
 **JAPAN MEDIA
HIGHLIGHTS**

Morning Alert - Wednesday, August 8, 2018

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HEADLINES

Morning news

NHK, NTV, and TV Asahi led with reports on Typhoon Shanshan, which is approaching the Kanto and Tohoku regions and expected to bring heavy rain from this evening through tomorrow morning. TBS led with a report that the chairman of the Japan Amateur Boxing Federation will make an announcement today on whether he will step down over a series of scandals. Fuji TV gave top play to a report on the death of actor Masahiko Tsugawa at the age of 78.

All national dailies except Nikkei led with an investigative report released yesterday by Tokyo Medical University about its discrimination against female applicants. The papers also gave front-page coverage to the reinstatement of U.S. economic sanctions on Iran.

ECONOMY

Japan bracing for possible U.S. calls for bilateral FTA

Yomiuri highlighted the planned start of what they characterized as “free, fair, and reciprocal” (FFR) trade talks between the U.S. and Japan in Washington later this week, explaining that the GOJ is gearing up to deliver quick results out of concern that the Trump administration might step up the pressure to seal a bilateral free trade accord if Tokyo attempts to drag out the talks. Economic and Fiscal Policy Minister Motegi, who heads the Japanese delegation to the talks, told the press yesterday: “In addition to holding

discussions, producing substantial and swift deliverables is also important.” The daily speculated that the Japanese side is aiming to find a middle ground before a possible summit between Prime Minister Abe and President Trump in late September. Japan is reportedly set to dismiss potential U.S. calls for an FTA and instead ask the U.S. to return to the TPP. The article projected that U.S. auto tariffs could possibly be on the agenda of the FFR talks, speculating that the Trump administration might use auto tariffs as a lever to extract concessions from Japan on agricultural trade.

Mainichi ran a similar story on the FFR talks, conjecturing that in order to avoid being drawn into FTA negotiations, the GOJ may commit to expanding imports of U.S. products, such as shale gas, and promoting business investment in America.

INTERNATIONAL

Secretary Pompeo may visit DPRK

All national papers except Asahi took up remarks made on a TV show on Tuesday by National Security Advisor Bolton, who reportedly said Secretary of State Pompeo is prepared to return to North Korea in the near future to call for quick action toward denuclearization. “We don’t need more rhetoric,” Bolton reportedly said. “We need performance from North Korea on denuclearization.” The White House official underscored that the existing economic sanctions will remain in place. According to Bolton, President Trump reportedly told Kim Jong Un in a recent letter that he is ready to meet with him any time and proposed Secretary Pompeo visit North Korea again.

Concern grows about oil supply due to reinstated sanctions on Iran

Asahi took up the reinstatement of economic sanctions on Iran by the Trump administration on Tuesday. The paper said the expectation that Washington will begin in November to penalize parties to transactions involving Iranian oil has led Japanese oil dealers to be increasingly concerned about whether they will be able to secure a stable supply of petroleum. According to the daily, GOJ officials held a meeting with their USG counterparts in Washington last week and urged that Japan be exempted from the planned Iranian oil sanctions by arguing that “stable energy supplies and Japanese corporate activities should not be adversely affected.” If a compromise is not reached between the two governments, imports of Iranian oil may end as early as the beginning of October. The article noted that Japanese oil companies are already preparing to find alternative oil suppliers based on the assessment that Japan will not be exempted.

Nikkei and Sankei filed similar stories, with the latter predicting negative effects on domestic consumption and corporate activities as a result of a potential surge in gasoline prices due to the planned ban on Iranian oil imports. Sankei said that U.S. sanctions on the Iranian auto sector will probably hit Japanese auto and auto parts manufacturers hard.

Foreign Minister Kono meets with Bangladeshi leader

Yomiuri wrote that Foreign Minister Kono met with Bangladeshi Prime Minister Hasina on Tuesday and conveyed Japan's plan to support her government's efforts to resolve the Rohingya crisis on the border with Myanmar. The Japanese minister reportedly urged the premier to coordinate closely with the government of Myanmar to ensure the safe repatriation of Muslim refugees.

SECURITY

Saga leader ready to resume talks on planned deployment of Ospreys

Yomiuri reported that Saga Governor Yamaguchi is expected to hold a press conference today to announce his readiness to resume consultations with the Defense Ministry regarding its plan to station GSDF Ospreys at Saga Airport based on the judgment that the tilt-rotor planes are safe.

