



Morning Alert - Wednesday, August 2, 2017

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## HEADLINES

### Morning news

NHK led with a report that Prime Minister Abe is considering appointing Seiko Noda to a cabinet position and retaining Economy, Trade, and Industry Minister Seko in the cabinet reshuffle tomorrow. TBS reported that former Defense Minister Onodera is likely to be tapped as the new defense minister. NTV gave top coverage to a report on a powerful earthquake with a seismic intensity of 4 on the Japanese scale that hit the Kanto region around 2 a.m. this morning. Fuji TV gave top play to a report on torrential rain in the Kanto region on Tuesday.

Top stories in national dailies included a plan by Prime Minister Abe to appoint former Defense Minister Onodera as defense chief (Asahi, Sankei); the likelihood of Trade Minister Seko staying in the cabinet (Yomiuri); a plan by the Justice Ministry to use the “My Number” identification system for family registration (Mainichi); and a plan by Toyota to effectively expand flexible work hours (Nikkei).

## POLITICS

### Onodera likely to be tapped as defense minister

Asahi, Mainichi, and Sankei reported that Prime Minister Abe has decided to appoint former Defense Minister Itsunori Onodera as defense minister when he reshuffles his cabinet on Thursday. Onodera served as defense minister from December 2012 through September 2014 under the second Abe cabinet. [Nikkei](#) wrote that Abe is making arrangements to appoint Foreign Minister Kishida as chairman of the LDP Policy Research Council.

In the cabinet reshuffle, Abe plans to retain Economy, Trade, and Industry Minister Seko to have him continue to work on economic cooperation with Russia. However, 2020 Tokyo Olympics Minister Marukawa, Internal Affairs Minister Takaichi, Health Minister Shiozaki, Justice Minister Kaneda, Education Minister Matsumoto, Okinawa Affairs Minister Tsuruho, and Regional Revitalization

Minister Yamamoto are likely to leave their cabinet posts. Former Lower House Speaker Bunmei Ibuki, who is well-versed in education issues, has rejected a request from Abe to become education minister.

## ECONOMY

### **Japanese steelmakers concerned about potential steel import restrictions by the U.S.**

NHK reported this morning that major Japanese steelmakers are increasingly concerned about the impact of restrictions on imports of steel and aluminum being mulled by the Trump administration, saying that U.S. Ambassador to Japan Hagerty told the network that the main target will be China. The network quoted him as saying in an interview on July 28: "But I want to be clear, the primary concern is overcapacity in China. The focus here in my mind is predominantly China." The network said major Japanese steelmakers are concerned that steel import restrictions would provoke retaliatory measures from other nations. The network added that about 2 million tons of steel are exported annually to the U.S. mainly for automobiles, saying that steelmakers are planning to urge the U.S. through the Japanese government not to impose the restrictions.

### **Aso hints at reviewing criteria for invoking safeguard measures on beef imports**

Nikkei wrote that Finance Minister Aso suggested on Tuesday that there is a possibility that the existing system for invoking the safeguard mechanism on beef imports could be reviewed by saying that there is a view that the period for invoking the safeguard mechanism should be longer. The paper wrote that the government is mulling extending the period from the current three months to about six months. Yomiuri and Sankei ran similar reports, with Sankei conjecturing that the safeguard issue will likely become a source of dispute in the U.S.-Japan economic dialogue to be held in October or later.

Asahi wrote that Farm Minister Yamamoto disclosed on Tuesday that Japanese Ambassador to the U.S. Sasae discussed the issue with Agriculture Secretary Perdue last week. The minister said that Japan will seek Washington's understanding by providing a detailed explanation. Concerning the possibility of reviewing the criteria for the safeguard mechanism, Yamamoto said that Tokyo has no plan at the moment to review relevant laws. However, he added that there are probably other options and that Japan is open to U.S. suggestions and will respond flexibly.

### **Japan's plutonium stockpiles decreased by 1 ton**

Asahi and Mainichi wrote that the Cabinet Office reported to the Japan Atomic Energy Commission on Tuesday that Japan's stockpiles of plutonium inside and outside the country decreased by 1 ton to 46.9 tons at the end 2016 from a year earlier. The GOJ attributed the drop to the resumption of operations at two reactors at Kansai Electric Power's Takahama Nuclear Power Plant in Fukui Prefecture.

## SECURITY

## **Ceremony held for return of strip of Futenma land**

Yomiuri, Sankei, and Tokyo Shimbun wrote that a ceremony for the return of a 4-hectare strip of the 481-hectare MCAS Futenma was held in Ginowan, Okinawa, on Tuesday. Yomiuri wrote that although the GOJ stressed that progress is being made in reducing the base-hosting burden on Okinawa, the differences between the central and Okinawa governments were made clear because Governor Onaga expressed hope for the GOJ to relocate the base out of the prefecture.

## **LDP group to visit Hawaii to observe Aegis Ashore system**

Sankei wrote that an LDP group that closely follows North Korea's nuclear and missile programs is making arrangements to visit Hawaii on Aug. 17-19 to see firsthand the Aegis Ashore missile defense system deployed there. This will be the first time for the LDP to send a delegation for this purpose. The group members plan to hold talks with PACOM Commander Harris during their visit to Hawaii.

## **INTERNATIONAL**

### **Chargé d'Affaires Rapson to attend Hiroshima peace memorial ceremony**

Yomiuri wrote that the Hiroshima City Government announced on Tuesday that Chargé d'Affaires Robert Rapson will attend the Hiroshima Peace Memorial Ceremony to be held on Aug. 6 as a representative of the United States. Rapson will attend the annual ceremony for the second year in a row. The paper wrote that the Hiroshima peace ceremony was attended by a U.S. ambassador to Japan for the first time in 2010 under the Obama administration and ambassadors or other senior officials have participated in the ceremony every year since then.

### **Japan protests China's gas field development in East China Sea**

Mainichi wrote that Foreign Minister Kishida told the press on Tuesday that Japan has lodged a protest with China through diplomatic channels over its gas exploration in the East China Sea after confirming the presence of a Chinese drillship near the median line separating the exclusive economic zones of Japan and China. Kishida stated that it is extremely regrettable that China is proceeding with unilateral development in the area when the boundary between Japan and China in the East China Sea is not yet fixed.