

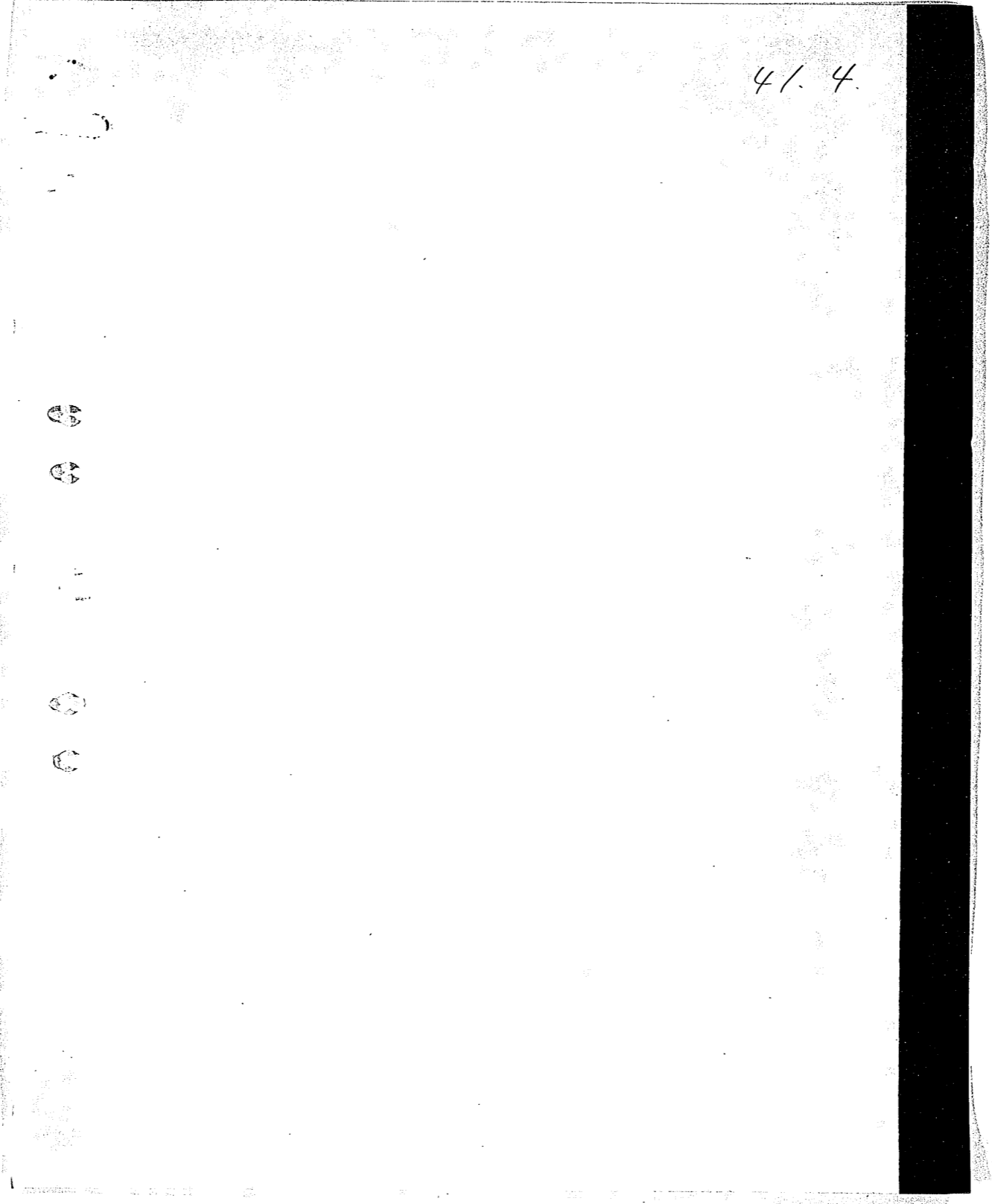
琉球大学学術リポジトリ

米国管理下の南西諸島状況雑件 沖縄関係 一般重要案件(1)

メタデータ	言語: 出版者: 公開日: 2019-02-13 キーワード (Ja): キーワード (En): 作成者: - メールアドレス: 所属:
URL	http://hdl.handle.net/20.500.12000/43791

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USCAR の 質疑 応答 集



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北米局長 *[Signature]*

参事官 *[Signature]*

北米課長 *[Signature]*

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USCAR 作成の件について 質疑

答集について

(41.4.1)
北米

南方同胞援護会事務局長 吉田氏は、先に訪米に
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外務省

ANSWERS TO QUESTIONS FREQUENTLY ASKED OF OFFICIALS
OF THE UNITED STATES CIVIL ADMINISTRATION OF THE
RYUKYU ISLANDS

Prepared by:

PUBLIC AFFAIRS DEPARTMENT
UNITED STATES CIVIL ADMINISTRATION OF THE RYUKYU ISLANDS
APO SAN FRANCISCO 96248

SECTION I. BASIC POLICY QUESTIONS RELATING TO THE
POSITION OF THE UNITED STATES IN THE
RYUKYU ISLANDS

1. Why is the United States in the Ryukyu Islands?
2. Why are the Ryukyu Islands important to the United States?
3. What is the legal basis for the presence of the United States in the Ryukyu Islands?
4. Why does the United States need to administer the Ryukyu Islands in order to maintain and operate bases here? Why doesn't the U.S. let Japan administer the islands, and still maintain bases here, as it does in Japan?
5.
 - a. What is the policy of the United States on reversion of the Ryukyu Islands to Japan?
 - b. How long does the United States plan to remain in the Ryukyus?
 - c. Why do not Japan and the United States work out a reversion timetable?
6.
 - a. Is the United States Civil Administration opposed to the reversion movement?
 - b. Does the American administration discriminate against Ryukyuans who advocate reversion?
 - c. What is the U.S. view as to how the Ryukyuan people feel about reversion?

QUESTION: Why is the United States in the Ryukyu Islands?

ANSWER: a. United States forces invaded Okinawa in 1945 to gain the island as a major base from which to launch the final assault on the main islands of Japan. The island was being built up for this use at the time Japan surrendered.

b. Between 1945 and 1950 the United States occupied the Ryukyu Islands under the provisions of the Rules of Land Warfare, pending a decision as to their disposition under the terms of the ultimate treaty of peace with

Japan.

c. The takeover of China by Communist forces in 1949 and the invasion of the Republic of Korea by Communist forces in 1950 required a drastic re-evaluation of the strategic situation in the Western Pacific. It became very clear at this point that Communist forces were endeavoring to carry out their long-range plan to conquer all of Asia. It was equally clear that the United States was the only Free World nation with sufficient strength to prevent the nations of Free Asia from being overrun.

d. At the time the Treaty of Peace with Japan was being negotiated, Japan obviously did not possess the strength to defend her main islands, much less the Ryukyu Islands and other areas of the Western Pacific. For this reason the Treaty of Peace provided in Article 3 that the United States would remain in the Ryukyu Islands. The burden of defending the whole area of the Western Pacific had fallen on the United States, and Okinawa was essential as a base for this purpose.

e. It should be abundantly clear that, had United States military forces been removed from the Western Pacific in 1945, Communist forces would long since have over-run the entire area. The situation remains

essentially the same today; if the United States were to remove its forces at this time, the entire area of the Western Pacific, Southeast Asia, and ultimately all of Asia, would be over-run by forces which would destroy the cherished ways of life of the people and establish totalitarian forms of government which in effect would reduce the people to slavery.

f. If the United States is to perform its vital mission of helping defend this area, it must have bases from which to operate. Okinawa is the location of the most important United States base in the Western Pacific.

g. The reasons for the presence of the United States in the Ryukyus are strictly military. The United States gains nothing material from its presence; in fact, United States bases and forces are maintained in the Ryukyus at very great cost to the American taxpayer. The American people gain from this investment precisely what is gained by the people of the Western Pacific area: a relative peace in which to pursue economic and social goals, and freedom from aggression.

2. QUESTION: Why are the Ryukyu Islands important to the United States?

ANSWER: a. Circumstances of geography have placed Okinawa in a strategic location in the Western Pacific. This island is almost equidistant from Tokyo, Seoul, Manila, and Hong Kong, and only 440 miles from the coast of mainland China.

b. To carry out its commitments to many nations to help them defend themselves from aggression, the United States has established an arc of bases along the eastern rim of Asia, reaching from Japan through Okinawa to Taiwan and the Philippines and into Southeast Asia. Okinawa is the keystone and pivot of this arc of bases.

c. From Okinawa the United States can carry out its treaty commitments to help many nations of Free Asia defend themselves. These include Japan, the Republic of Korea, the Republic of China, the Philippines and several nations of Southeast Asia.

d. A look at a map of this area will show that bases in Okinawa can help defend the southern and western approaches to Japan. During the Korean war, Okinawa-based planes operated as far north as the Yalu River and helped stem the invasion of the Republic of Korea. In 1958, the presence of United States forces here helped prevent a threatened invasion in the Taiwan Straits area.

e. Okinawa is a very important staging area and logistical support base for back-up of operations by United States forces from Korea along the coast of Asia as far as Thailand.

f. The United States requires a close-up support base if it is to fulfill its treaty obligations; and you may be sure that the United States does intend to honor its mutual security agreements.

g. The day of the so-called "push button" war is not here. The conflicts now going on in Asia, and any that are likely to occur in the foreseeable future, are likely to involve only conventional forces and weapons. The problem still is to move men and weapons rapidly to places where they are needed to stem actual or threatened invasion. Forces in being as near as possible to areas the United States is pledged to help defend are essential. Okinawa is indispensable as the location of these forces.

h. The presence of powerful United States military forces in the Ryukyus for 20 years has protected the Western Pacific from invasion, and continues to do so. Our forces here are a powerful reminder to would-be aggressors that fulfillment of their ambition to control free-world areas and populations cannot be undertaken except at a cost too great for them to pay.

i. The late President Kennedy, on 19 March 1962, summed up the reason for the United States presence in the Ryukyus: "The armed strength deployed at these bases is of the greatest importance in maintaining our deterrent power in the face of threats to the peace in the Far East. Our bases in the Ryukyu Islands help us assure our allies in the great arc from Japan through Southeast Asia not only of our willingness but also of our ability to come to their assistance in case of need."

j. A similar statement is contained in a communique issued on 23 January 1965 in Washington following the conclusion of talks between President Johnson and Prime Minister Sato of Japan: "The President and the Prime Minister recognized the importance of United States military installations on the Ryukyu and Bonin Islands for the security of the Far East."

3. QUESTION: What is the legal basis for the presence of the United States in the Ryukyu Islands?

ANSWER: a. (1) Article 3 of the Treaty of Peace with Japan is presently the sole legal basis for the presence of the United States in the Ryukyus and for administration by the United States. This Treaty was signed by 48 nations which during World War II had declared that a state of war existed between themselves and Japan.

(2) Article 3 states that Japan will concur in any proposal of the United States to the United Nations to place the Ryukyu Islands under a trusteeship, with the United States as the sole administering authority; and that, pending the making of such a proposal and affirmative action thereon, the United States will have the right to exercise all and any powers of administration, legislation and jurisdiction over the territory and inhabitants of these islands, including their territorial waters.

b. Treaties are a form of international law. Therefore, it may be concluded that the United States is in the Ryukyu Islands in accordance with international law. Further, in Japan, the United States and most other countries, a treaty, once signed and ratified, becomes "the law of the land."

4. QUESTION: Why does the United States need to administer the Ryukyu Islands in order to maintain and operate bases here? Why doesn't the United States let Japan administer the islands and still maintain bases here, as it does in Japan?

ANSWER: a. The United States has signed what we call mutual security treaties with Japan, the Republic of Korea, the Republic of China, the Philippines and several nations of Southeast Asia. These treaties commit the United States to help in defending these nations from actual and potential aggression.

b. When an act of aggression occurs, or is threatened, the United States must be able to act quickly and effectively in meeting its obligations.

c. If the United States is to act quickly and effectively in support of freedom, it must have bases from which to operate. There is an absolute requirement for a base which meets these criteria:

--Freedom to move troops and all necessary types of weapons into the base, as the situation may require, and without delay.

--Freedom to store weapons and supplies, without limit, of all the types which may be necessary to meet emergencies.

--Freedom to send troops, weapons, supplies, planes and ships to any area for which the United States has assumed responsibility under its treaty obligations -- and again without delay.

--Freedom to provide logistical support to United States forces, wherever they may be required to operate in pursuance of treaties.

--The capability of taking reasonable security measures to protect military installations.

d. (1) Okinawa, so long as it is administered by the United States, meets these requirements. If it were administered by Japan, the necessity for consultation on all these matters would arise, under the provisions of the U.S.--Japan Security Treaty of 1960.

(2) Japan would not want to become involved in many matters that could arise under the security treaties maintained by the U. S. with many nations other than Japan. It would be unworkable for the United States to consult with Japan on courses of action that should be taken by the United States in pursuance of treaties not involving Japan. There is the additional factor that actions taken in pursuance of treaties may have to be taken immediately, allowing no time for consultation.

6 It must be understood that there is a great difference between U. S. bases in Japan and those in the Ryukyus. United States Forces in Japan are responsible for assisting in the defense of Japan only, under the Mutual Security Treaty signed between Japan and the U. S. initially in 1952 and revised in 1960. On the other hand, United States forces in the Ryukyu Islands are responsible for assisting in the defense of the entire Western Pacific area, in pursuance of mutual security treaties signed with the Republic of Korea, the Republic of China, the Philippines and several nations of Southeast Asia, in addition to Japan.

7 It has been suggested that Japan and the United States might sign a special treaty, returning administration of the islands to Japan but permitting the United States freedom to use Okinawa in such manner as to meet its commitments under treaties with nations other than Japan, without consultation. However, no practical or workable proposal along this line has been made.

5. QUESTION: a. What is the policy of the United States on reversion of the Ryukyu Islands to Japan?
- b. How long does the United States intend to remain in the Ryukyus?
- c. Why do not Japan and the United States work out a reversion timetable?

ANSWERS: a. United States policy has long been, and remains, to keep its bases in the Ryukyu Islands and to retain its administrative rights "for so long as conditions of threat and tension continue to exist in the Far East." This policy was announced for the United States by the late John Foster Dulles at the time the Amami Oshima group of islands was returned to Japan's administration. It was reiterated at various times by Presidents Eisenhower and Kennedy; and it remains United States policy under President Johnson's administration.

b. That the United States intends, ultimately, to return the administration of the Ryukyu Islands to Japan has been made clear by two presidents. On 19 March 1962, President Kennedy said: "I recognize the Ryukyu Islands to be a part of the Japanese homeland and look forward to the day when the security interests of the Free World will permit their restoration to full Japanese sovereignty." A similar statement is contained in the communique issued in Washington on 23 January 1965 after conclusion of the meetings between President Johnson and Prime Minister Sato. The communique stated in part: "Appreciating the desire of the Government and people of Japan for the restoration (of the Ryukyus) to Japan, the President stated that he looks forward to the day when the security interest of the Free World in the Far East will permit the realization of that desire."

c. It should be evident that serious threats and tensions--and for that matter, actual armed aggression--now exist in the Far East. The United States--the whole American people--hope that these threats and tensions will subside. In the meantime, the United States must stand by its treaty commitments to help defend many nations against aggression.

d. (1) A precise timetable, or a precise date for return of administration of the islands to Japan, cannot be set, because we do not know how long the conditions that necessitate the presence of United States forces will continue. The existing threats and tensions are generated in Peking, Pyongyang and Hanoi--not in Washington, Tokyo or Naha. If the Communists would give up their plan to conquer other nations and ultimately to control the world, United States forces could be removed. In the meantime, the U. S. has no alternative to enforcing the peace with its strength.

(2) Let us suppose the United States were to agree that the Ryukyu Islands were to be returned to Japan by a specific date, say 1970 or 1975, who would be willing to forecast that by either of those dates the situation in the Far East will be such that U. S. forces could be removed?

6. QUESTION: a. Is the United States Civil Administration opposed to the reversion movement?
- b. Does the American administration discriminate against Ryukyuans who advocate reversion?
- c. What is the U. S. view as to how the Ryukyuan people feel about reversion?

ANSWERS: a. The U.S. Civil Administration is a part of the U.S. Government.

It must, of course, reflect the policies of the Government. The policy of the Government, stated by two Presidents, is to consider the Ryukyu Islands as a part of the Japanese homeland, and to look forward to the day when they can be returned to Japanese administration. USCAR cannot have, and does not have, any separate or differing policy of its own. It can be said that U. S. policy is for ultimate reversion.

b. If the U. S. administration discriminated against all Ryukyuans who advocate reversion, it would have to discriminate against a very large number of people, beginning with the Chief Executive. Actually, we have no quarrel with the Ryukyuan people as to whether reversion should ultimately take place. The only point of disagreement is as to when it should occur, and every Ryukyuan is entitled to his own opinion on the matter.

c. (1) Only the more than 900,000 Ryukyuan people, speaking individually, could provide a definite answer as to how they feel about reversion. However, there is no doubt that very large numbers of the people are looking forward, as are we, to the day when the situation will permit the return of the islands to Japanese administration. There is no doubt either that a great many would be best pleased by a situation in which they could be under Japanese administration but still have the protection and economic benefit of the American forces.

(2) It is not difficult to understand the feelings of the people on this matter. We recognize that no people really desire to be administered by those they consider foreigners. We know that there is a very close cultural affinity between the people of the Ryukyu Islands and those of the main islands of Japan. We recognize that for twenty years the Ryukyu Islands have been left in an indefinite status, and that most people like to be a definite and recognized part of a national homeland. It is clear to us that the Ryukyuan people are strongly influenced by the rapid economic growth of Japan since 1951, and by Japan's resumption of its place as the foremost nation in Asia.

(3) We also recognize the fact that the Ryukyuan people, who remember the Battle of Okinawa quite vividly, feel that the presence of powerful United States bases makes the islands vulnerable to possible nuclear attack, and that if such an attack occurred they would be "sitting ducks." We see no tangible reasons for the fear, but we know it exists and can understand the motivations behind it.

(4) Any survey would undoubtedly reveal that Ryukyuans are rather solidly in favor of ultimate reversion to Japan. One would probably find, however, a considerable divergence of opinion as to "when." Many are in no hurry about reversion, because they see their economic future, without the U. S. bases as problematical or dark.

(5) We all have to do the best we can in this situation and meet it, as the late President Kennedy said, "with understanding and forbearance."



DEPARTMENT OF THE ARMY
U.S. CIVIL ADMINISTRATION OF THE RYUKYU ISLANDS
APO SAN FRANCISCO 96248

IN REPLY REFER TO
HCRI-IC

1 March 1967

SUBJECT: Standard Response Guide

TO: See Distribution

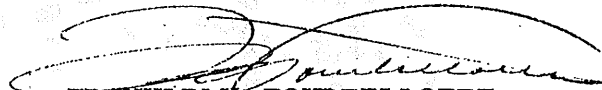
1. Attached for your information are copies of a standard response guide prepared for high commissioner's reference in responding to oft-repeated questions from the press. These responses are concurred in by U. S. Civil Administration of the Ryukyu Islands, Political Adviser, and approved by HICOM/CINCPACREP.

2. Additional copies have been furnished your Information/Public Affairs Officer. If the initial distribution is insufficient to meet command requirements, additional copies are available from the Information Coordinator's Office.

3. These responses will be monitored by the Information Coordinator, and addenda to this guide will be provided you periodically.

4. Reference to this guide will assist component representatives in providing responses parallel to those being given at interviews with HICOM/CINCPACREP. Copies are being furnished CINCPAC (Attn: Public Affairs Office), and there is no objection to copies being provided elements of your command or your higher headquarters.

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16
15
14
13
12
11
10
9
8
7
6
5
4
3
2
1
A-65

TABLE OF CONTENTS

1. Why the U. S. Needs the Ryukyus
2. Why Okinawa is Important as a Location of a U. S. Base
3. Could the U, S. Bases be Moved to Taiwan or Guam?
4. Why U. S. Bases Cannot be Consolidated in One Place
5. Will U. S. Operations in and from Okinawa Involve Japan in War?
6. Do Military Operations from Okinawa Place the People of Okinawa in Danger?
7. What will be the Effect of the Developing Nuclear Capability of ComChina on the Okinawan Bases?
8. What will be the Effect of Development of Sophisticated Weapons by the United States on the Okinawan Base?
9. Can Administration of the Ryukyus and Operation of the Bases be Separated?
10. How Long Does the U. S. Expect to be in the Ryukyus?
11. Is there any possibility that the Civil Administration of the Ryukyu Islands will be Headed by a Civilian official of the U. S. Government?
12. Is the United States making Social, Economic and Political Adjustments to Pave the Way for Ultimate Reversion?
13. How are the Ryukyu Islands Faring, Economically, under U. S. Administration?
14. What Progress has been made in overall Foreign Investment Here?
15. What are the Licensing Procedures for Foreign Investment Here?
16. What is the Nature of Our Remaining Problems in the Economic and Social Areas?

Incl 5

- 17. What Plans Does the Civil Administration Have for Further Development?
- 18. Will U.S. Aid to the Ryukyus be Increased?
- 19. Will GOJ Aid to the Ryukyus be Increased?
- 20. Has the Civil Administration Carried out Its Assigned Mission of Developing a Responsible, Democratic, Local Government?
- 21. What is the Relationship Between the United States and Japan Over the Ryukyus?
- 22. On What Basis or Principles Do You Accept Aid from Japan for the Ryukyus?
- 23. Relationship Between the U.S. Military Forces and their Ryukyuan Employees
- 24. How is Labor, Generally Speaking, Faring in the Ryukyus?

Prepared 1 March 1967

OFFICE OF COMMISSIONER

TALKING PAPER

1. WHY THE U.S. NEEDS THE RYUKYUS

Over the past 15 years the United States has signed a number of bilateral and multilateral mutual security agreements with many nations, including Japan, the Republic of Korea, the Republic of China, the Philippine Republic and a number of nations of Southeast Asia.

These treaties all provide that the United States will come to the aid of these nations if they are attacked or are threatened by aggressors. It is United States policy to deter aggression where possible, rather than to wait until it occurs before taking action.

The United States will hold firm to the commitments it has made. But if United States assistance is to be effective, we must remain in the Western Pacific area with military forces sufficiently strong to do the job, and so positioned as to be able to act promptly in the event of actions by aggressors which threaten their neighbors. These forces, of course, require bases from which to operate.

In concert with allies, the United States has in the past 15 years erected a chain of bases reaching from Japan through Okinawa to Taiwan and the Philippines and into Southeast Asia. Okinawa is a supremely important link in this chain.

In Southeast Asia, the threats have been followed by actual aggression, the invasion of the Republic of Vietnam and Laos by North Vietnam. The security of all free people and nations throughout the Western Pacific and Southeast Asia is threatened. Thus, the reasons for the presence of United States military forces in the Western Pacific, valid in 1950, are more persuasive today. If the United States were to remove its forces from the Western Pacific at this time, the entire area could and would be over-run by forces hostile to the institutions and the ways of life of the free nations and peoples of the area.

It was the existence of ominous threats that caused the United States to remain in the Ryukyu Islands after 1952. It is this same danger, now intensified, that causes us to remain here. The reasons are military only. We neither expect nor receive any material gain from the Ryukyu Islands. On the contrary, our bases are maintained here at very great cost to the American taxpayer. The American people gain from their large investment precisely what is gained by the people of the Western Pacific area: a relative security in which they can pursue their economic and social goals.

2. WHY OKINAWA IS IMPORTANT AS A LOCATION OF U.S. BASE

Circumstances of geography have placed Okinawa in a highly strategic location in the Western Pacific. Okinawa is the pivot of our chain of bases along the eastern rim of Asia, reaching from Japan through Okinawa to Taiwan and the Philippines and into Southeast Asia. In Okinawa the United States has a forward base where we can maintain the strength necessary to deter aggression, and from which we can move this strength to threatened areas.

Bases in Okinawa help defend the southern and western approaches to Japan. From Okinawa we can help protect the Republic of Korea, as we demonstrated from 1950 to 1953. The presence of powerful United States forces in Okinawa in 1958 clearly was a factor in preventing aggression in the Taiwan Straits. Our forces in Okinawa can and do provide general protection for the Philippines. In Okinawa we maintain ready forces, prepared and equipped to go wherever needed. From Okinawa we provide logistical support to our forces in an arc reaching from Korea to Thailand. And of even more importance, we maintain in the Ryukyu Islands forces of sufficient potency to place on notice the perpetrators of wars of enslavement, falsely called wars of national liberation, that they can realize their ambitions for territory and for control of free people only at a cost too high for them to pay.

The presence of United States bases in the Ryukyus has, for many years, protected this entire area from invasion. It continues to perform this valuable protective function for most of the area, and where aggression is occurring as in Vietnam, these bases contribute to the defense.

The strategic importance of this area has been strongly emphasized by all of our presidents from President Truman on. I will cite statements from two presidents. On 19 March 1962 President Kennedy said (and I quote): "The armed strength deployed at these bases is of the greatest importance in maintaining our deterrent power in the face of threats to the peace in the Far East. Our bases in the Ryukyu Islands help us assure our allies in the great arc from Japan through Southeast Asia not only of our willingness but also of our ability to come to their assistance in case of need" (end quote).

A similar statement is contained in a communique issued on 13 January 1965 in Washington following the conclusion of talks between President Johnson and Prime Minister Sato (again I quote): "The President and the Prime Minister recognized the importance of United States military installations on the Ryukyu and Bonin Islands for the security of the Far East" (end quote).

3. COULD THE U.S. BASES BE MOVED TO TAIWAN OR GUAM?

The United States does not contemplate moving the Okinawa base elsewhere. Aside from the money involved, we need a base in the Western Pacific, strategically located, where we can bring troops and equipment, store equipment and supplies, and dispatch troops and equipment to wherever they may be needed at any time.

Okinawa is the only location which combines a strategic location and freedom of action.

4. WHY U.S. BASES CANNOT BE CONSOLIDATED IN ONE PLACE

First, the topography of Okinawa precludes the consolidation of all military activities into one place. In order to operate effectively as a deterrent against communist aggression and in support of U.S. military operations in this part of the world, our military forces on Okinawa must have access to seaport and airport facilities, facilities for training, housing and materiel storage areas.

Second, there is a difference in the contribution each military service component makes to the overall mission of our forces in the Western Pacific and Southeast Asia. It is not practical, militarily, to integrate the activities of all service components into one. Rather, each component complements and supports the other.

5. WILL U.S. OPERATIONS IN AND FROM OKINAWA INVOLVE JAPAN IN WAR?

I do not believe that Japan or Okinawa will become involved in any way. It is well known to all nations that the Ryukyu Islands are

administered by the United States. I have seen no evidence that Japan is blamed in the slightest degree, even by Peking and Hanoi, for the utilization of Okinawa as a base by the United States.

The communist nations all advocate removal of the United States bases from Okinawa and return of the Ryukyu Islands to the administration of Japan. I suspect that a threat to Japan by one of the Communist nations that Japan will be in danger if it continues to go along with use of Okinawa by the U. S. would kindle great anger in Japan at those who made the threats.

The United States utilizes Okinawa as a base from which it can maintain the necessary military strength to carry out its obligations to many nations of Asia to protect them from aggression, and to come to their aid if aggression occurs. These are commitments by the United States, not Japan; Japan is not involved.

6. DO MILITARY OPERATIONS FROM OKINAWA PLACE THE PEOPLE OF OKINAWA IN DANGER?

The first and most important thing to recognize is that north Vietnam has put the safety of the peoples of East Asia and even of the whole world in jeopardy by its active aggression against its neighbor, South Vietnam. The aggression, begun some years ago, is supported by Communist China. Under the spurious name of wars of national liberation which are not national and which enslave rather than liberate, the communists plan to gain control of the world. If they succeed in Southeast Asia, Japan may be next on their list. American bases on Okinawa serve to put deterrent defensive strength into a network of bilateral and multilateral mutual defense treaties which the United States has with many nations in this part of the world. Article III of the Peace Treaty with Japan made this possible. The people of both Japan and Okinawa are protected by these arrangements from being over-run by Communist aggressors.

The aggressors will not attack Okinawa, because by such action, they would invite their own destruction. The grave circumstances of such an undertaking would not advance their cause militarily or politically.

7. WHAT WILL BE THE EFFECT OF THE DEVELOPING NUCLEAR CAPABILITY OF COMCHINA ON THE OKINAWAN BASES?

Thus far the detonation of a nuclear device by Communist China has far more of a propaganda value than a military value. It is largely a political problem at this stage.

From a military viewpoint, the detonation of the nuclear device indicates even more strongly than before that the ChiComs are threatening this part of the world; therefore, bases of whatever nature and wherever located are all the more important for the defense of freedom.

As of now, the so-called nuclear threat from China has not diminished the importance of Okinawa as a U. S. strategic base. The primary function of the American base on Okinawa is to provide flexibility in conventional or limited military actions aimed at frustrating aggression in the Far East -- chiefly aggression oddly called wars of national liberation. Such military actions may from time to time (as of now in Vietnam) be required by various collective security commitments of the U. S. Existing and future U. S. long-range nuclear deterrent force, widely based geographically, will continue to prevent general war and will act as an umbrella protecting Okinawa from nuclear attack from any quarter, thus preserving its present strategic function.

8. WHAT WILL BE THE EFFECT OF DEVELOPMENT OF SOPHISTICATED WEAPONS BY THE UNITED STATES ON THE OKINAWAN BASE?

Despite all the talk about "push button" warfare, the United States continues to require a close-up support base in the Western Pacific. While the capabilities for push-button warfare exist, it must be realized that it means all-out, general warfare involving the most sophisticated weapons that have been developed. The conflicts now going on in Asia employ both conventional and primitive weapons.

The problem still is to have men and weapons in a forward position, from which they can move quickly to prevent threatened aggression or to stem actual invasion of free nations.

9. CAN ADMINISTRATION OF THE RYUKYUS AND OPERATION OF THE BASES BE SEPARATED?

The United States administers the Ryukyu Islands because it must be able to act quickly and effectively to meet its obligations for the defense of Japan and the other Free World countries in the Far East. Our ability to meet our obligations requires that we have available for our forces a base from which we have freedom to act. The requirements include:

-- Freedom to move troops and equipment to the base without delay.

-- Freedom to stockpile equipment which may be necessary to deter aggression and to help stem actual invasion.

-- Freedom to dispatch troops, equipment, aircraft and ships to any area which the United States has pledged to assist in preserving its national integrity.

-- Freedom to provide logistical support to United States forces, wherever they may be required to operate in pursuance of our treaties.

The Ryukyu Islands meet all these requirements, so long as they are administered by the United States. Loss of administrative rights would reduce or destroy the freedom of our military forces to act, and would seriously impair the usability of Okinawa as a base in defense of free world interests, including those of Japan.

10. HOW LONG DOES THE U.S. EXPECT TO KEEP THE RYUKYUS?

The attitude of the United States is that it will be necessary to keep strong military forces in the Ryukyu Islands for so long as conditions of threat and tension continue to exist in the Far East.

This policy was announced for the United States by the late John Foster Dulles in 1953, at the time the Amami Oshima group of Islands was returned to Japan. It was reiterated at various times by Presidents Eisenhower and Kennedy, and it remains United States policy under President Johnson's administration.

Islands was returned to Japan. It was reiterated at various times by Presidents Eisenhower and Kennedy, and it remains United States policy under President Johnson's administration.

That the United States recognizes the Ryukyu Islands to be a part of the Japanese homeland and plans ultimately to return the administration of the islands to Japan has been made clear by two Presidents. On 10 March 1962 the late President Kennedy said (and I quote): "I recognize the Ryukyus to be a part of the Japanese homeland, and look forward to the day when the security interests of the Free World will permit their restoration to full Japanese sovereignty" (end quote). A similar statement is contained in the communique issued in Washington on 23 January 1965 after the conclusion of the meetings between President Johnson and Prime Minister Sato.

The communique stated in part (quote): "Appreciating the desire of the Government and people of Japan for the restoration of administration to Japan, the President stated that he looks forward to the day when the security interest of the Free World in the Far East will permit realization of that desire" (end quote).

As to a timetable for reversion, I do not see how this is possible, if it means setting a specific date for the return of administration. I do not know when the existing threats and tensions will subside to the point where United States forces could be removed without danger to Japan, the United States and other nations. The threats and tensions, and the current conflict did not originate in Washington, Tokyo or Naha, but in Peking, Hanoi and Pyongyang.

11. IS THERE ANY POSSIBILITY THAT THE CIVIL ADMINISTRATION OF THE RYUKYU ISLANDS WILL BE HEADED BY A CIVILIAN OFFICIAL OF THE U.S. GOVERNMENT?

I know of no plans to make a change of this sort, although I cannot predict the whole future ahead of us.

12. IS THE UNITED STATES MAKING SOCIAL, ECONOMIC AND POLITICAL ADJUSTMENTS TO PAVE THE WAY FOR ULTIMATE REVERSION?

Many of the laws enacted by the Legislature of the Ryukyu Islands are modeled very closely after those of Japan, and some are practically carbon copies. For example, the Commercial Code adopted

by the local legislature is very similar to that of Japan. As more and more laws are enacted, and take the place of ordinances, we will have here a body of law similar in most respects to that obtaining in Japan proper.

The political system already is very close to that of Japan. Political parties here maintain close ties with their counterparts in Japan.

For many years the schools in the Ryukyu Islands have been, curriculum-wise, practically identical with the schools of Japan. Most organizations and associations here have counterparts in Japan of which they already are a part or at least closely related.

The entire sugar and pineapple crops of the Ryukyus now go into Japan, and would continue to do so upon reversion. The most difficult adjustment would be in manufacturing. In order to provide a high and rising standard of living for the Ryukyuan people, we have had to create industries which can sell their products and employ people, without too much regard for whether they compete with the industries of Japan. In fact, in many cases the local industries are protected from Japanese competition by commodity taxes which amount to tariffs. It is the Ryukyuan businessmen themselves who have asked for this protection and their own government, the Government of the Ryukyu Islands, which has granted it. The adjustment that eventually takes place very likely will be the take over of many local industries by the giant combines of Tokyo and Osaka, which do not regard the Ryukyus primarily as a manufacturing area but as a supplier of sugar, pineapple and labor.

I can assure you that I am doing nothing that would make reversion more difficult. My first consideration in this connection is, and must be, the welfare of the Ryukyuan people.

13. HOW ARE THE RYUKYU ISLANDS FARING, ECONOMICALLY, UNDER UNITED STATES ADMINISTRATION?

The economy of the Ryukyu Islands benefitted by nearly a quarter of a million dollars from United States expenditures here during the last fiscal year.

United States expenditures and activities -- direct and indirect aid, plus public and private financial assistance, loans and funds, wages and salaries, contractual arrangements, and purchases -- totalled \$239.5 million between July 1, 1965 and June 30, 1966, according to latest figures compiled by the U. S. Civil Administration of the Ryukyu Islands (USCAR) from GRI and USCAR sources.

This huge total represents a \$43.2 million or 22 percent increase over the \$196.3 million financial input from the United States in the Ryukyus during FY 1965.

"The United States continues to be the key factor behind the Ryukyus' Gross National Product (GNP) which soared to \$435.5 million in Fiscal Year 1966, up 18 percent over the previous fiscal year," the High Commissioner said.

"United States expenditures, increasing spectacularly, more than made up the difference between a dormant economy and prosperity for the Ryukyu Islands.

"The tremendous financial input more than bridged the local dollar gap caused by import costs of \$267.8 million, as compared to Ryukyuan exports on only \$79.1 million. Imports from Japan amounted to 73 percent of the total and were valued at \$196.2 million which constitute an obviously important source of dollars to Japan.

Ryukyuan felt the benefit of the "tremendous" U. S. financial input in many ways, as reflected in the latest GRI-USCAR statistics. The High Commissioner pointed out that in the period from July 1, 1965 to June 30, 1966, motor vehicles -- private autos, taxis, buses, trucks -- in the domestic economy and licensed by the GRI increased from 35,911 to 47,986, a 33.6 percent increase. The latest statistics available for television sets, refrigerators and washing machines -- all significant indicators of better living -- also show tremendous increases.

The High Commissioner said that the data on the total U. S. financial input in the Ryukyus were gathered from local agencies of the U. S. Army, Air Force, Navy, Marines, and from USCAR and the GRI. The study disclosed the following four major breakdowns for FY 1966:

Expenditures by the U. S. Government and Personnel	\$143.6 million
U. S. Direct Aid to the GRI	12.7 "
Capital Transactions (Public and Private)	64.6 "
Exports of Goods and Services to the U. S.	18.6 "
TOTAL	\$239.5 million

In 1965, USCAR officials said that, based on the data available at that time, the overall U. S. financial input in FY 1966 was "expected to increase by approximately 12 percent." This year the USCAR statistics noted that the FY 1966 increase of 22 percent over the previous year's U. S. activities and expenditures "is very encouraging, and highly indicative of a trend toward a more rapidly growing Gross National Product in the Ryukyuan economy."

USCAR Comptroller Department statistics reveal that the Ryukyus' GNP has increased by an average rate of 13.3 percent annually for the past six years, the major part of which has been due to U. S. activities and expenditures in the islands.

Details of the four major breakdowns in the FY 1966 report are as follows:

Under the first heading of "Expenditures by the U. S. Government and Personnel," totaling \$143.6 million, were:

-- \$48.7 million for contract procurement of products and services (up \$11.7 million over the last year);

-- \$20.6 million for pay of Ryukyuan personnel, which is \$5.4 million over FY 1965. This includes the gross pay of all Ryukyuan personnel paid from appropriated funds of U. S. Government agencies, and excludes the pay of Ryukyuan employees by non-appropriated fund activities and U. S. citizen personnel. (This category is covered elsewhere).

-- \$5.9 million for electric power consumed by the U. S. Forces;

-- \$3.5 million in rental allowances, which are expenditures paid for rent of private housing and utilities occupied in the local economy by military personnel and government-employed civilians;

-- \$4.5 million in U. S. land rental payments;

-- \$60.4 million in expenditures by U. S. personnel and non-appropriated fund activities. Studies made by the U. S. Department of Defense revealed that 41.6 percent of net pay of U. S. military personnel and civil service workers stationed on Okinawa was spent in the local economy during FY 1966. Net pay of such personnel is derived by subtracting all remittances to the U. S., such as taxes withheld, retirement, savings bonds, insurance and health benefit deductions and allotments sent to the U. S. The study showed that after deducting all purchases by U. S. post exchanges, commissaries, postal services, and other remittances to the U. S. and expenditures in third countries, a total of 41.6 percent was expended within the Ryukyuan economy.

Included in the U. S. Forces personnel expenditures locally is a sum of \$1.1 million expended by third country nationals employed by the U. S. Forces. This is 75 percent of the total pay of such employees of the U. S. Forces.

Under the second major heading, "U. S. Direct Aid" -- \$12.7 million - there were:

-- \$10.3 million in appropriated aid provided under the Price Act; and

-- \$2.4 million in abundant foods, under U. S. Public Law 480, Title III, distributed in kind.

Although \$12 million was appropriated under the Price Act, and subsequently obligated, actual expenditures locally amounted to \$10.3 million during FY 1966.

The third major heading, "Capital Transactions," amounting to \$64.6 million, included:

-- \$4.3 million in U. S. loans. This included \$4.1 million in loans under Public Law 480, Title IV, to the Ryukyu Development Loan Corporation, and \$.24 million received in U. S. Treasury loans.

-- \$60.3 million in commercial loans and investments. This included \$55.5 million in commercial loans from American banks, \$6 million in American private investments, and \$4.2 million for purchase of houses by Americans.

The fourth and last major heading, "Exports of Goods and Services to the U.S.," consisted of \$18.6 million, broken down as follows:

\$5.8 million in general exports, and \$3.7 million from Free Trade Zone exports to the United States. An item amounting to \$9.1 million, "services and general remittances," consisted primarily of remittances from abroad and tourist expenditures.

14. WHAT PROGRESS HAS BEEN MADE IN OVERALL FOREIGN INVESTMENT HERE?

The major foreign investment or investors here now are as follows:

- Kaiser Cement and Gypsum Company, U. S., \$1,222,200 (cement mfg)
- American Pipe and Construction Company, U. S., \$775,000 (concrete pipe)
- Manneng Corporation, U. S., \$591,000 (housing)
- Tokyo Electric Express Railways, Ltd., Japan, \$450,000 (tourist hotel)
- Yetsuo Higa, U. S., \$380,000 (soft drinks)
- Jujo Paper Mfg. Co., Japan, \$333,200 (pulp wood)
- Yokohama Sugar Co., Japan, \$350,000
- Nissin Sugar Mfg. Co., Japan, \$300,000

Taiyo Gyogyo Co., Japan, \$260,000 (fisheries)

U. S. Summit Corp., U. S., \$250,000 (co. rep.)

Western Trading Co., Japan, \$250,000 (baggasse particle board)

Okinawa Plywood, U. S., \$225,000

Toshoku Ltd. & Nagoya Sugar Co., Japan, \$225,000

Osaka Sugar Co., Japan, \$220,000

Chuo Iryo Co. & Nishin Cotton Spinning Co., Japan, \$210,000 (clothing)

American Bottling Co., U. S., \$210,000 (soft drinks)

Dai-Nippon Sugar Co., Japan, \$200,000

Osaka Sugar Refining Co., Japan, \$200,000

The total number of foreign investment licenses now in effect is 274, and the total amount of authorized capital invested is \$20 million.

The trend in foreign investment here, compared now with past years is as follows:

	FY 1956	FY 1961	FY 1965	FY 1966
Licenses	55	150	270	274
Authorized Capital Invested	\$2,057,000	\$6,841,000	\$17,452,000	\$20,000,000

15. WHAT ARE THE LICENSING PROCEDURES FOR FOREIGN INVESTMENT HERE?

What must foreign businessmen do to be permitted to do business in the Ryukyus? What are the foreign investment licensing procedures? What are the incentives here for foreign investors?

Business activities and investments in business enterprises by non-Ryukyuan persons require licensing by the GRI, except for those exempted by HICOM Ordinance No. 11.

Applications for licenses and for amendment of existing licenses should be submitted to the Chief Executive, GRI. Applications will be examined by the Foreign Investment Board which is responsible for expeditious processing and for insuring a thorough and accurate appraisal of the merits of the investment proposals presented in the applications. Licenses may be issued to individuals or juridical persons. If juridical persons, names of principal stockholders, will be stated in the license. The investment or business authorized will be clearly defined in the license. Licenses and amendments may be rescinded for cause, including failure to implement within a reasonable time. However, no license will be rescinded or changed contrary to the will of the licensee without approval of the Chief Executive and the consent of the Civil Administrator.

Investments authorized pursuant to licenses issued will be in United States dollar exchange or foreign exchange acceptable to the civil administration. The licensing authority may permit any portion of an authorized investment to be in the form of machinery or other items when it deems that it is in the interest of establishing an enterprise of significant merit.

Incentives for foreign investors are as follows:

- a. Foreigners may purchase real property.
- b. Foreign investors enjoy full protection of their property through the courts of law.
- c. Foreign capital may enter in the form of U. S. dollars or in machinery, equipment, and installations. It may also come as spare parts or raw materials whether imported all at once or spread over a period.
- d. The use of U. S. dollars as medium of exchange.
- e. No controls on foreign exchange movement and none on remittances of profits. There is no limitation on repatriation of capital.

g. Certain tax exemptions under the GRI Important Industries Act.

16. WHAT IS THE NATURE OF OUR REMAINING PROBLEMS IN THE ECONOMIC AND SOCIAL AREAS?

The challenges ahead are large. We need to improve the opportunities of farmers, who have not shared fully in the advancing prosperity. This can be done only by further rationalizing the industry, upgrading it scientifically, learning to produce more per unit area at less cost, and expanding markets. This is especially important in the case of Ryukyuan sugar, which because of high production costs cannot compete on the world market, and which exists only because it is heavily subsidized in the Japanese market.

We must continue to expand manufacturing, making maximum use of the limited resources.

However, many new industries will have to import raw materials and fuels and produce commodities, using the skill of Ryukyuan workers, that will sell at a markup.

We have met the present needs of Okinawa for electric power, but must devise means to meet the expanding needs of the future. We are already designing a large new electric power plant. In the meantime, we are systematically making electric power available to the population of the other islands.

We have increased the number of school classrooms over the prewar figure, but we have not yet completed the formidable task of providing enough classrooms or equipping all classrooms properly.

We have vastly expanded medical facilities, but we still suffer from a shortage of trained and qualified medical personnel.

We have completed the unemployment insurance, workman's compensation and government employee retirement portions of a comprehensive social security system and have made a good beginning on medical insurance. The medical insurance program was recently enacted into law. We must expand the medical insurance system and provide retirement, survivors, and old age assistance benefits for the entire population.

17. WHAT PLANS DOES THE CIVIL ADMINISTRATION HAVE FOR FURTHER DEVELOPMENT?

United States policy is to raise the levels of public health, educational, and welfare services to reach those of comparable areas of Japan. Our approach to this task has been to develop a joint USCAR-GRI Long Range Plan, which we are now implementing.

This is a comprehensive development plan for the period Fiscal Year 1967 through Fiscal Year 1973, prepared by the Government of the Ryukyu Islands and the U. S. Civil Administration. In its present form, the plan predicts continuing the present rapid rate of expansion of the gross national product, the national income and per capita income.

The plan anticipates that the Gross National Product will, by the end of FY 1972, approximately double the figure of Fiscal Year 1965, and that national income and per capita income will rise at proportionate rates. The plan assumes that there will be comparable annual increase in revenues from all sources, including those derived by the Government of the Ryukyu Islands from domestic sources and from external grants-in-aid by the United States and the Government of Japan.

The long range plan covers eleven major areas of development: agriculture, forestry and fisheries; trade and industry; transportation; land conservation; public utilities; labor and welfare; health and medical services; government services, education; assistance to municipalities; and other government operations.

The education program includes measures for accelerating the building of schools; for the provision of modern school equipment, textbooks, library books and supplies; and for improving the quality of teaching. The plan provides for the completion of a comprehensive social insurance system covering all of the Ryukyuan people. Measures are included for the rapid expansion of agriculture, trade and industry. The external aid funds necessary for the completion of this plan will be requested annually from the Governments of the United States and Japan.

ECONOMIC AND SOCIAL SERVICES
16. WHY IS THE VALUE OF OUR ECONOMIC PROGRESS IN THE

16

Carrying out the long range plan will require a lifting of the ceiling on U. S. appropriated economic assistance to the Ryukyus presently imposed by the Price Act.

18. WILL U. S. AID TO THE RYUKYUS BE INCREASED?

The High Commissioner will testify before the Congressional Armed Services Committees in support of the bill to lift the Price Act ceiling from \$12 million to \$25 million. If the ceiling is raised to \$25 million our budget program for FY 1967 will be \$17.3 million, and for FY 68 it will be \$19.5 million.

19. WILL GOJ AID TO THE RYUKYUS BE INCREASED?

It is not possible to forecast amounts of GOJ aid for subsequent years, but it is planned that Japan will continue to provide sizable contributions of useful and usable aid each year for the effectuation of the Joint GRI-USCAR Long-Range Plan. GOJ approved \$16.1 million in aid for the Ryukyus plus \$1 million for typhoon disaster rehabilitation for FY 1966 beginning 1 April 1966, and has agreed to provide \$25.8 million for GRI's FY 68 plus \$2.9 million for typhoon disaster rehabilitation.

20. HAS THE CIVIL ADMINISTRATION CARRIED OUT ITS ASSIGNED MISSION OF DEVELOPING A RESPONSIBLE, DEMOCRATIC LOCAL GOVERNMENT?

We began the task of establishing local civil government in the Ryukyu Islands as early as 1948, three years after the end of the Battle of Okinawa. In that year the residents of cities, towns and villages elected their mayors. The next step was the establishment of four regional (or gunto) governments in Okinawa, Yaeyama, Miyako, and Amami. In 1952 the regional governments were supplanted by a central government, called the Government of the Ryukyu Islands, now 14 years old. The Government of the Ryukyu Islands consists of an elected legislature; an executive branch headed by a chief executive who is elected by the legislature and a Ryukyuan judiciary.

The United States does not administer the Ryukyu Islands directly. The day-to-day internal functions of government are performed by the Government of the Ryukyu Islands, under the general guidance of and through the authority delegated to it by the United States Civil Administration. The Government of the Ryukyu Islands operates the schools, the police, government hospitals and public health centers, the immigration system, its own courts, the welfare institutions, and the tax system. The executive branch performs almost all of the internal functions normally performed by a national government. The legislature enacts laws on all matters of domestic application. Practically all court cases involving Ryukyuan are tried in Ryukyuan courts. The policy of the United States Government is to transfer or delegate to the Government of the Ryukyu Islands all functions that need not be reserved to the United States as administering authority, and to eliminate all controls which are not essential to the maintenance of the security of the United States military installations in the Ryukyus or of the islands themselves. The policies were announced by the late President Kennedy on 19 March 1962.

There has been a steady growth in the functions of the Government of the Ryukyu Islands during its 14 years, and this process has been accelerated during the past two years. We have expedited procedures for exit and entry, and have adopted streamlined procedures which have resulted in a much more efficient and satisfactory immigration service. The jurisdiction of the courts of the Government of the Ryukyu Islands has been increased by transferring to them from Civil Administration courts additional categories of cases. At one stroke, the former High Commissioner LTG Albert Watson, II, abolished 39 Civil Administration ordinances, or more than one-fourth of the total, and have since rescinded many more. The present High Commissioner LTG F. T. Unger has already forwarded to the Chief Executive a list of 29 items of High Commissioner legislation which the High Commissioner will rescind as soon as the GRI Legislature passes enabling legislation and establishes the requisite machinery to handle these functions. The Chief Executive now has the authority to select his department directors. We have transferred to GRI almost full responsibility for the entry, exit, and control of Ryukyuan vessels; for processing applications for

foreign investment; for controlling the import and use of all drugs except narcotics; for all construction work not involving external aid funds; and for approval of employment of non-Ryukyuan.

There are only examples of functions transferred in the past months. This is a continuing program which will be executed until we have transferred to the Government of the Ryukyu Islands all functions which the United States does not need to retain in the interest of accomplishing the Free World defense mission. The rate of transfer is determined largely by the capability of the local government to absorb new functions. It should be understood that each transfer involves the preliminary training of personnel to perform the new responsibilities, and the establishment of budgets for these purposes. Transfers in some cases must await the enactment of legislation, and in some cases the creation of new government agencies to handle the added responsibilities.

21. WHAT IS THE RELATIONSHIP BETWEEN THE UNITED STATES AND JAPAN OVER THE RYUKYUS?

We are working very closely with the Government of Japan on matters relating to the Ryukyus. The Government of Japan has been invited to participate in the provision of economic assistance to the Government of the Ryukyu Islands in the maximum quantity that meets the standards of need and the capability of efficient absorption. We are cooperating with Japan not only on matters of economic aid, but on all other matters with which the United States and Japan can work together to promote the welfare and well-being of the inhabitants of the Ryukyu Islands.

Our work with the Government of Japan on aid and other matters is accomplished in great part through two committees established in 1964. The U. S. - Japan - Ryukyus Technical Committee in Naha considers all matters arising in the administration and implementation of Japan's economic assistance to the Ryukyu Islands. The U. S. - Japan Consultative Committee is an important and effective vehicle of the United States and Japan cooperation in making economic and technical assistance available to the Ryukyus from the Government of Japan, and conducts consultations on other matters on which the two

countries can cooperate in continuing to promote the well-being of the inhabitants of the islands. The establishment of these committees has resulted in smooth and efficient handling of Japan's aid to the Ryukyus through close cooperation.

We have cordial relationships with the Government of Japan, and we expect them to continue. The Government of Japan supports the arrangement spelled out in Article 3 of the Treaty of Peace. I believe there is full realization in GOJ circles that the presence of United States forces in the Ryukyus helps protect Japan.

22. ON WHAT BASIS OR PRINCIPLES DO YOU ACCEPT AID FROM JAPAN FOR RYUKYUS?

First, external aid should be useful. I think that all would agree that the taxpayers of Japan should not be asked to provide money out of their own resources unless it meets a genuine and present need in the Ryukyus. Second, aid should be usable, that is absorbable at the time it is offered. This especially applies to construction work. There is no point in funding projects within a given Fiscal Year that cannot possibly be undertaken within the time frame permitted by law. Some projects are more important than others, and priority must be given to those that meet present most urgent needs of the people of the Ryukyus.

Third, the aid projects must support the GRI/USCAR Joint Long Range Plan.

Fourth, aid from the Government of Japan should be such that it will be consistent with the administration of the Ryukyu Islands by the United States. The right to administer the Islands, granted under Article 3 of the Treaty of Peace, is recognized by both the United States and the Government of Japan as essential to the Free World defense mission being undertaken by the United States.

20

The fifth criterion is that aid should be of such nature and so handled that it does not interfere with the ability of the United States to carry out the assigned military mission, which is to help defend the free nations of the Western Pacific against aggression. So far as I know, no aid has been proposed which would frustrate the accomplishment of the military mission. As a hypothetical example, we could not go along with proposal to erect high-rise apartment houses at the approach to an air base.

There appears to be no great problem in the case of any of the (five) criteria. In the U. S. - Japan Consultative Committee, the United States invited the Government of Japan and Japan has agreed to provide \$25.8 million in aid to the Ryukyus for GRI's FY 1968. This aid was requested by the Government of the Ryukyu Islands and every project in the list meets all five criteria.

23. RELATIONSHIP BETWEEN THE U.S. MILITARY FORCES AND THEIR RYUKYUAN EMPLOYEES

It can generally be concluded that the cooperative relationship between the U. S. Forces and the Ryukyuan employees is at an all-time high at this time. The U.S. Forces have demonstrated that they are responsive to the needs and demands of the organized employees unions. A joint service group of management officials meets with members of the All Okinawan Military Employees Trade Union representing U. S. Forces employees as requested by the union on matters affecting the employees of all services. Union leaders are alert and reasonably open minded. They are, of course, interested in improvement of wages, working conditions, and other conditions of employment; but we have found them to be responsive to management's needs and limitations. We consider our employees to be loyal and trustworthy. They have responded to our increased missions by working long hours of overtime for extended periods of time without complaint. It is my opinion that we have a competent, loyal Ryukyuan work force of which we can be justifiably proud.

BACKGROUND: During the past ten years, there have been numerous improvements in working conditions, and other conditions of employment. As an example:

21

The lowest wage paid to a light laborer was \$.07 an hour in early 1956. Today, the lowest wage paid to a common laborer is \$.25 per hour;

Average wage has increased from \$46.82 a month in 1958 to approximately \$102.07 based on a sampling as of November 1966. The later figure includes language differential, night differential, and overtime and holiday pay. It does not include Obon and year-end allowances.

We have authorized the payment of two allowances; one month's wage for Obon and two months' wage for the year-end. These allowances added to base wage amount to an average income of approximately \$125.00 per month;

We have also authorized many other benefits including a generous separation allowance, maternity leave with pay, mourning leave with pay, annual and sick leave with pay, holidays with pay and physiological leave with pay. In addition we participate in GRI Medical Insurance Programs which provide medical benefits to U.S. Forces employees. Generally speaking, it is the policy of our system to adopt personnel practices prevailing in local industry to the maximum extent practicable.

24. HOW IS LABOR, GENERALLY SPEAKING, FARING IN THE RYUKYUS?

During the past three years, collective bargaining between labor leaders and management officials has shown a considerable improvement. Annual spring labor struggles during 1964-65 and '66 have passed rather quickly with no serious strikes and a remarkably small loss in man-work hours due to work stoppages. In 1965, the labor unions won settlements that increase their average wage from \$66.70 to \$75.66 per month, an increase of \$8.96, or 13.4%. In 1966 they won settlements that increased the average wage from \$76.96 per month to \$85.71 per month, an increase of \$8.75, or 11.4%.

During last quarter of 1966, 38 labor unions representing 30,034 employees gained an increase in year-end allowance. Average allowance paid in 1965 was 216 percent of one month's wage. Average allowance paid in 1966 was 243 percent of one month's wage. This is an average increase of 27 percent or \$25.27 over the average year-end allowance paid in 1965.

Much of labor will benefit from the medical insurance program which went into effect on 1 July 1966. In addition, a public service personnel retirement annuity program became effective on the same date.

I would say that labor is sharing equitably in the increasing prosperity of the Ryukyu Islands.