



Morning Alert - Monday, June 19, 2017

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HEADLINES

Morning News

NHK gave top play to reports on the collision between the USS Fitzgerald and a Philippine-flagged container ship chartered by Nippon Yusen off Shizuoka early Saturday morning. TBS gave top play to a speculative report that the Osaka Public Prosecutors Office is planning to search Moritomo Gakuen soon on suspicion of illegally receiving subsidies. NTV and Fuji TV led with reports that three former members of the disbanded pop group SMAP will terminate their contracts with their agency on Sept. 8.

Major front-page items in national dailies included the results of public opinion polls showing growing public disapproval of the Abe cabinet, the discovery of a number of bodies of missing sailors on the USS Fitzgerald, and plans by several women's colleges to begin accepting transgender students.

SECURITY

Seven U.S. sailors die in warship's collision with merchant vessel off Shizuoka

All Sunday and Monday papers reported extensively on the collision between the USS Fitzgerald and a Philippine-flagged container ship chartered by Nippon Yusen off Shizuoka early Saturday morning. The Navy ended the search for seven missing crew members on Sunday as it recovered a number of bodies from flooded berthing compartments. Vice Admiral Aucoin, commander of the U.S. 7th Fleet, told reporters yesterday: "We have found a number of the remains of our missing shipmates, and our deepest sympathies go out to the families of those shipmates." The Fitzgerald sustained significant damage on its starboard side beneath the bridge, with the admiral saying that

“there was a big puncture, a big gash underneath the waterline.” The Navy said the collision damaged two berthing spaces, a machinery room, and the radio room.

The admiral said there will be multiple investigations to determine the cause of the accident, including one by the Navy's Judge Advocate General and one by the U.S. Coast Guard, adding that the Navy will cooperate with Japanese investigative authorities “if necessary.” The Japan Coast Guard (JCG) is reportedly investigating the accident with an eye on endangerment of traffic caused by professional negligence and professional negligence resulting in death and injuries. A crewmember of the container ship reportedly said the two vessels were heading in the same direction when they collided. Although maritime rules call for a vessel to give way to a vessel on its starboard side, it is unclear whether the damage to the Fitzgerald's starboard side indicates that the U.S. warship might have been at fault. The papers said that in order to determine the cause of the accident, the locations of the two ships, their courses, and whether their watches were adequate will be scrutinized

SOFA may stand in the way of Japanese investigation

Most papers said the JCG's investigation into the cause of the accident may encounter difficulties because the Navy has primary jurisdiction under the SOFA. Nikkei and Sankei said that since Aegis warships have highly sensitive military equipment, it remains to be seen whether the U.S. will heed the JCG's request for investigative cooperation, such as the questioning of U.S. sailors. According to Sankei, an unnamed senior MOD official stated: “I don't think the U.S. will accommodate Japanese investigations for determining the extent of the damage.” Asahi quoted an unnamed senior JCG official as saying: “It may take some time before the Japanese side can start investigations on the warship, as the U.S. investigations will come first. All we can do now is to investigate the container ship.” In a Nikkei article, a former MSDF admiral projected that Japanese investigations will be difficult because the incident may be examined by a court martial due to its seriousness. Several papers pointed out that the U.S. military has yet to respond to Japanese requests for investigative cooperation for the shallow-water landing of a Futenma-based Osprey that occurred in Okinawa last December.

Maritime accident will impact anti-DPRK operations

Yomiuri wrote that the Fitzgerald accident will deal a blow to ongoing U.S.-Japan security operations to counter North Korea's relentless provocations because a total of 11 Aegis platforms operated by the two countries have been alternately deployed in the Sea of Japan and the East China Sea to prepare for possible ballistic missile launches by the DPRK. Since the damage sustained by the Fitzgerald appears to be very extensive, it may take some time for the warship to be deployed again for full operations. An unnamed senior MOD official said: “Even the current Aegis deployment is not

sufficient as North Korea is rapidly improving its capability to fire multiple ballistic missiles concurrently. The Fitzgerald's accident is bound to make the situation even worse."

President Trump voices gratitude for Japanese assistance

Asahi took up a tweet posted on Saturday by President Trump in which he expressed appreciation for Japanese assistance in the USS Fitzgerald accident by saying: "Thoughts and prayers with the sailors of USS Fitzgerald and their families. Thank you to our Japanese allies for their assistance." According to today's dailies, Prime Minister Abe expressed his condolences to President Trump on Sunday by saying: "Japan will spare no effort in cooperating in response to the accident." He also noted that the U.S.-Japan alliance will not be shaken by the tragedy, adding that Tokyo is determined to cooperate with Washington to ensure regional peace and stability.

U.S. military notifies GOJ of plan to begin operation of 4 helipads this month

NHK reported this morning that it learned from a MOD official that the U.S. military has notified the GOJ that it will begin this month operation of four helipads that were built in the Northern Training Area last December after half of the NTA was returned to Japan. The operation of two other helipads in the area has already begun. The network said Takae district is increasingly concerned about noise and safety since the helipads are near a small village in the district and Ospreys may use the helipads in addition to helicopters.

MSDF ships conduct joint drill with USS Ronald Reagan

Saturday morning's Sankei and Mainichi wrote that two Japanese destroyers conducted a joint exercise with the USS Ronald Reagan in the South China Sea from June 13 through 15.

U.S. sailor thought to be missing found alive

Saturday morning's Sankei wrote that a U.S. sailor who had been thought to be missing since early June was found alive onboard the USS Shiloh. The Navy and the Japan Coast Guard had been carrying out search operations because the seaman was believed to have fallen overboard in the Western Pacific.

POLITICS

Cabinet support plunges

Today's Nikkei, Yomiuri, Asahi, and Mainichi front-paged the results of their latest public opinion surveys pointing to strong discontent with the Abe administration. Cabinet support plummeted as much as 12 points, with approval rates ranging from 49% to 36%. Disapproval exceeded approval by 8 points in the Mainichi poll. The polls showed that many respondents were highly critical of the administration's handling of the Kake Gakuen scandal. Three out of four respondents were not satisfied with the conflicting explanations by the prime minister and other cabinet ministers about the

scandal, including the discovery of government documents mentioning the premier's alleged "strong desire" to allow the educational institution to open a veterinary school in Shikoku. The public was also critical of the anti-conspiracy law and the way the administration enacted it by circumventing an Upper House committee vote. Noting that support for the premier plunged especially among nonaffiliated voters and the elderly, Yomiuri said ruling officials were alarmed by mounting public criticism that administration is "arrogant." However, the daily also found that support for the LDP was almost unchanged at 41%, whereas approval of the largest opposition Democratic Party remained low at 7%.

Abe to shuffle cabinet in August

Saturday morning's Yomiuri led with a piece claiming that Prime Minister Abe has informally decided to reshuffle his cabinet in late August in order to counter the opposition bloc's plan to step up criticism of the administration's handling of the Kake Gakuen scandal in the extraordinary Diet session to be convened in the autumn. The premier has also concluded that a powerful cabinet should be launched to promote his signature policies of constitutional amendment and "work style reform." The prime minister is likely to retain Deputy Prime Minister Aso and Chief Cabinet Secretary Suga in the belief that their presence is indispensable for ensuring robust policy implementation. Abe also has confidence in Aso, who together with Vice President Pence chairs the U.S.-Japan Economic Dialogue, which will probably reconvene in the fall. The daily said that it is uncertain whether Foreign Minister Kishida and Defense Minister Inada will remain in the cabinet, but that Abe will probably ask LDP Secretary General Nikai to keep his current portfolio.

INTERNATIONAL

DPRK conducts nuke R&D, production at 150 facilities

Today's Sankei front-paged a report prepared by a group of Johns Hopkins University scholars concerning North Korea's nuclear program, noting that some 9,000 to 15,000 scientists, engineers, and other personnel are believed to be involved in the research, development, and production of nuclear weapons at about 150 facilities in North Korea.

South Korea to reexamine comfort women agreement with Japan

Monday's Asahi wrote from Seoul that the Moon administration has decided to look into the process leading up to the conclusion of the comfort women pact by the former Park administration with Tokyo in December 2015. The examination will focus on how the GOJ ended up agreeing to contribute 1 billion yen to the Healing and Reconciliation Fund and the pact's possible connection with the planned removal of the comfort woman memorial from in front of the Japanese Embassy in Seoul. Although the examination is not intended to nullify or call for renegotiation of the accord, the Moon administration is hoping to ease public criticism of the bilateral pact.

China conducts maritime survey near Senkakus

Sunday's Sankei wrote that a Chinese ship carried out a maritime survey in Japan's exclusive economic zone around the Senkaku Islands for a week earlier this month without obtaining prior permission, noting that the vessel ignored Japan's repeated requests to halt the operation. The papers said Russia, South Korea, and Taiwan have also conducted unauthorized maritime surveys in Japan's EEZ this year, with a Japanese analyst speculating that they were intended to collect data on the features of the ocean bed and underwater currents for submarine operations.

U.S., Japan, ROK to hold trilateral summit in July

Sunday's Yomiuri wrote that when visiting Germany for the G20 summit next month, Prime Minister Abe is expected to hold a trilateral summit with President Trump and South Korean President Moon to discuss North Korea. Abe will also probably hold separate meetings with the two leaders as well as Russian President Putin and Chinese President Xi. After Germany, the Japanese leader plans to visit Denmark, Finland, and Sweden.

China to limit influx of DPRK workers

Sunday's Nikkei front-paged a story from Beijing on informal instructions given to Chinese firms by government authorities not to hire North Korean laborers, speculating that the measure effectively constitutes a unilateral sanction on the DPRK. Companies in provinces sharing borders with North Korea have been reportedly asked not to employ North Koreans. The paper speculated that the Chinese government is tightening the noose on North Korea to limit its means to earn hard currency perhaps in response to U.S. pressure.

China, Russia to hold joint naval exercise in September

This morning's Yomiuri wrote that the PLA Navy and the Russian Navy plan to carry out a joint drill in the Sea of Okhotsk and the Sea of Japan in September, speculating that the exercise is intended to hold the U.S. and Japan in check, as the two allies have performed a number of exercises in the Sea of Japan to counter North Korea's provocations.

Senior MOFA official meets with DPRK diplomat in Mongolia

Saturday morning's Asahi reported that MOFA Asian and Oceanian Affairs Bureau Deputy Director General Takizaki visited Ulaanbaatar on Friday to attend an international conference where he held talks with a high-ranking North Korean diplomat. The Japanese official called for the DPRK to refrain from provocations and allow the swift return of the Japanese abductees.

AIIB holds annual conference in South Korea

All Saturday morning papers reported that the Chinese-orchestrated Asian Infrastructure Development Bank (AIIB) held its annual conference on Cheju Island, South Korea, on Saturday, noting that the GOJ did not send a delegation. Chief Cabinet Secretary Suga said on Friday that Japan has no plans to become an AIIB member for the time being since the international lender still lacks transparency. The papers added that Tokyo is afraid that the Trump administration may choose to join the bank as part of its policy to seek rapprochement with China. Mainichi and Asahi

said the AIIB is eager to have Japan and the U.S. join it in order to boost its presence in infrastructure financing in Asia. Sunday papers reported on the conclusion of the conference, where the AIIB president expressed hope for U.S. and Japanese membership in the near future.

Japan, Vietnam conduct joint maritime drill

Saturday morning's Yomiuri reported that a Japanese Coast Guard vessel conducted joint training with a Vietnamese maritime police patrol boat in the South China Sea on Friday with the goal of holding China's maritime push in check. The primary goal of the training was to crack down on frequent illegal fishing off the coast of Vietnam by Chinese trawlers.

ECONOMY

Chrysler to pull out of passenger car market in Japan

Today's Nikkei front-paged an informal decision made by Chrysler to withdraw from the Japanese passenger car market in 2018 due to dismal sales of its vehicles in Japan in recent years. The U.S. automaker sold only about 300 passenger vehicles in Japan last year. However, the company will continue marketing Jeep models, with all of its 75 outlets across Japan focusing on selling the popular vehicles. The daily added that Ford also withdrew from the Japanese market last year.

U.S. to impose punitive tariffs on Japanese rebar

Saturday evening's Nikkei reported from New York that the U.S. International Trade Commission has concluded that Japanese exporters have been selling rebar in the United States at unfairly low prices and hence will be subject to punitive tariffs. This is the second time for the ITC to impose anti-dumping duties on Japanese steel under the Trump administration.

Japan, EU continue discussions on tariff reductions

All Saturday morning papers reported on ongoing EPA talks between Japan and the EU, explaining that intense discussions have continued on tariffs on European agricultural products and Japanese autos. Yomiuri speculated that the GOJ may agree to phase out import duties on wine from France, Italy, and other European countries in about eight years. Mainichi said Japan is hoping to maintain the current tariffs on European cheese by making concessions on wine imports. Sankei wrote that the EU has been calling for Japan to eliminate duties on European wine in 2019. Asahi wrote that Japan is insisting on the removal of European tariffs on Japanese autos in five years, whereas the Europeans have proposed a 10-year grace period for their elimination. Yomiuri added that Japan will probably allow European firms to take part in bidding for procurement of equipment by local railway operators.

EDUCATION

GOJ to invite 1,000 Asian high school students to Japan

Saturday morning's Nikkei reported on a GOJ plan to invite a total of 1,000 high school students from Asian countries over a five-year period beginning in 2018 for a 10-month study program with the ultimate goal of increasing the number of Asians with in-depth knowledge of Japan.

