI Alternate

  
GOJ Alternate

  
U S Alternate

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