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APR 16 1954

DEFENSE SUBMISSION TO OCB WORKING
GROUP ON NSC 125/2 AND 125/6 - JAPAN - FOR OCB PROGRESS REPORT



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SECTION ONE - Major Implementing Actions
Under Courses of Action

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AUTHORIZATION
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Date 4/16/54

NSC 125/2 7b (1):

The United States concluded effective 25 December 1953 an Agreement with the Government of Japan under which the Amami Island Group was returned to Japanese Sovereignty. Concurrently, a Base Rights Agreement was negotiated by the Governments of the United States and Japan which gives the U. S. the right to occupy and use the required military installations in the Amami Island group. With respect to the remaining Islands covered by Article III of the Peace Treaty with Japan under U. S. retention, the Ryukyu Islands have been administered by a Governor (CINCFE) and a Deputy Governor located in Okinawa. The Islands of the Bonin-Volcano group are administered by CINCPACFLT as the military Governor.

The President, in his State of the Union message to Congress, stated that in the light of the world situation, particularly in the Far East, it would be necessary to retain the Ryukyus "indefinitely." In addition, the President, in his letter dated 16 March 1954 to Mr. Shuhei Higa, Chief Executive, Government of the Ryukyu Islands, stated "as you know, I recently stated the intention of the U. S. to maintain bases in the Ryukyus indefinitely, a decision necessitated by our determination to assist in developing defense against further Communist aggression."

The Inter-U.S. Agency Pacific Security Conference held at Pearl Harbor 11-14 May, 1953, agreed that because of the strategic interest of the U. S. in the Bonin-Volcano Islands the status quo should be maintained with respect to U. S. control over the islands during the present unstable security situation in the Pacific. This Conference also agreed to maintain the status quo with respect to the policy of retaining the Bonin-Volcano Islands closed to further colonization as established by the SWNCC in its decision SWNCC 214/2 of 23 November 1945.

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The Department of the Army charged with the responsibility for the administration of the Ryukyu Islands prepared in August, 1953, a proposed revised directive to guide those charged with that administration. Inter-Agency discussions resulted in the submission of the proposed directive to the NSC where it is still pending action.

NSC 125/2 7b (1) and 125/6 3b (1):

A. Summary
B. Key
C. Attr.

During the period of this report, Japanese ground forces continued at a level of approximately one hundred ten thousand consisting of the approximate equivalent of four Japanese Infantry Divisions. Because of constitutional limitations, an increase of immediately available sea defense potential and a broadened base for training was accomplished by the turning over of eighteen patrol frigates and fifty landing craft on a loan basis under PL 467, 82nd Congress which was completed on 23 December 1953. The process of transfer on a loan basis of approximately five million dollars worth of radar equipment, training aids, and 20 and 40 mm guns is progressing.

① Loan of light & heavy equipment to Japan
② begin to transfer title under JWR
③ High grade NSF do
④ High grade NSF do
⑤ High grade NSF do
⑥ High grade NSF do

Overall training of the Japanese Coastal Safety Force has progressed to such a point that in March 1954 the largest fleet type training exercise to date was held. This exercise involved the protection of a transport convoy and included both anti-submarine and anti-aircraft exercises. The major portion of the CSF fleet units participated including all of the 18 patrol frigates and 24 of the 50 landing ships loaned to Japan plus 20 minesweepers. U. S. observers of the exercise reported generally satisfactory progress in individual ship performance but unsatisfactory progress in performance of ship tactical units.

Previously proposed force goals representing minimum forces considered necessary to defend Japan when U.S. forces have been withdrawn have been revised by the JCS. Planned ultimate composition of Japanese naval forces are:

- 4 light (defensive type) carriers *
- 3 AA cruisers *

* Not to be recommended to Japanese Government at this time.



- 30 DD
- 75 DE
- 50 Large Minesweepers
Large number of small ASW, minesweeping and patrol craft.
small number coastal submarines for training
- 4 Minelayers
- 2 LST
- 3 Mother Supply Ships
- 10 Patrol squadrons (ASW)
- 18 Patrol Frigates (already on hand)
- 50 Large Support Landing ships (already on hand)

The proposed scheduled build-up and approved build-up from U.S. sources are reflected in the following table:

<u>PROPOSED</u>	<u>APPROVED BY SECDEF</u>
(Addition to Existing Forces) (From U.S. and Japan Sources)	(For Loan)

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	<u>JFY 53 and 54</u>	<u>JFY 55</u>	<u>JFY 54</u>
Escort Flag		1	
DD	8	6	2 ?
DE	5	10	2 ?
Subchaser	3	22	
SS	2		1
Tender	2	1	
DM	1	1	
AMS	7		2
LST			
MSB 4			1
Misc.	4400T	18 craft	
Air Squads	1	2	1

Although prospective Japanese build-up of naval forces is much slower than desired by the U.S. it represents a good start when considered in the light of difficulties faced by the Japanese, particularly her constitutional prohibition against maintaining armed forces, ^{her economic limitations} the unreadiness of a large part of the Japanese population to accept rearmament and the vulnerability of conservative political forces to leftist attacks if armament build-up is pushed too rapidly at this time.

The Japanese have requested the U. S. to contribute more ships, but we are unable to do more than indicated in the approved forces above because our shipbuilding budget is not large enough to obtain new ships considered necessary to modernize U.S. naval forces and because there is a general shortage of escort type vessels. The Japanese should be urged to build as many of their ships as possible in order to add to the total naval resources of the free world, which would not be the case if we create a Japanese Navy from U.S.

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Reserve Fleet ships. Japan should, however, be given an initial allotment of U. S. ships for broad basic training and prototype purposes and it is on this premise that the ships in the APPROVED list above are being programmed for loan during the first year under the Mutual Security Assistance Agreement.

The Joint Chiefs of Staff planned ^{for} ultimate composition of Japanese naval, ground and air forces are no^w based on the development of a balanced force structure; ^{the principle of balanced structure has been accepted by the Japanese without,} and the Japanese plan to organize their forces on this structure. ^{however, their knowledge of the detailed US plans}

Army, Navy and Air Force Advisory Groups maintain close liaison with the Japanese Safety Forces to assist in organizing, training, and development.

On 8 March 1954, the U. S. and Japan executed a Mutual Defense Assistance Agreement. Ratification required by the Japanese Diet is forecast.

Negotiations have been completed for the establishment of a Military Assistance Advisory Group under Major General Gerald Higgins.

U.S.-Japanese negotiation for an increase in Japanese forces resulted in the Japanese Cabinet submitting to the Japanese Diet request for budgetary support for the Japanese Fiscal Year April 1, 1954, to March 31, 1955, as follows: (See attached Appendix A, subject "Strength of Japan's National Safety Force"). *Summarize major points in text*

The approximate ³¹142,000 ground forces will be organized into six Japanese-type infantry divisions.

On 11 March the Japanese Cabinet submitted to the Diet a bill which would expand the present mission of the Japanese National Safety Forces from maintenance of internal security to include "defense against external aggression." In addition, there is a provision for the establishment of a separate air arm. Passage of this legislation, which is forecast, would be a major step forward in the program to develop in Japan a military capability for self-defense.

NSC 125/2 7b (3):

Since the goal established in paragraph 7b (2) above has not proved practicable for the Japanese to reach a balanced 10 division ground force, and appropriate air and naval arms, it has not been possible to assist the Japanese in developing military capabilities for participating in the defense of the

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Strength of Japan's National Safety Force

(April 1, 1953 (Actual), 1954 (approx.), 1955 (planned))

	<u>Actual Strength</u> <u>April 1, 1953</u>	<u>Approximate Strength</u> <u>April 1, 1954</u>	<u>Planned Increase</u> <u>for JFY 1954-55 1/</u>	<u>Planned Strength</u> <u>April 1, 1955</u>
<u>Ground</u>				
Uniformed Pers. (000)	107.6	110.0 <u>6/</u>	21.3	131.3
Civilian Pers. (000)	<u>1.2</u>	<u>1.9</u>	<u>8.7</u>	<u>10.6</u>
Total (000)	108.8	111.9	30.0	141.9
<u>Sea</u>				
Uniformed Pers. (000)	6.0 <u>2/</u>	10.3	5.5	15.8
Civilian Pers. (000)	<u>0.2</u> <u>2/</u>	<u>0.4</u>	<u>0.2</u>	<u>0.6</u>
Total (000)	6.2	10.7	5.7	26.4
Gross Tonnage (000)	35 <u>2/</u>	54	15-25 <u>3/</u>	69-79
<u>Air</u>				
Uniformed Pers. (000)	0	0	5.0	5.0
Civilian Pers. (000)	<u>0</u>	<u>0</u>	<u>0.5</u>	<u>0.5</u>
Total (000)	0	0	5.5	5.5
Number of Aircraft	0	87 <u>4/</u>	80-130 <u>5/</u>	167-217
<u>NSA Headquarters</u>				
Civilian Pers. (000)	0.5 <u>2/</u>	0.6	0.2	0.8
<u>Grand Total</u>				
Uniformed Pers. (000)	113.6	120.3	31.8	152.1
Civilian Pers. (000)	<u>1.9</u>	<u>2.9</u>	<u>9.6</u>	<u>12.5</u>
Total (000)	115.5	123.2	41.4	164.6

1/Year beginning April 1, 1954.

2/Estimated

3/Detailed plans as to vessels to be provided by U.S. not yet formulated.

Japanese plan to construct 30 vessels with total tonnage of 12,000.

4/Trainers and helicopters financed by Japanese Government; procurement in process.

5/Detailed plans as to aircraft to be provided by U.S. not yet formulated. Japanese draft budget provides for purchase 30 T-34's; assumed that U.S. will provide 50-100 additional aircraft.

6/authorized strength

(pencil note) --Planned increase in ground (Army) includes increase present 4 regions (divisions) to 6.

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Free Nations of the Pacific area. During the period of this report, U. S. efforts were directed solely toward encouraging Japan to assume responsibility for Japan's defense and to adopt a program for expansion of balanced military forces to a level adequate for this purpose. Until adequate force capability of defending the main Japanese Island is on hand and trained, little consideration can be given to developing military capabilities for Japanese participation in the defense of other Free Nations of the Pacific area.

NSC 125/2 7b (4))
NSC 125/6 3b (2))

During the period of this report, the U. S. maintained in Japan, Okinawa, and Korea, nine and two-thirds divisions of ground forces, of which, for the majority of the time, two divisions were stationed in Japan. Scheduled redeployment, currently held in abeyance, provides for the return to Japan of the 24th Infantry Division in the period October-December 1954. While the 40th Division has been redeployed to the United States, under recent policy guidance under NSC 170/1, there has been no significant reduction of other forces in the Japanese area.

Little progress has been made with the Japanese to develop joint planning for the defense of Japan and to work out a command structure for the Japanese National Safety Forces which would permit joint tactical use with U. S. forces in case of emergency. General Hull has reported promises of Prime Minister Yoshida to direct the initiation of Japanese participation in such development. *Japanese recently have indicated greater cooperation*
Thus far, however, the Japanese remain reluctant. However, General Hull has reported an understanding with Prime Minister Yoshida that in the event of an emergency, Japanese forces would operate under the command of CINCFE; for political reasons it is not possible for the Japanese Government to reduce this understanding into writing. Some combined planning, insofar as the defense of Hokkaido and Northern Honshu is concerned, was carried on during the period of this report between US XVI Corps representatives and JNSF officials.

NSC 125/2 7b (5):

During the period of this report, forces were maintained in Japan for the support of the UN operations in Korea prior to the Armistice and forces

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were maintained in Japan subsequent to the Armistice in support of the UN tasks in Korea.

NSC 125/2 7b (6):

NOTE: Mac this will be submitted within a few days.

SECTION TWO - Statement of Major Current Military Problems in US-Japanese Relations

Japan is the only non-Communist nation of the Far East which has the capability, in the foreseeable future, of developing and maintaining without assistance military forces adequate for national defense. Furthermore, Japan possesses human and material resources and the industrial base upon which to build a power position which would serve as the bulwark of free world defenses in the Far East and an effective deterrent to Communist aggression. The prerequisite first step toward realization of Japan's potential contribution to free world security is the acceptance by Japan of responsibility for her own defense.

The problem of Japanese rearmament is complex and politically delicate. It stems from numerous factors which are political, economic and psychological in origin. Its solution is of critical importance to the security of the United States and the Free World. Japanese reluctance to accept responsibility for Japan's defense and attendant slowness in developing military forces is the major current military problem with respect to Japan.

The more immediate problem is to obtain from the Japanese Government a definite commitment beyond the current Fiscal Year (1 April 1954-31 March 1955) in respect to the size and composition of Japanese defense forces. Thus far, the Japanese have refused to make such a commitment. While certain recent progress has been made and full cognizance is taken of the economic and political difficulties, it is to be hoped that the Japanese will, in the immediate future, more clearly appraise the danger and her vulnerability.

The balanced 10 Division ground force goal was, on 29 December 1953, increased to a force goal of 15 Divisions, although the over-all strength of the Japanese Security Forces was increased only from 325,000 to 348,000.

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This force goal is entirely unilateral on the part of the United States and reflects no commitment on the part of the Japanese Government.

The present status of Japanese defense forces requires the stationing of United States forces in Japan to secure Japan against external aggression. There is a natural resentment on the part of the Japanese against the presence of foreign forces. This resentment is encouraged and exploited by indigenous Communists and Communist sympathizers. Furthermore, the presence of U. S. forces is an issue capitalized upon by opposition political parties to the detriment of United States-Japan relations. Development by Japan of military forces to a level which would permit withdrawal of United States ^{ground} forces would remove one significant source of friction in the relations between the two nations.

24. 11. 52

*For better action, mobilization objectives?
Tap build-up in relation to G, W2, Formosa, etc. ROK.
Steps to achieve better joint planning.*

*what are realistic expectations for seen.
lot of views of force goals?*

SECTION THREE - Evaluation and Recommendations as to Proposed Modifications or Changes in Current Policy

The United States objectives with respect to Japan as stated in NSC 125/2 and reaffirmed in NSC 125/6 remain valid. However, NSC 125/2 was approved on 7 August 1952 and NSC 125/6 on 29 June 1953. Subsequent to those dates several courses of action have been implemented and hence are no longer pertinent. For this reason, as well as due to passage of time, the discussion in support of the objectives and courses of action is in numerous instances no longer current. Furthermore, it would be desirable to consolidate United States policy with respect to Japan into one document. For these reasons it is recommended that the policy statements contained in NSC 125/2 and 125/6 be reviewed and revised and a current statement of policy issued.

NSC 125/2 para 7b (2) and NSC 125/6 para 3b(1) give emphasis to the development of Japanese ground forces while the JCS have expressed the necessity for a balanced force structure comprised of appropriate strength in naval and air forces as well as ground forces. This concept is also reflected by the Japanese and is supported in the recently negotiated Mutual

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Security Assistance Agreement. It is recommended that pertinent paragraphs of the two papers be revised to reflect the balanced force concept.

It is further recommended that NSC 125/2 and NSC 125/6 be reviewed, brought up to date and consolidated into one paper.

HPROCTOR;NEA;Defense Alternate Member

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