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MEMORANDUM OF CONVERSATION

Time and Place: November 9, 1978, 10:50 a.m.-1:00 p.m.  
Japanese Defense Agency, Tokyo, Japan

Participants:

United States

- Honorable Harold Brown, Secretary of Defense
- Honorable Michael J. Mansfield, U.S. Ambassador to Japan
- Honorable David E. McGiffert, Assistant Secretary of Defense (ISA)
- Honorable Thomas D. Ross, Assistant Secretary (PA)
- Lieutenant General George G. Loving, Jr., Commander, U.S. Forces, Japan
- Lieutenant General Eugene E. Tighe, Director, Defense Intelligence Agency
- Mr. Michael H. Armacost, Deputy Assistant Secretary of Defense,  
East Asia&Pacific Affairs/Inter-American Affairs (ISA)
- Rear Admiral Robert P. McKenzie, Chief of Staff, U.S. Forces Japan
- Mr. John G. Kester, Special Assistant to the Secretary of Defense and  
Deputy Secretary of Defense
- Mr. Albert Seligmann, Political Counselor, American Embassy, Tokyo
- Rear Admiral Thor Hanson, Military Assistant to the Secretary of Defense
- Mr. Nicholas Platt, Senior Staff Member, National Security Council
- Colonel Arthur E. Dewey, Executive Officer (ISA)
- Colonel Mowton Waring, Jr., Joint Chief of Staff (J-5)
- Colonel Richard A. Milburn, Chief, Mutual Defense Assistance Office
- Major General Thomas E. Clifford, DoD Public Affairs Office
- Mr. Edward M. Featherstone, Political Military Officer, American Embassy, Tokyo
- Captain John F. O'Connell, U.S. Defense Attache Office, Tokyo, Japan
- Mr. Tomomi Wakimoto, Interpreter, American Embassy, Tokyo

Japan

- Honorable Shin Kanemaru, Minister of State for Defense
- Parliamentary Vice-Minister Shuichi Takenaka
- Vice-Minister Akira Watari, Director General, Japanese Defense Agency
- General Takehiko Takeshina, Chief, Joint Staff Council
- General Shigeto Nagano, Chief of Staff, Ground Self-Defense Force
- Admiral Ryohei Oga, Chief of Staff, Maritime Self-Defense Force
- General Goro Takedo, Chief of Staff, Air Self-Defense Force
- Mr. Seishi Tamaki, Director General, Defense Facilities Administration Agency
- Mr. Akira Shioda, Director General, Japanese Defense Agency Secretariat
- Mr. Toru Hara, Director General, Defense Bureau
- Mr. Hisahiko Okazaki, Director General for Foreign Relations, JDA
- Mr. Minoru Tamba, Director, Security Division, MOFA
- Mr. Shigeru Mochida, Ministray of Foreign Affairs (Interpreter) Security Division
- Mr. Hisakatsu Ikeda, Director, Defense Planning Division, JDA
- Major General Tsutomu Matsunaga, Chief, J-5, Joint Staff Office
- Mr. Yutaka Ota, Director, Office of Foreign Relations, JDA
- Mr. Masakatsu Shingai, Staff, Defense Planning Division
- Mr. Takehisa Imaizumi, Staff, Defense Planning Division

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After welcoming Secretary Brown and his party, Minister Kanemaru said that the peace and security of East Asia remained heavily dependent on the U.S. military presence in the area. He expressed his deep appreciation for US efforts to maintain the peace and said that the JDA was making a serious effort to strengthen its own forces and to cooperate with US forces. Mr. Kanemaru said that he intended to go into some detail in regard to the JFY 1979 budget and cost sharing but, before entering into these subjects, would appreciate Secretary Brown's explaining progress in the SALT II negotiations, the military situation in Asia, the present status of US forces in Korea, and future prospects for US forces in Okinawa.

Secretary Brown expressed his thanks to Minister Kanemaru and said that the Soviets continued to build up their military strength at a rapid rate. He said that DIA Chief Lieutenant General Tighe would provide further details in his briefing for Kanemaru on November 12, but it was clear that the Soviets were pressing forward major improvements in their strategic forces and were continuing to improve their power projection capabilities in all areas, including Asia. He said that it was clear that the USSR had committed itself to major qualitative and quantitative upgrading of its general-purpose and strategic forces in Asia. The Soviet force posture clearly reflected a perception that the USSR might find itself having to wage simultaneous war against NATO and the West and against China and the United States and its allies in the East. He opined that the Soviets would continue their modernization programs for the next few years.

The Secretary expressed US determination to maintain the strategic balance. He noted that strategic parity now existed between the US and the USSR and that the US intended to maintain this balance. He called attention to the MX missile and strategic cruise missile under development.

Secretary Brown said that a new SALT II agreement would help preserve strategic parity, and would provide significant and important benefits for the US and its allies -- it would establish the principle of equal aggregates at lower levels, thereby reinforcing the principle of overall strategic equivalence. It would also place finite limits on Soviet mirrored ICBM's, those forces which we see as the most threatening to our forces. A new SALT II agreement would require the Soviets to dismantle about three hundred launchers currently deployed against us, while at the same time our defense options and those of interest to our allies would proceed without impediment. Testing and development of the cruise missile and its air launched version would continue, as would development of the MX. The short-term limitations on deployment and the protocol itself provided us time to study with our allies the possible utility of these various systems. The US would continue to evaluate mobile ICBM basing concepts such as the multiple-aim-point system. The parts of the SALT II agreement that had already been agreed explicitly permitted development of mobile ICBM launchers after the expiration of the protocol period, which would end well before ICBM systems would be ready for deployment. Secretary Brown concluded that prospects for a SALT II agreement were good; that such an agreement would not solve all our problems; but it would maintain parity and be beneficial for the US and its allies.

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3

The Secretary said that he believed the security situation in the Western Pacific was in rather good shape. Deployment of the Minsk to the Pacific was a possibility, but apparently Japan showed relative lack of concern inasmuch as it recently sold the USSR an 80,000 ton drydock which would make it possible to undertake repairs of the Minsk. The US agreed the Minsk was probably not a threat in this region. Backfire bombers would soon be deployed to Asian airfields and the Soviet fleet had been increased recently with the addition of three cruisers and five destroyers. While there was little cause for complacency, the USSR to date had been unable to translate its military power into effective political influence.

Turning to the political-military situation the Secretary said China's new outward looking policies, its emphasis on rapid economic modernization, and its persistent rivalry with the USSR should reinforce restraint and moderation on Asian issues. The Korean situation was developing favorably as a result of rapid ROK economic development, continued economic difficulty in the North, improvements in US and Japanese ties with the South, recent coolness in Soviet DPRK relations, and the shared interests of all major powers in avoiding another conflict there. ASEAN was moving in a desirable direction and the US-Philippine base talks were proceeding satisfactorily. The Vietnamese appeared anxious to normalize relations with the US and we would proceed in an orderly way to explore possibilities for using a relationship with Hanoi to dilute Soviet influence in Indochina and reinforce inhibitions on the SRV's conduct towards its neighbors. The continuing build-up of North Korean forces was another reason for concern on our part, even though this had been somewhat offset by enhanced ROK fire power, including a doubling of artillery battalions, added infantry battalions, and anti-tank guided missiles.

The Secretary said that there was some danger of a wider conflict in Indochina. Vietnam was improving its defensive capabilities along the PRC border, but the US had no firm evidence to substantiate Vietnam's charge that China was massing troops on its side. The Vietnamese doubtlessly saw a threat from the North and in the South they were apparently preparing for a dry season offensive along the Cambodian border. The Secretary also mentioned that there were some residual uncertainties in the Philippine base negotiations.

The Secretary expressed the view that neither the US nor Japan should be overly concerned about the growth of Soviet power as long as a sufficient balance was maintained. Soviet military strength should be viewed objectively with full consideration of all the many factors involved which constitute military strength. There were good and bad sides to the security picture, but on the whole the situation was good and reasonably favorable to the US side.

The Secretary said that the US force posture was being fine-tuned continuously to account for new conditions and developments. For example, the US had been replacing old ships and aircraft with new, more capable ones; it was equipping deployed units with new weapons and sensors and reorganizing its command structure and deployment procedures to improve readiness. The

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Date: MAR 17 2016

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4

Secretary cited the following specific actions: US deployment of an additional F-4 squadron to Korea; replacement of F-4s with F-15 and F-16s; assignment of additional F-14s to carriers; deployment of AWACS to the Pacific, (a practice deployment to Okinawa was conducted in October); naval improvements such as assignment of newest classes such as Spruance class destroyers, Perry class frigates and Los Angeles class submarines to the 7th fleet; and implementation of unit rotation for the Marines on Okinawa to ensure continuously high readiness of all deployed units.

With respect to Korea, the Secretary said there had been a vast improvement in ROK attitudes about troop withdrawal and the future security situation compared with a year ago. He had discerned a marked improvement in the US-ROK relationship. The following factors had contributed to this change:

- Congressional passage of the equipment-transfer legislation and FMS credits for 1978 at about the same level as the previous year;
- Arrival of the F-4 augmentation in Korea;
- The activation of the Combined Forces Command;
- Slowdown in this year's first phase of the withdrawal to be spread over two years;
- Impressive ROK progress in developing a defense industry to meet some of its own requirements;
- An increase in the size and scope of exercises.

The Secretary underscored U.S. determination to implement the withdrawal plan cautiously and in close consultations with the ROK, Japan and, of course, Congress.

The Secretary also called attention to some of the favorable international developments enhancing ROK security, including improved ROK-Japanese relations; coolness in USSR-DPRK ties; recent success of the ROK in expanding its relations in the third world; persistent North Korean economic problems; and PRC preoccupation with rapid modernization through new openings to the West, which should increase its incentive to avoid confrontation with the US and Japan over Korea. The Secretary expressed the view that these factors should help preserve the peace on the peninsula and reiterated his view that things were much better in Korea now than they had been one year ago from both a psychological and a military standpoint.

Regarding U.S. deployments in the Western Pacific and Indian Ocean, the Secretary said that there were only a few changes from the situation he had described during Minister Kanemaru's June visit, principally the qualitative improvements he had mentioned. Nevertheless both Japan and the U.S. much devote additional resources to the Pacific if they are to maintain an effective balance.

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Minister Kanemaru responded that he would like to address the Asian situation first, especially the impact of the Sino-Japanese Peace and Friendship Treaty (PFT). He said that the official Government of Japan (GOJ) position on the PFT was that it would provide a basis for building friendly relations between Japan and China and that these relations had been in an unfortunate state for a long time. He said the PFT was not of a military character, nor did it have any effect on any third country, including the Soviet Union. The treaty did not in any way whatsoever impinge upon the Japanese effort to maintain friendly relations with the USSR. Kanemaru admitted that both China and the Soviet Union attached military meaning to the PFT and this, in and of itself, irrespective of Japan's intentions had an impact on the international security situation.

Kanemaru said that the favorable equilibrium now obtaining in East Asia among the US, USSR, Japan and the PRC would be maintained. China was now a strong check against the power of the Soviet Union and progress in Chinese modernization and the subsequent growth of its national power and influence would tend to maintain the equilibrium described above. Noting the difficulties of predicting the direction of Chinese policy for an extended period of time, Kanemaru said that tremendously strengthened military power on the part of China or radical changes in Chinese leadership such as might lead to improvement in relations with the USSR, could transform China into a threat to Japan. It was the present GOJ judgment that there was no such danger in the foreseeable future.

Kanemaru explained Japan's geographical and political situation vis-a-vis the US, China and the USSR, and said Japan did not wish to permit any unnecessary deterioration of relations with the USSR in view of the large interests it had in maintaining some sort of worthwhile relationship. Kanemaru said that the PFT could lead to a relaxation of tension between South and North Korea but would not alter the present Chinese policy of favoring North Korea in view of the strategic importance of the DPRK to China.

Kanemaru expressed Japan's concern about the growing ties between the Soviets and Vietnam. He said that Japan would regard the provision by Vietnam of a naval base to the Soviets, for instance at Cam Ranh Bay, as a particularly unwelcome development which would have a serious effect on the entire Southeast Asia Region. Secretary Brown observed that the last occasion when the Russians used Cam Ranh Bay had not led to a happy result for their country. (Russian fleet stopping there in 1905 on way to Tsushima.)

Kanemaru called attention to the 1979 Japan Defense Agency (JDA) budget proposal which was outlined in a table he distributed. He said that the total JDA budget was 2,134 billion yen, an increase of 12.3 percent over 1978. This included 336.3 billion yen for major equipment, an increase of 20.6 percent over 1978. Kanemaru said that Japan was gradually increasing the Defense budget's ratio of GNP, but added that it was difficult to speculate on this ratio for next year, given the present difficulty in predicting exactly what the GNP increase might be.

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Kanemaru recalled that he had noted earlier the indispensable nature of the U.S.-Japan security arrangement for the peace and security of Japan. The stationing of U.S. forces was necessary in order to implement this arrangement and, indeed, was its central feature. In order to ensure that the stationing of such forces and the operation of bases in Japan was as smooth as possible, the Japanese would cooperate to the maximum extent within the framework of the SOFA. Kanemaru said that, as the US side is aware, the cost-sharing proposal consisted of a facilities and labor portion. The former, which involved the construction of dependent housing at Yokota and Atsugi air bases, the rebuilding of BOQs and BEQs at Misawa, Yokota and Iwakuni air bases, the reconstruction of a tank farm in Sasabo, and the installation of noise suppressors at Kadena, totalled some 14.2 billion yen for 1979 or 22.9 billion yen if one included JFY 1980 expenditures. Furthermore, Japan intended to make a continued effort to improve U.S. facilities even after 1980, concentrating on the reconstruction of housing.

Kanemaru recalled last December's agreement under which the GOJ assumed certain indirect labor costs. He said that a number of studies had been conducted as to whether Japan could assume a greater share of such costs. As a result, the JDA was of the opinion that, provided that the U.S. side agreed to bear the expense of bringing certain USFJ wages to the Japanese National Public Service (JNPS) level, the GOJ could undertake certain recurrent labor costs. He said that the GOJ was prepared to assume some 7 billion yen of these costs in its 1979 budget for those USFJ expenses which were in excess of the prevailing JNPS standard, that is, the USFJ differential allowance, language allowance, and part of the retirement allowances. Kanemaru said he would like to have U.S. assurances to a Joint Committee Agreement that the annual USFJ wage revisions henceforth would be effected smoothly, at the same time and in the same proportion as those for JNPS employees. He said the labor cost-sharing package would be examined closely in the Diet and the government expected to be questioned sharply. It would help the JDA's efforts in the Diet if the U.S. would minimize the impact on the local work force of the reduction-in-force in Okinawa to the greatest extent possible.

Minister Kanemaru noted that the SDC had conducted studies and consultations regarding military cooperation between Japan and the US since its formation in August, 1976. He said that the SDC had now completed the final draft guidelines for such cooperation. In this connection, he said he would like to express his appreciation to Secretary Brown, other US officials, Commander in Chief Pacific, Headquarters, USFJ and the embassy for their cooperation.

Kanemaru also recognized the help he was receiving from the US in procuring the F-15, the P-3C and said study was being given other possible systems for procurement such as the Patriot Missile Defense System. He said he would like special US help for the release of certain cryptographic and electronic equipment (KG-40, KW-7, data links, Mode IV) in order to achieve interoperability with U.S. systems.

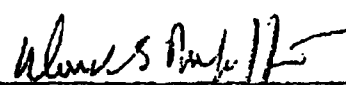
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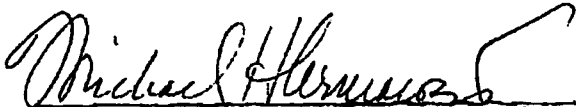
Secretary Brown responded by noting that the U.S. Government had worked closely with Minister Kanemaru and the JDA to minimize the Okinawa RIF announced earlier this summer. He said that the U.S. would continue to work closely on any future facilities realignment to minimize the impact on the labor force. He said that he understood the Diet would approve a National Public Service wage increase of 4 percent in November, retro-active to April 1, 1978 and the U.S. would try, as last year, to implement this increase smoothly for USFJ employees. In regard to U.S. cooperation on cost-sharing, the Secretary said the U.S. side was willing to continue negotiations on details, but that it was not appropriate to do so in this forum. He said that the U.S. policy on wages for USFJ employees was that their wages should be no less favorable than for Japanese National Public Service employees.

The Secretary expressed the deep appreciation of the United States Government for the GOJ's cost-sharing effort and, in particular, for the determination of Minister Kanemaru, who had done so much to bring this proposal to fruition. The Secretary characterized the proposal as a very significant step which would help to stabilize the U.S. military presence in the face of constantly rising costs. He said that it would be extremely well received throughout the entire American Government and would particularly help him vis-a-vis the United States Congress.

The Secretary acknowledged JDA's concern about the P-3C data links, Mode IV, the Patriot Missile System and training, and said that such issues when they arose in the future would receive high-level attention so that they would be resolved quickly. He expressed his personal confidence that they would be satisfactorily resolved. He reiterated the U.S. desire for compatibility and interoperability of equipment and said that this would enable closer, more effective operations between US and Japanese forces.

Secretary Brown thanked Mr. Kanemaru for the opportunity to exchange views, and said he felt that the talks had served to deepen US-Japan cooperation in the security area and had, therefore, helped to achieve the purposes of the Treaty of Mutual Security and Cooperation.

  
 Assistant Secretary of Defense  
 International Security Affairs

  
 Deputy Assistant Secretary of Defense  
 International Security Affairs  
 (East Asia&Pacific/Inter-American Affairs)

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Sonoda said maintenance of the US-Japan security treaty was his first concern as Foreign Minister, while the first concern for the Defense Minister was how to implement the treaty. Sonoda had been telling the leaders of other countries, including the Soviet Union, that Japan's relations with the U.S. were the cornerstone of Japanese foreign policy. What Secretary Brown had accomplished in the past year had contributed to strengthening Japan's position. With the security treaty as the cornerstone of Japanese foreign policy, the U.S. and Japan united could avoid conflict. Japan needed to stabilize the use of U.S. bases in Japan to produce confidence among the Japanese people that the government could deal with an emergency. Sonoda said he was aware of U.S. budgetary constraints and the effect of yen appreciation. The government was exploring ways in which the Japanese side could cooperate.

It was important to get the understanding of the Japanese people and neighboring countries, including the Soviet Union, that the U.S. and Japan were in accord. Recently voices were heard in Japan calling for the strengthening of the Japanese defense forces, but he could not welcome these unconditionally. There were two arguments: (1) Japan must act within a framework consistent with the U.S.-Japan security relationship; (2) U.S. forces were insufficient and unreliable in an emergency so that Japan must strengthen its own forces. Sonoda said the second argument was dangerous and he would do his best to see that the first argument prevailed. His personal view was that it was not in order to enter into a Diet debate on the need for emergency legislation. He was no expert, but it seemed to him the self-defense forces could do much within the context of present legislation by reorganizing their structure, e.g., by strengthening naval forces as opposed to emphasis on ground forces.

Elsewhere in Asia Sonoda took note of the tensions on the Indo-China peninsula, but said he did not believe they would lead to war. Similarly, he thought the interaction among the interests of the Soviet Union, China and the United States should prevent major conflict from taking place on the Korean peninsula.

Sonoda said he was sure labor-cost sharing had been discussed in detail with the Defense Minister. He would only point out that while he fully appreciated the problem, whatever Japan did had to be worked out within the framework of the SOFA. In regard to actual figures, if the ratio of support were compared, Japan was well on a par with West Germany.

Recalling his remarks with regard to cabinet-level discussion of security matters, Sonoda said he was avoiding at this stage reorganization of the US-Japan security system lest it be related mistakenly to signing of the PFT or some other development. Japan's role was to prevent conflict in Asia and to cooperate to avoid U.S. involvement in conflict. Accordingly, there was need to inject political views into frequent exchanges at a cabinet level, in which Japan could present its thoughts on the security system and its political judgments as it pursued its foreign policy.

Finally, Sonoda said he was convinced from his frank exchanges with Chinese leaders that there was a change in the PRC attitude toward Taiwan and the possibility of conflict with the United States had declined appreciably.

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Secretary Brown said that Sonoda's view of the U.S.-Japan relationship as the cornerstone to security in the Western Pacific was the same as his own. The U.S. intended to maintain a strong presence in Asia and the Western Pacific and regarded Japan as its major partner in maintaining stability in the region. Japan's military capability expressed not only a projection of power but a political message to other Asian countries: the U.S. and Japan intended to cooperate within an overall security framework, with Japan's capability being exercised within this framework, not as an expression of doubt about U.S. reliability.

The Secretary said a degree of openness and detail characterized security dialogue between Japan and the United States which was hard to conceive of five years ago. The ability to discuss such matters publicly signified substantial evolution in Japanese thought. The ability to formulate joint military plans, exemplified by the SDC guidelines to be approved by the SCC, further indicated the healthy state of the relationship.

The Secretary agreed that cabinet-level meetings, such as that taking place between the Minister and himself, brought political judgments to bear on security issues and were a further sign of maturity of our relationship: the fact that we could do so within the framework of existing agreements was a sign of the pragmatism of the two countries and a good omen for future -- there was no need to go through the shock of re-examining our security arrangements.

Major purchases of equipment from the U.S. leading at later stages to production in Japan had an important bearing on the ability of our two forces to work together and thereby deter war, which was their primary purpose. They also had a favorable effect on improving the trade imbalance, thereby gaining congressional and public support as well as gaining recognition of Japan's increased effort in the Defense area. Similarly, cost-sharing, which was discussed in detail with the Defense Agency, had a further favorable political effect. The Secretary recognized that MOFA had also cooperated in this effort.

Secretary Brown said the political-military situation in Asia was complicated, but trends on the whole were favorable to US-Japanese interests. The Sino-Soviet split tended to inhibit each country in different ways. In this context the PFT provided an element of stability in the situation, inasmuch as it showed Chinese intentions to depend increasingly on the West and Japan, particularly for infusions of technology. By the same token, it should inhibit adventures not only on the part of China but also on the part of states close to China. The Soviet Union had in turn beefed up its military presence both in Asia and the Pacific, but the U.S. as well was improving the quality of its forces. This, together with Japan's buildup and China's rivalry with the USSR, had prevented the Soviet Union from turning its military power to political advantage. There remained danger points of conflict, but the Secretary agreed with the Foreign Minister with regard to Southeast Asia, including the situation in Vietnam and Cambodia. While North Korea on the other hand was unpredictable, the Secretary believed that the demonstrations through compensatory actions that the U.S. meant what it said about the steps to be taken in conjunction with troop withdrawal had had a favorable effect on the ROK. Confidence had improved enormously compared with one year ago. Sonoda interjected that he agreed completely with the Secretary in regard to Korea.

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Secretary Brown said the Chinese had chosen to make Taiwan the central question in regard to normalization.

The U.S. in turn was committed to normalization, but maintained the strong view that it hoped to resolve the Taiwan question peacefully. We wished to retain economic and cultural ties with Taiwan and preserve its access to necessary military equipment. Fortunately, the Chinese, without abandoning their principles, have indicated they are a patient people.

Sonoda said Japan hoped to pursue its relations with the Soviet Union and not just lean toward China -- Japan was striving for "expanded equilibrium" when Teng came to Japan, Sonoda told him that opposition to normalization in the U.S. was rooted in pro-Taiwan sentiment rather than in anti-PRC sentiment. There had been substantial economic growth in Korea and Taiwan, and many countries were investing in Taiwan. He suggested that the PRC concern itself about the prosperity of Taiwan, citing the example of Hong Kong. Asked by the Chinese how he thought the PRC should proceed in establishing closer relations with the U.S., Sonoda had told them they should "take the box and leave the contents up to the U.S. side." It was necessary to respect the status quo of Taiwan in the light of the economic background of the situation. Sonoda said he saw no sudden change in PRC attitudes, although Taiwan might turn to the Soviet Union. Teng, however, had said he did not think this would happen.

Secretary Brown said the key question was whether the PRC would refrain from using military force, a theoretical question for the next few years, inasmuch as it lacked the capability of taking Taiwan by force. This was partly a psychological question, partly a question of the future. It was too much to expect an explicit renunciation of the use of force, but we needed some reassurance. The dilemma was to be sure, without occasioning damaging public statements by those concerned. Sonoda said that when he asked about renunciation of the use of force he had received an interesting answer, which he asked the Secretary to hold closely. Teng said that if a statement were to be made that force would not be used, it would not be possible to have a peaceful settlement. It was in this context that Sonoda had responded that it was better to leave implementation up to the U.S., i.e., the PRC should not worry about the contents of the box. He added that Taiwanese anti-communist sentiment would also probably keep them from turning toward the Soviet Union. Secretary Brown agreed that, barring some major catastrophe such as invasion, that it was very unlikely that Taiwan would turn to the USSR.

Asked for his impressions about Korea, Sonoda said that he agreed with the Secretary that the atmosphere had improved. The Secretary described the ROK's confidence as manifested in its economic plans for major expansion, and described a visit to the Chiangwon industrial complex. Sonoda said he too was impressed by Korea's economic growth, but the problem was how long it would continue in view of such problems as a labor shortage and inflation. As he had indicated to President Carter, he was also concerned about the attitude of Koreans toward money and patriotism, particularly when they left their country. Secretary Brown pointed out that Korea continued to sustain an annual growth of 10 percent and that increasing numbers of young people were receiving education in technical skills to enhance the skilled labor force. While there

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was concern about human rights, the effects of prosperity were well felt throughout the country.

*Charles Stubb*  
Assistant Secretary of Defense  
International Security Affairs

*Richard L. Hermann*  
Deputy Assistant Secretary of Defense  
International Security Affairs  
East Asia & Pacific/Inter-American Affairs

28 NOV 1978

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