Citation Information:

National Security Affairs, Brzezinski Material, President's Correspondence with Foreign Leaders File (3), "Japan: Prime Minister Takeo Fukuda, 2-12/77", Box 11

THE WHITE HOUSE WASHINGTON

July 15, 1977

Dear Mr. Prime Minister:

I congratulate you on your Party's showing in Sunday's Upper House elections. The outcome confirmed what I myself have learned in many elections: trust the voters rather than the polls.

I look forward to working closely with you in the months ahead as together we seek a more prosperous and stable global order, including wider cooperation between us in the field of nuclear energy. Our technical team has just returned from lengthy discussions with your own experts on the Tokai issue. They have spoken in glowing terms about the hospitality extended them and the close working relations they established with their Japanese counterparts. I appreciate your government's efforts to facilitate the work of the team. I believe we can find a compromise that will accommodate both our interests, and I will work hard to achieve it.

If you have any thoughts you wish to convey to me on this or other subjects, I hope you will feel free to utilize the telephone or the Cabinet line which provides a direct communication link between us.

Sincerely yours,

His Excellency Takeo Fukuda

Prime Minister of Japan

Tokyo

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SUBJECT: THE REPROCESSING ISSUE AND PUTURE U.S. JAPAN RELATIONS GIVE IN THE BEEN AT THIS POST DNLY A PEW WHEN AND THE CLEAR TO THE THIS POST DNLY A PEW WHEN AND THE STATE OF THE STATE OF

1. I HAVE BEEM AT THIS POST ONLY & FEW WEEKS BUT IT IS NOW CLEAR TO MP THAT THERE IS ONE POLITICAL ISSUE BETWEEN.
US AND JAPAN THAT WARRANTS MY SENDING YOU A DIRECT MESSAGE.
I REPER TO THE NUCLEAR FUEL REPROCESSING PROBLEM THAT LIES BEFORE BOTH GOVERNMENTS. I SUGGEST THAT ATTEMPTS TO RESOLVE THE PROBLEM HAVE REACHED A CRITICAL STAGE. ACTIONS TO BE TAKEN SUBSEQUENTLY COULD HAVE PROPOUNDLY ADVERSE EFFECTS ON OUR PUTURE RELATIONS UNLESS HE URGENTLY SEEK A COMPROMISE WHICH BALANCES MON-PROLIFERATION CONCERNS AGAINST EMERGY MEEDS AND WHICH INSURES THAT THE REPROCESSING ISSUE IS ADDRESSED IN THE CONTEXT OF OUR OVERALL RELATIONSHIP.

2. FOR REASONS WHICH THE EMBASSY HAS ANALYZED AND REPORTED OVER THE PAST SEVERAL MONTHS, THE JAPANESE GOVERNMENT VIEWS THE REPROCESSING ISSUE AS AFFECTING ITS VITAL INTERESTS IN MAYS WHICH OUR CURRENT ECONOMIC DIFFERENCES, FOR EXAMPLE, DO NOT. THE CLAIM HAS REEN MADE BY HIGH-LEVEL JAPANESE OFFICIALS THAT THE U.S. OGES NOT UNDERSTAND JAPAN'S EXTRAORDINARY ENERGY PREDICAMENT, ITS COMMITMENT TO SOLELY PEACEFUL USES OF NUCLEAR ENERGY, AND THE DISCRIMINATION AGAINST JAPAN VISHA-VIS THE MESTERN EUROPEAN NATIONS RELATED TO THE USHJAPAN NUCLEAR COOPERATION AGREEMENT. I ATTRIBUTE SOME OF THIS DISCORD TO THE RECENT ELECTION CAMPAIGN. BUT THERE IS WIDE. SPREAD AGREEMENT AMONG JAPANESE ON THIS ISSUE AND A FACTUAL BASE TO THE JAPANESE ARGUMENTS WHICH WE MUST

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Electrostatic Co for Preservatior BE ALERT TO AND WHICH WE MUST ADDRESS CAREFULLY AND THOUGHTPULLY AS THE NEXT ROUND OF POLITICAL-LEVEL NEGOTIATIONS APPROACHES.

3. SPECIFICALLY, THE ISSUE BECAME BERTOUS HERE IN APRIL, WHEN PRESIDENTIAL STATEMENTS, BOTH IN BUBLIC AND IN PRIVATE TO PRIME MINISTER FUKUDA, INDICATED THAT JAPAN COULD PROCEED WITH REPROCESSING, ONLY TO BE COLLOWED BY FINTERPRETATIONS OF THESE STATEMENTS TO THE CONTRARY. CHARGES OF THEAD FAITH WERE LEVELED. AGAINST USB DEFICIALS, ALTHOUGH SUBSEQUENTLY A PERSONAL MESSAGE EROM THE PRESIDENTITO EUKUDA GARRIED BY SECRETARY BLUMENTHAL STATED THAT THE PRESIDENT HAD NO INTENTION OF AUTHORIZING OPERATION OF THE TOKAT MURA. REPROCESSING PLANT AS ORIGINALLY INTENDED BY JAPANESE. THE PRESIDENT DID, HOWEVER, STATE THAT A COMPROMISE MODE OF OPERATION WOULD BE SOUGHT THROUGH NEGOTIATION.

THE LATEST PHASE OF NEGOTIATIONS CONCERNING THE FUTURE OF TOKAT IS NOW REACHING A CONCLUSION IN THE FORM OF A JOINT TECHNICAL BEFORT WHICH WILL BE SUBMITTED TO BOTH FOVERNMENTS ABOUNG JULY IS. IT HAVE BEEN BRIEFED ON THE NATURE AND CONTENT OF THIS REPORTS IT OUTLINES ABOUT IS ALTERNATIVE MODES OF OPERATION FOR THE BLANT, SOME OF WHICH WOULD REQUIRE YEARS OF MODIFICATION EFFORT AND HUNDREDS OF MILLIONS OF DOLLARS IN COSTS. EVEN THE MOST MODEST OHANGE IN RLANS WILL BE TIME CONSUMING AND EXPENSIVE . I AM DONVINCED THAT THE JAPANESE ARE PREPARED TO MAKE SOME ALTERATIONS TO THEIR DRIGINAL PLAN, PROVIDED REPEAT PROVIDED THAT THEY DO NOT HAVE TO COMMITTITHEMSELVES TO A DELAY OF SEVERAL YEARS AND THE EXPENDITURE OF LARGE SUMS OF MONEY BEFORE THE PLANT BEGINS TO FUNCTION. WHAT IS MOST DISTURBING, HOWEVER . IS THAT I HAVE HEARD RUNGES EMANATING BROW. WASHINGTON THAT THE TECHNICAL STUDY WILL RECVERTO BE MERELY AN EXERCISE. RATHER THAN THE FOUNDATION FOR A POLITICAL COMEROMISE, AND THAT THERE ARE SOME IN THE USG WHO WILL BE PRESSING THE PRESIDENT TO PERMIT NO REPEAT NO FORM OF REPROCESSING TO OCCUR AT TOKAT MURA. THE GROUNDS COR THIS POSITION ARE SAID TO GET (1) WE CANNOT AUTHORIZE, THE JAPANESE TO DO ROMETHING WE HAVE FORESHORN DURSELVES! (2) AMERICAN ENVIRONMENTALISTS WILL BRING SUIT AGAINST USETO STOPLANY ACTION WHICH PERMITS, THE PLANT TO OPERATE, 131 TRUSHAN IS AUTHORIZED TO PROCEED WITH REPROCESSING IN ANY FORM, OTHER LESS STABLE COUNTRIES WILL DEMAND THE SAME TREATMENT, AND (4) THE BRESIDENT'S NOW-ERQUIPERATION POLICY WILL BE SERIOUSLY AND PERHAPS IRRETRIEVABLY ERODED.

THERE IS OBTOUS MERIT TO THESE CLAIMS, BUTTHEY

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MUST BE BALANCED BY THE POTENTIAL ADVERSE CONSEQUENCES.

THE JAPANESE HAVE BEEN EXTRAORDINARILY CORTHCOMING AND COOPERATIVE IN REVEALING TO THE US EXPERTS THE TECHNICAL FEATURES OF THE RECROCESSING PLANT AND HOW ITS DESIGN MIGHT BE MODIFIED TO BETTER MEET US CROLIFERATION CONCERNS. IF, AFTER THIS HIGHLY PRODUCTIVE STUDY IS SUBMITTED TO THE TWO GOVERNMENTS, THE US REJECTS ALTERNATIVES FROM IT WHICH ARE UNREALISTIC IN TERMS OF DELAY OR COST, AGAIN WHICH ARE UNREALISTIC IN TERMS OF DELAY OR COST, AGAIN THE JAPANESE OF HAVING NEGOTIATED IN BAD FAITH, FURTHER COMPLICATING THE ISSUE.

6. IN MY PERSONAL OPINION, THE REPERCUSSIONS WILL BE LONG LASTING, SEVERE, AND WIDESPREAD, FOR EXAMPLE, THERE IS ALREADY A GONE SIDERABLE AMOUNT OF PRESSURE BUILDING UP TO DIMINISH NUCLEAR SUPPLY TIES WITH THE U.S. AND TO TURN TOWARD THE SOVIETS FOR BT

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AND OTHERS FOR ADVANCED ROWER PLANT TECHNOLOGY AND LARGELY QUE TO

THE PERCEPTION THAT THE U.S. IS NO LONGER A DEPENDABLE ALLY IN

THE NUCLEAR FIELD. MOREOVER, FOR DECADES THE JAPANESE MAVE DER

CEIVED ARSUMED ENERGY SUPPLIES AS ESSENTIAL TO SURVIVAL, WITH

AND DOMESTIC ENERGY SUPPLIES AS INDISCRESSENTIAL TO SURVIVAL, WITH

AND DOMESTIC ENERGY SUPPLIES AS INDISCRESSENTIAL TO DESTION THE SE

MEETING THEIR FUTURE ENERGY NEEDS A CONTRACTURE TO HERO THESE

NATURE OF OUR PARTIMENT WES LEAD THEM TO QUESTION THE

SHARED WORLDWIDE ECONOMIC OBJECTIVES AND MORE DURY STANKES ON SECURITY. AND LAST, THE ILL WILL CAUSED AMONG THE AST AND SECURITY. AND LAST, THE ILL WILL CAUSED AMONG THE AST AND SECURITY. AND LAST, THE ILL WILL CAUSED AMONG THE AST AND THE

SECURITY AND LAST, THE ILL WILL CAUSED AMONG THE AST AND THE

U.S. BEING BROUGHT TO REAR ON THEM. IN A WAY WHICH COULD THE

THAT MAY NOT BE IMMEDIATELY QUANTIFIABLE BUT WHICH IS SEALEAND THE PRESIDENT IS ABSOLUTELY ESSENTIAL.

FOR A COMPROMISE, I LEAVE THAT TO THE EXPERTS ON SOTH STORS.

HOWEVER, I AM OF THE STRONGEST POSSIBLE OPINION THAT. A PRESERVED IN A FORM THAT IS FREE OF LINGERING JAMANESE SUSPICIONS AND SEST ENCOUPAGES POSITIVE JABANESE SUPPORT. SECOND. THE COMPROMISE MUST BE REACHED EXPEDITIOUSLY -- WITHIN A VERY FEW MONTHS AT THE MOST, TO PROCRASTINATE LONGER WILL SCITTO MARDEN EACH SIDE S POSITION. THE COMPROMISE MUST INCLUDE PERMISSION FOR THE TOKAL PLANT TO OPERATE IN SOME RASHION AT THE EAGLIEST POSSIBLE TIME. AND FOURTM. THE JAPANESE MUST BE PERMITTED TO RETAIN THE OPTION OF OPERATING THE PLANT FOR COMMERCIAL REPROCESSING PURPOSES IN THE EVENT THAT THE U.S. IN SUBCESSFUL IN STOPPING PLUTONIUM REPROCESSING THROUGHOUT



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THE HORLD.

8. FINALLY. IN OUR CONSIDERATION OF THIS ISSUE WE SHOULD BEAR FINALLY, IN OUR CONSIDERATION, OF THIS ISSUE, WE SHOULD BEAR IN MIND THAT THE JAPANESE WILL BE GOVERNING THEIR TREATMENT TO THAT WE ACCORD OUR WEST EUROPEAN ALLIES. IN PARTICULAR, WEST GERMANY. THEY WILL ASK THEMSELVES, UNDERSTANDABLY I SELIEVE, WHETHER WE GIVE JAPAN'S NPT PLEDGES LESS GREDENCE THAN THOSE OF THE EUROPEANS AND WHETHER WE ARE PREPABED TO DENY THEM NUCLEAR FACILITIES. WHICH THEIR EUROPEAN INDUSTRIAL ALLIES TO AND COMPETITORS TO ALREADY HAVE. THESE ARE OF COURSE, EXTRAORDINARILY DIFFICULT GUESTIONS TO RIELD! THEY GO DIRECTLY TO THE HEART DIFFICULT QUESTIANS TO RIELD, THEY GO DIRECTLY TO THE HEART

9. IF YOU CONSIDER THESE PERSONAL VIEWS TO HAVE MERIT. I WOULD BE GRATEFUL IF YOU WOULD MENTION THEM TO THE PRESIDENT. I ALSO OFFER MY SERVICES IN BEACHING A NEGOTIATED COMPROMISE IN ACCORDANCE WITH THE POSITION TO BE TAKEN BY THE PRESIDENT! MANSFIELD UNQUOTE VANCE 81

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