



Morning Alert - Monday, June 18, 2018

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

All networks reported that a major earthquake with a magnitude of 5.9 hit the Kansai region at about 7:58 a.m. today. No tsunami warning has been issued. The networks reported that the quake registered lower 6 on the Japanese seismic intensity scale of 7 in the northern part of Osaka. Bullet train services and local transportation services have been halted as a result. There were no immediate reports of injuries or damage.

In their morning news programs NHK and NTV gave top play to reports that some Tohoku Shinkansen bullet train services have been temporarily suspended today after a train hit a bird, causing a power outage on Sunday. Fuji TV led with a report that an exchange student from the Republic of Congo punched a referee during a high school basketball game in Nagasaki Prefecture on Sunday. TBS continued to report on the scandal involving Nihon University's football team. TV Asahi aired the U.S. Open Golf Championship.

Major front-page items in national dailies included reports on waiting lists for children to enter nursery schools, the results of public opinion surveys, and Toyota's first-ever victory in Sunday's Le Mans 24-hour auto race.

INTERNATIONAL

PM Abe says Japan will help shoulder costs of North Korea's denuclearization

Sunday's Asahi, Yomiuri, and Mainichi reported that Prime Minister Abe indicated on Saturday that Japan would be willing to shoulder some of the cost of North Korea's denuclearization under an international framework. Abe reportedly said on a TV program: "Since Japan and other nations would be able to enjoy peace if the nuclear threat were removed, it makes sense for us to shoulder

the costs. For example, we could create a new organization as a way to move forward on the issue.” Abe also stressed that this would not be tantamount to directly funding North Korea since economic assistance would be offered “after comprehensively resolving the nuclear, missile, and abduction issues and normalizing diplomatic relations.”

Sunday’s Nikkei spotlighted his separate TV remark voicing a positive stance toward holding a summit with DPRK leader Kim Jong Un. He said: “A big decision by Chairman Kim is necessary” to resolve the abduction issue. He also stated: “Ultimately, Kim and I will have to meet. I want to foster a relationship of trust with North Korea.” The paper wrote that Abe reiterated that a Japan-DPRK summit would be premised on the resolution of the abduction issue.

Today’s papers focused on press remarks made yesterday by senior GOJ officials, including Foreign Minister Kono, who indicated that it is unlikely that a summit will be held between PM Abe and Kim Jong Un at an early date. Kono said on NHK: “Such a summit should be held only when it is certain that some sort of accomplishment will come out of it. No concrete timeframe has emerged yet.” On a commercial TV news show, Deputy Chief Cabinet Secretary Nishimura dismissed growing speculation about the possibility of a Japan-DPRK summit being held in August or September.

FM Kono aims to hold Japan-DPRK foreign ministerial

Saturday morning’s Yomiuri reported that according to several GOJ sources, Foreign Minister Kono is hoping to meet with his North Korean counterpart Ri Yong Ho on the sidelines of the ASEAN foreign ministerial meeting slated for July 30 to Aug. 4 in Singapore. The GOJ has reportedly begun making serious preparations for a summit between Prime Minister Abe and Chairman Kim after President Trump raised the abduction issue at the U.S.-DPRK summit on June 12. The daily added that if a Japan-DPRK foreign ministerial is held, Kono will try to gauge North Korea’s thinking on the possibility of a Japan-DPRK summit.

Sunday’s Nikkei reported that FM Kono said at a meeting held in Hiratsuka, Kanagawa, on Saturday: “Even if the elimination [of North Korea’s nuclear and missile programs] is carried out in phases, economic sanctions will not be lifted gradually. The sanctions will remain in place as long for as North Korea prolongs its complete, verifiable, and irreversible denuclearization.” According to the paper, Kono also expressed support for Secretary State Pompeo’s wish to complete most of the denuclearization process by the time President Trump’s first term expires in January 2021.

Meanwhile, Monday’s Yomiuri took up remarks made on a Sunday TV talk show by FM Kono, who disclosed that he was told by Secretary of State Pompeo that a total of 47 issues are being addressed in denuclearization talks with North Korea, including biological and chemical weapons, ballistic missiles, and nuclear reprocessing facilities. Kono asserted that the word “denuclearization,” as used in the U.S.-DPRK joint statement, encompasses all of these aspects and that the Trump administration is aiming to eliminate all of these DPRK military assets and programs. Mainichi

highlighted a separate remark by the foreign minister on the same TV show, in which he commented on the U.S. decision to halt joint exercises with South Korea by saying: “It has nothing to do with joint drills between the U.S. and Japan. At present, it has not had any effect on Japan’s security.”

President Xi proposed suspension of U.S.-ROK military exercises

Sunday’s Asahi reported that a Chinese diplomatic source disclosed that President Xi encouraged Chairman Kim when they met in China in early May to demand that the U.S. side suspend the U.S.-ROK joint military exercises. The paper said that during the Singapore summit President Trump apparently expressed understanding for Kim’s demand, adding that this was an outcome reflecting China’s suggestion.

North Korean radio program says abduction issue is “already settled”

Saturday morning’s Nikkei and Sankei reported that according to the Tokyo-based Radio Press news agency, North Korea’s Pyongyang Broadcasting Station aired a commentary on Japan on Friday saying that the issue of the abductions of Japanese nationals has already been settled. “Japan continues to raise the abduction issue, which has already been resolved, and plans to obtain benefits for itself,” the program said. This was the first time for the DPRK media to mention the issue since President Trump raised it during the summit with Kim Jong Un.

Many LDP officials have doubts about effectiveness of U.S.-DPRK agreement

Saturday’s Asahi reported on a joint meeting of LDP’s Foreign Affairs Division, National Defense Division, and Headquarters for the Abduction Issue held on Saturday. The paper wrote that while Prime Minister Abe expressed support for the outcome of the U.S.-DPRK summit by saying that it marked “the first step toward a comprehensive resolution of various issues,” many LDP officials voiced doubts about the effectiveness of the agreement reached at the U.S.-DPRK summit. One member reportedly said: “It was perfect for North Korea since the details of complete, verifiable, and irreversible denuclearization (CVID) were not mentioned.” Another reportedly said: “The language on denuclearization was toned down. Nevertheless, saying that it is the same thing as CVID is wishful thinking.” Mainichi also reported on the LDP’s joint meeting, saying that while many members expressed support for the idea of holding a Japan-DPRK summit, some expressed caution, saying that “North Korea may take advantage of Japan if a summit is held in a hasty manner.”

Japanese public pessimistic about DPRK denuclearization

Several Japanese media outlets released the results of their latest public opinion polls that pointed to mixed reactions among Japanese people about the outcome of the Singapore summit between President Trump and DPRK leader Kim. According to Yomiuri, 43% approved of the meeting while 47% did not. Only one out of four said they think the nuclear and missile standoff will be resolved as a result of the summit while 64% said otherwise. Almost three out of four were pessimistic about the settlement of the abduction issue despite the President’s reference to the matter in his meeting with Kim.

On the other hand, about 73% reacted positively to the U.S.-North Korea summit in an Asahi survey, although only one out of four were optimistic about the prospects of denuclearization. A Kyodo survey showed only 16% said they think that denuclearization will be achieved following the U.S.-DPRK summit, while almost 78% felt otherwise.

Japan, China, ROK to hold another trilateral summit this year

Today's Yomiuri and Nikkei wrote that coordination is underway between Japan, China, and South Korea to hold another trilateral summit later this year, claiming that the Chinese government has proposed the idea perhaps in a bid to rein in the Trump administration's protectionism by issuing a trilateral message calling for free trade amid rising bilateral trade friction. The Japanese side has responded positively to the proposal in order to urge the two neighbors to maintain strong pressure on North Korea until concrete progress is made on denuclearization. Since an LDP presidential election is planned in September, the second trilateral summit of the year will probably be convened in the autumn or later.

Japan reacts strongly to ROK plan to hold training near Takeshima

All national papers except Asahi wrote today that the GOJ on Sunday filed a protest with the South Korean government against a two-day defense drill that will begin today in the vicinity of the Liancourt Rocks in the Sea of Japan. A total of 13 warships and aircraft will be mobilized in the regular training involving the ROK Navy, Marines, and naval police, with the Marines possibly carrying out landing practice on the disputed islands.

Japan, Russia planning "2+2" meeting in Moscow at end of July

Saturday morning's Yomiuri wrote that several GOJ sources disclosed that the governments of Japan and Russia are planning to hold a "2+2" meeting of foreign and defense ministers in Moscow at the end of July. The paper said the GOJ is hoping to ask for Russia's cooperation in achieving North Korea's complete denuclearization and to confirm close bilateral cooperation.

In a related development, Yomiuri reported on Sunday that the GOJ lodged a protest with Russia through a diplomatic channel on June 15 after receiving notification from the Russian government that it is planning to test launch a missile in the vicinity of Etorofu in the Northern Territories between June 18 and 21. Noting that the Russian military deployed state-of-the-art surface-to-ship missiles on Etorofu and Kunashiri in 2016, the paper wrote that Russia may use one of these missiles for the test.

ECONOMY

U.S. to impose tariffs on Chinese products on July 6

All papers reported on Saturday that the Trump administration has announced that it will impose additional 25% tariffs on \$50 billion worth of Chinese imports in two phases starting on July 6 in retaliation for China's violation of intellectual property rights. According to Nikkei, a tariff on about

\$34 billion worth of Chinese imports will be imposed first on July 6, and the timing of imposing a tariff on the remaining \$16 billion worth of Chinese imports will be determined later. The paper said China immediately announced that it will impose retaliatory tariffs on U.S. imports, adding that the risk of a “trade war” breaking out between the two major economic powers is increasing.

Senior USDA official stresses need for bilateral FTA

Sunday morning’s Yomiuri reported that visiting U.S. Department of Agriculture Under Secretary for Trade and Foreign Agricultural Affairs Ted McKinney stressed during an interview with Japanese media outlets in Tokyo that the U.S. and Japan need to conclude a bilateral trade deal. “From our point of view, an FTA is necessary,” he was quoted as saying. “Both sides can incorporate their strengths and weaknesses and create a better trade balance.” According to the paper, McKinney pointed out that if the TPP comes into effect, “there is a certain risk for some U.S. products because the situation would change depending on the tariff situation.” In addition, he reportedly said: “We want to pursue a free, fair, and reciprocal relationship with Japan.” The paper added that he expressed the intention to ask Japan to further open up its market through bilateral negotiations.

Colombia formally requests permission to join TPP

Saturday evening’s Nikkei reported that Colombia’s Minister of Commerce and Industry Gutiérrez disclosed to local media that his nation has formally requested permission to join the CPTPP, adding that the actual accession procedure will take place in 2019 or later.

GOJ to place cap on plutonium stockpile

Saturday’s Nikkei reported that the GOJ is planning to draft a new set of guidelines as early as the end of this month to place a cap on Japan’s plutonium stockpile and report it to the IAEA. The daily said the move comes as the U.S. and other nations have been expressing concerns about the amount of Japan’s plutonium stockpile. According to the paper, the GOJ also plans to encourage utility companies to sell and transfer plutonium with each other and promote the consumption of plutonium. The daily said while requiring power utilities to strictly manage the plutonium stockpile will restrict their business, international pressure to reduce the plutonium stockpile is increasing. Asahi carried a similar story.

SECURITY

Japan looking to seal multiple-year contracts in purchasing U.S. defense hardware

Monday’s Mainichi wrote that the Defense Ministry is aiming to buy U.S. defense equipment through contracts stretching six to ten years in an attempt to reduce procurement costs under the existing foreign military sales (FMS) arrangement. Up until now, the GOJ has purchased U.S. weapons systems under contracts lasting five or less years because of provisions in the Public Finance Law, which has reportedly pushed procurement costs up. The ministry now plans to invoke a separate statute to allow longer contracts when buying American defense hardware under the FMS program

so that U.S. defense contractors can sell their products at lower prices. The planned procurement of F-35s next fiscal year will be the first such contract.

USS Mercy arrives in Japan

Yomiuri reported on Sunday that the hospital ship USS Mercy arrived in Japan for the first time on Saturday, saying that a welcoming ceremony was held at Tokyo Bay. The paper said the ship was invited by the GOJ so that Japan can learn about hospital ships since hospital functions were paralyzed in coastal areas following the massive earthquake and tsunami in March 2011.

AMBASSADOR

Ambassador Hagerty says President Trump raised abduction issue twice in summit with Kim

The online editions of the Tokyo Shimbun, Chunichi Shimbun, and Hokkaido Shimbun carried a Kyodo interview with Ambassador Hagerty conducted in Tokyo on Friday. The papers reported that the Ambassador said President Trump raised the issue of Japanese abductees twice during the U.S.-DPRK summit. The Ambassador stressed that the abductions will continue to be an important issue for the U.S.

POLITICS

Public support for Abe improves

Asahi, Yomiuri, and Kyodo published the results of their latest opinion polls that showed improvement in public approval of Prime Minister Abe. Asahi put support for the Abe cabinet at 38%, up two points from last month, and nonsupport at 45%, up 1 point. Yomiuri's poll registered a three-point recovery in public support for the Abe cabinet at 45%, with nonsupport at 44%, down three points. According to Kyodo, support for the prime minister was 45%, up six points, whereas nonsupport stood at 43%, down seven points. Yomiuri attributed the improvement in public support of the premier to higher expectations for his diplomacy toward North Korea in the wake of the Trump-Kim summit, noting that respondents were still highly critical of his handling of domestic affairs, such as the Moritomo and Kake Gakuen scandals.