

~~SECRET~~

#37

NATIONAL SECURITY COUNCIL  
WASHINGTON, D.C. 20506

52

~~SECRET~~

June 29, 1974

*File "Japan 092 1974" Box 65, 78-000*

MEMORANDUM FOR: The Acting Secretary of State  
The Secretary of the Treasury  
The Secretary of Defense  
The Secretary of Commerce  
The Secretary of Agriculture  
The Director, Office of Management and Budget  
The Director, Arms Control and Disarmament Agency  
The Director of Central Intelligence  
The Special Representative for Trade Negotiations

SUBJECT: U.S. Policy Toward Japan: NSSM 172

Attached is the paper on U.S. Policy Toward Japan prepared by the NSC Interdepartmental Group for East Asia and Pacific Affairs in response to NSSM 172.

We would like to receive formal agency views on this paper no later than Friday, July 15.

DECLASSIFIED IN FULL  
Authority: EO 13526  
Chief, Records & Declass Div, WHS  
Date: AUG 02 2018

*J. Davis*  
Jeanne W. Davis  
Staff Secretary

Office of the Secretary of Defense  
Chief, RDD, ESD, WHS  
Date: 02 AUG 2018 Authority: EO 13526 +  
Declassify: X Deny in Full: \_\_\_\_\_  
Declassify in Part: \_\_\_\_\_  
Reason: \_\_\_\_\_  
MDR: 18 -M- 1645

Attachment

cc: The Chairman, Joint Chiefs of Staff  
The Assistant to the President  
for International Economic Affairs  
Counsellor to the President  
for Economic Affairs

~~SECRET/CDS~~

Sec Def Cont Nr. X-2005

~~SECRET~~

18-M-1645



~~SECRET~~ ~~NOFORN~~

NSSM 172 - U.S. POLICY TOWARD JAPAN

*In the  
the entire  
document?  
No!*

The Question

DECLASSIFIED IN FULL  
Authority: EO 13526  
Chief, Records & Declass Div, WHS  
Date: AUG 02 2018

Policy Discussion

Since 1952, US policy toward Japan has rested on the same basic economic, political and security considerations. The objective circumstances surrounding this relationship are changing. Tensions have decreased between the US and Japan on the one hand and between the US and the PRC and the USSR on the other, while increasing between the latter two.

The Nixon Doctrine, altering the nature of US involvement in Asia, is seen by Asians including the Japanese as a reflection of a relative decrease in US power and less support within the US to commit it abroad. Increasing numbers of Japanese, drawing confidence from their own achievements, no longer see the US interest as the single dominant factor in all of their foreign policy considerations, and are finding it both desirable and necessary to increase the weight of their other interests in policy formulation. Some Americans, lured by Japan's economic success, are frustrated by Japan's unwillingness to become an unquestioning complement to US global strategy. (This is discussed in Annex C.) Serious questions have arisen regarding the stability of the domestic political scene in both countries, with the ruling establishment in Japan now supported by only half of the electorate and facing a strong challenge from the rejuvenated left. (This is discussed more extensively in Annex A.) The Japanese are aware that President Kennedy was assassinated, President Johnson declined a second term nomination and the House of Representatives is formally considering the impeachment of President Nixon.

Before another decade has passed Japan's economy may produce a GNP greater than the USSR and perhaps a per capita GNP greater than our own. Japanese economic activities and requirements for raw materials and markets with concomitant economic influence are matters with global impact.

The bilateral issues which traditionally have plagued US-Japan relations - military bases and security arrangements, China policy, trade and monetary problems - have been reduced to manageable proportions, though none have disappeared. This relative absence of significant bilateral tensions gives us an opportunity to re-examine the relation-

~~SECRET~~ ~~NOFORN~~



~~SECRET/NOFORN~~

DECLASSIFIED IN FULL  
Authority: EO 13526  
Chief, Records & Declass Div, WHS  
Date: AUG 02 2018

2.

ship to determine whether any changes are needed in our basic policies to insure continued U.S.-Japan cooperation in global and regional affairs.

In Section C we have reviewed US policy objectives to insure their relevance over the next five years and noted the constraints that Japanese needs and sensitivities impose on their attainment. We have examined existing policy guidelines to determine whether they still provide effective guidance on how we want our relations with Japan to develop globally and regionally. We have examined likely Japanese objectives and identified some potentially troublesome issues which we will continue to monitor closely.

Our consensus is that existing policy guidelines remain effective for the attainment of our objectives. We therefore recommend no change in basic US policies toward Japan.

#### Current Policy Guidelines

The U.S. places the highest possible value upon this partnership, and regards Japan as our major partner in Asia. We will pursue means to make the partnership equal, reciprocal, and interdependent in order to preserve its long-term viability. We will approach US-Japan multilateral cooperation from the standpoint of our overriding collective interest in a stable global environment, and will eschew short-term economic, political or other advantages in making key decisions.

#### Strategic/Security

We will seek to preserve the Treaty of Mutual Cooperation and Security without amendment.

We will continue to make gradual alterations in our base structure and base utilization in Japan in order to reduce major irritants while retaining essential base functions.

We will continue to encourage Japan to make moderate increases and qualitative improvements in her defense efforts, while avoiding any pressure on her to develop substantially larger forces or to play a regional military role.

#### Political

We will seek to sustain US-Japan cooperation on multilateral problems of common concern -- especially the relationship between the advanced industrialized democracies, energy, international trade and monetary reform, Indochinese rehabilitation, and encouraging detente on the Korean Peninsula.

~~SECRET/NOFORN~~