Secret Details of Sordid Okinawan Reversion Deal Revealed

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Never believe anything until it has been officially denied, warned radical war reporter Claud Cockburn. That famous dictum resonates strongly throughout the murky story of Okinawa’s reversion to Japanese rule in 1972.

Tokyo and Washington have always denied the secret pact that obliged Japanese taxpayers to shoulder the burden of compensating Okinawa landowners during the transition. Both governments have clung to that denial despite recent damning testimony from a key Foreign Ministry official and the release of papers in 2000 and 2002 from US government archives proving the existence of the deal beyond all reasonable doubt. Throughout the twists and turns of the scandal, officials on both sides have corrupted the judicial process, lied to the people who pay their salaries and destroyed the lives of the few whistleblowers brave enough to take them on.

The man who did more than anyone to bring the pact to light has paid the heaviest price. Nishiyama Takichi was a reporter for the Mainichi newspaper in 1972 when he broke the story. His reward for one of the great scoops of Japanese journalism was a conviction for violating the National Public Services Law and a suspended prison sentence. Nishiyama’s career and family life were destroyed when the government parried the scandal by accusing him of sleeping with a Foreign Ministry secretary to get classified national documents. In March this year, the Tokyo District Court threw out his 33-million-yen suit against the state. The government, astonishingly, argued that the former journalist must accept his fate “even if the claimed secret pact really existed [and] the guilty verdict damaged his honor.”

Nishiyama Takichi (photo courtesy Foreign Correspondents Club Japan)

The continued refusal to acknowledge that Nishiyama was doing his job better than most journalists in 1972, is all the more remarkable given that a month before the District Court ruling, Yoshino Bunroku, the Foreign Ministry’s then lead negotiator with Washington,
acknowledged that the pact existed. As Nishiyama and others have all-along alleged, Yoshino admitted that the $320 million Japan paid to the US as the price of Okinawa’s reversion included $4 million that Washington had promised in order to convert requisitioned land back to civilian use. This penny-pinching betrayal of Japanese taxpayers and the cover-up that followed it is just one chapter in the long history of the corrupt political wheeling and dealing that has kept Okinawa compliant to US military needs. The reversion deal won Japan’s Prime Minister Sato Eisaku the Nobel Prize. “The Okinawa secret pact is just the tip of the iceberg,” said Nishiyama after the March verdict.

The following Kyodo story picks at the freshly healing scabs of the scandal, suggesting that the two governments colluded again to conceal the pact after Nishiyama’s story broke. U.S. Department of Treasury documents show, Kyodo reports, that Japan asked Washington to postpone the compensation payment – originally provided by Japanese funds – to avoid confirming Nishiyama’s allegations. In the end, the bulk of the money went to pay US Army expenses; just $1 million of the $4 million was ever paid to Okinawa landowners. Now 75, Nishiyama continues his fight for justice in a saga that exposes the black heart of the US-Military Alliance and the contempt of leaders on both sides of the Pacific for democratic process. DMN

To keep a secret pact from being exposed prior to the 1972 reversion of Okinawa, the United States agreed to a Japanese request to delay paying compensation to local landowners, according to recently revealed U.S. documents.

Under the deal, the central government agreed to shoulder the $4 million cost to restore Okinawa's land to its original state.

In the end, the compensation actually paid to the landowners came to less than $1 million, according to the documents in the U.S. National Archives and Records Administration.

An Okinawa reversion agreement signed in June 1971 stipulated that the U.S. would "voluntarily" pay to convert military land into farmland. However, Japan reportedly shouldered the cost by slipping the $4 million into the $320 million Tokyo paid to Washington to buy U.S. assets along with the reversion. According to the documents, the $320 million was to be paid in five installments, and $4 million was to be diverted to a trust fund to be set up from the first installment of $100 million, which was to be paid in May 1972, so that the compensation payment could begin by the end of 1972.

Lawmakers of the then main opposition Japan Socialist Party had taken up the secret pact in the Diet between late March and early April 1972, based on copies of classified diplomatic documents obtained by a Mainichi Shimbun reporter, Nishiyama Takichi.

The government denied the existence of the secret pact.

A U.S. Department of Treasury document dated May 11, 1972, indicates Japan requested the United States postpone the payment on the grounds that setting up a trust fund would mean publicly acknowledging the existence of the secret deal.

The Treasury Department then decided to postpone the start of the compensation payment until 1973 after reviewing the case along with the departments of State and Defense, according to the documents. Nishiyama was arrested in April 1972, along with his news source, a Foreign Ministry clerk, over the information leak. The development is believed to have prompted Washington to comply with the Japanese so the arrests could not reignite debates on the secret pact.
The trust fund was established in 1973. Of the $4 million Japan had provided the U.S., less than $1 million was paid to landowners in Okinawa, and some of the $4 million went to pay expenses for the U.S. Army Corps of Engineers, which was charged with the compensation payment, according to the documents.

Nishiyama, who was later convicted and given a suspended prison term, said, "It is as if the United States defrauded landowners and embezzled the money that should have been returned to Japan. "The United States has siphoned off (Japanese) taxpayers' money. The Okinawa secret pact is just the tip of the iceberg," the 75-year-old added.

Nishiyama failed to clear his name in March when the Tokyo District Court rejected his damages suit against the government in which he argued his career was ruined by an illegal conviction stemming from his scoop of the secret pact.

In February 2006, Yoshino Bunroku, a retired diplomat who negotiated with Washington on Okinawa's reversion as director general of the Foreign Ministry's then American Bureau, admitted to the existence of the secret pact.

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For an earlier Japan Focus story on the reversion scandal see David Jacobson, Disgraced Mainichi Journalist Reopens 30-year-old Scandal Over Okinawa Reversion