



Morning Alert - Thursday, January 26, 2017

The following information reflects the reporting of the cited news media and does not reflect the opinions of the U.S. Embassy in Tokyo. Japan Media Highlights is intended for USG use only and should not be forwarded. Visit the website [here](#). For more information, contact TokyoMATT@state.gov.

HEADLINES

Morning news

NHK gave top play to a report that President Trump signed an executive order on Wednesday ordering the construction of a wall on the U.S.-Mexico border. Fuji TV reported that a Jamaican relay team has been stripped of its gold medal from the 2008 Beijing Olympics because one of the members was found guilty of a doping violation, putting the Japanese team in second place. Other top news included reports that Ozeki Kisenosato became the first Japan-born yokozuna sumo wrestler since 1998 on Wednesday.

Major front-page items in national papers included a surge in share prices during Wednesday's trading at the New York Stock Exchange, President Trump's signing of an executive order on building a wall on the U.S.-Mexico border, and arrangements to hold a U.S.-Japan summit meeting in Washington on Feb. 10.

INTERNATIONAL

U.S.-Japan summit likely to be held on Feb. 10

Yomiuri claimed in its top story that final arrangements are being made for Prime Minister Abe to visit Washington for talks with President Trump on Feb. 10, predicting that an official decision on the summit will be made during a phone conversation between the two in the near future. The Japanese leader is hoping to obtain a commitment from the new U.S. administration on continuing close bilateral cooperation to deal with China's maritime advancement and North Korea's nuclear and missile development. Bilateral coordination on the trade front will also be a major topic of discussion following the President's decision to withdraw from the TPP. Together with the planned trip to Japan

by Secretary of Defense Mattis next week, the summit will present the Abe administration with an opportunity to call global attention to the close trans-Pacific alliance.

LDP to send team of legislators to U.S.

Nikkei wrote that the ruling LDP is planning to dispatch to the U.S. a group of lawmakers led by former agriculture ministers Nishikawa and Moriyama in order to obtain information on the Trump administration's economic and trade policies. The LDP team is expected to hold talks with leading U.S. business executives and representatives of agriculture lobbying groups.

Saudi leader to visit Japan in March

Nikkei reported in a front-page article that King Salman of Saudi Arabia is expected to visit Japan in March for a summit with Prime Minister Abe, noting that it will be the first trip to Japan by the leader of the Arab nation in 46 years. While noting that Abe plans to pledge support for Riyadh's economic reform initiative intended to end its dependence on oil exports, the daily said the two nations' bilateral cooperation will expand beyond the economic realm to cover the political and defense areas, as Saudi Arabia is now playing a greater role in the global war against international terrorism and ensuring maritime security in the Arabian Sea. The Saudi government is reportedly considering stationing a defense attache in Tokyo.

SECURITY

Japan bracing for Mattis to raise issue of host nation support

All papers reported on the upcoming U.S.-Japan defense ministerial meeting in Tokyo in early February, saying that GOJ officials are pleased with the early visit by Secretary of Defense Mattis based on the judgment that it probably represents the Republican administration's plan to maintain the rebalance-to-Asia policy promoted by the Obama administration. Mainichi predicted that Secretary Mattis will pay a courtesy call on Prime Minister Abe on Feb. 2, followed by a meeting with Defense Minister Inada the next day. Asahi said the Secretary chose East Asia as the destination of his first overseas tour in order to address growing qualms held by U.S. allies about the new U.S. government's engagement with the region.

However, the GOJ is bracing for the new U.S. defense chief to bring up the subject of Japan's host nation support in accordance with President Trump's calls for Tokyo to pay more for the stationing of U.S. troops. As Inada is set to explain that the GOJ pays more for the U.S. military than any other U.S. ally, some MOD officials are optimistic that the Secretary will be sympathetic to Japan's position. Inada is also hoping that Secretary Mattis will clearly state that the Senkaku Islands fall under the scope of the U.S.-Japan Security Treaty. She is also aiming to affirm bilateral coordination on missile defense and China's militarization of the South China Sea.

Abe speaks on enhancing Japan's defense capabilities

Asahi and Mainichi reported on remarks made at the Diet yesterday by Prime Minister Abe, who vowed to enhance the nation's defense capabilities. In response to a call by an opposition lawmaker for Japan to take on greater defense responsibilities in line with President Trump's oft-repeated request, the premier indicated Japan's readiness to discuss with the U.S. the possibility of increasing the SDF's security role unilaterally and with the U.S. military. Asahi said in a separate article that the ruling LDP's defense policy clique decided yesterday to put together a package of recommendations for updating the present Mid-Term Defense Program with the goal of increasing the nation's defense budget. Nikkei said some Japanese officials are afraid that President Trump may step up pressure on Tokyo to shoulder a greater security burden by boosting its defense spending and purchasing American defense equipment.

ROK dispatches Aegis warship to Sea of Japan

Yomiuri took up an ROK media report on South Korea's deployment in the Sea of Japan of a destroyer equipped with Aegis radar in preparation for the possible test-launch of an ICBM by North Korea to celebrate the birthday of Kim Jong Un on Feb. 16.

ECONOMY

GOJ to launch new taskforce on foreign trade

Most papers reported on a GOJ plan to reorganize the existing TPP headquarters at the Cabinet Secretariat in response to the U.S.'s departure from the TPP, projecting that the new taskforce will be in charge of an EPA with the EU and other free trade arrangements with foreign partners. The 80-member interagency panel will be tasked with formulating trade policy in response to President Trump's intention to seek bilateral trade deals with other countries, including Japan.

Yomiuri said the reorganization is intended to demonstrate "Japan's strong commitment to promoting free trade" with the goal of obtaining the Trump administration's understanding of the merits of multilateral trade liberalization arrangements. An unnamed senior GOJ official in charge of economic issues reportedly dismissed the possibility of entering talks with Washington on a bilateral free trade deal by saying: "It would be extremely difficult to find a middle ground that would be acceptable for the Diet, since the U.S. requests would probably be much tougher than under the TPP negotiations."

Ford to wield influence over Trump administration's auto trade policy

Mainichi reported from Washington on growing rapprochement between the Trump administration and the Big Three, explaining that Ford Motor in particular was pleased with the President's decision to withdraw from the TPP. As Ford decided to abandon its operations in Japan last year, the daily projected that it may lobby the Trump administration hard on the foreign exchange and trade policy fronts with the goal of undermining the competitiveness of its Japanese rivals in the U.S. market and elsewhere.

In related stories, Mainichi, Sankei, and Nikkei highlighted Toyota's announcement on Tuesday that it will invest \$600 million in its assembly plant in Indiana resulting in the hiring of 400 additional American workers, noting that the plan was arranged quickly in response to President Trump's "broadside" on Twitter. Sankei predicted that Japanese automakers may focus their investment in the U.S. market. Nikkei wrote that Nissan and Honda are bracing for the possibility of being President Trump's next targets, explaining that the Japanese auto industry will be put in a difficult position since return on investment in the U.S. tends to be low because the high growth of the American auto market is unlikely.

