

Japan to Pay \$6 Billion to Move US Marines to Guam

Shimbun Asahi, Yomiuri Shimbun

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By the Asahi Shimbun and the Yomiuri Shimbun

[In an unprecedented move, Japan has agreed to pay \$6.1 billion to relocate 8,000 US Marines from Okinawa to Guam. As the Asahi and Yomiuri reports show, many important questions remain unanswered. They include: why is Japan paying to establish US bases thousands of miles away? Does this mean that Japan's, and above all Okinawa's faithful service in providing a launch pad for US forces in Korea, Vietnam, in Iraq and elsewhere were inadequate? Or is this more in the nature of the kind of payoff required to encourage an unwelcome visitor to leave one's neighborhood? Why did Japan finally accept the inflated US estimates of the costs of such a move and double the share it agreed to pay? And what will be the costs for Japan of the other side of the agreement, the construction of a heliport at Henoko and troop transfers at Iwakuni and elsewhere, moves bitterly fought by local citizens? The Yomiuri speaks of costs in the range of two trillion yen, dwarfing the costs of the Guam move.]

The people of Okinawa can look forward to a reduction of 8,000 US Marines and their families. But will the land be returned to Okinawans, or will Japanese forces be replacing some significant part of the departing Americans? What are the expanded Japanese security roles envisaged in the new US-Japan military division of labor? These are among the issues that remain unaddressed as the Koizumi

government proceeds to sell the deal to the Japanese people. MS]

The Asahi Shimbun

WASHINGTON--Japan will pay \$6.09 billion (about 700 billion yen) to help relocate 8,000 U.S. Marines from Okinawa Prefecture to Guam, double the amount of funds Tokyo initially offered, officials said Monday.

Japanese Defense Agency Director-General Nukaga Fukushima announced Japan's decision to cover 59 percent of the estimated \$10.27 billion needed for the transfer after talks with U.S. Defense Secretary Donald Rumsfeld at the Defense Department.



Nukaga and Rumsfeld seal the deal in Washington

With the agreement, Tokyo and Washington will soon hold a Japan-U.S. Security Consultative Committee (two-plus-two) meeting for foreign and defense ministers to compile a final report on U.S. military realignment in Japan, the officials said.

The transfer of the Marines to Guam, which is expected to be completed in the next seven to eight years, is a key part of the overall realignment package. The dispute over Japan's share had been a source of delay for the final report.



"We must shoulder our fair share to reduce the burden on the people in Okinawa and all of Japan," Nukaga told reporters after the talks.

But Tokyo, which had insisted on shouldering \$3 billion of the amount, will likely face pressure to explain why it agreed on \$6.09 billion.

According to Nukaga and other officials, Japan will provide: \$2.8 billion in grants from national coffers; \$1.5 billion in the form of investment into a new special company; and \$1.79 billion in loans extended by the Japan Bank for International Cooperation and other entities.

Japan's investment and loans will be used to build family housing facilities on Guam, from which Japan can expect to receive revenue from the rent.

Japan's grants will cover facilities that are not directly related to U.S. military exercises, such as barracks, administration buildings and schools.

Training sites, runways and entertainment establishments will be covered entirely by the U.S. side.

Japan has never financially supported any overseas U.S. military facilities. To provide a legal basis for the Japan-financed relocation to Guam, the Japanese government will submit a bill, possibly in early May, to the Diet with the intention of enacting the law before the current Diet session ends on June 18.

U.S. officials estimated \$10 billion would be needed to build accommodation and training facilities for the Marines on Guam. Richard Lawless, U.S. deputy undersecretary of defense for Asia and Pacific affairs, said Japan should shoulder 75 percent of the total because Japan initiated the relocation plan.

But Tokyo said Washington's cost estimate was too high, and insisted in providing only about \$3 billion through loans to cover costs for housing, roads, water and other things related to the daily lives of the Marines.

Nukaga told reporters that Japanese negotiators "had been working on the matter in a buildup approach" by covering accommodation, administration buildings and other facilities.

"We'd like to go ahead and proceed with plans to reduce the burden on the people of Okinawa in as short a time as possible," Chief Cabinet Secretary Abe Shinzo told reporters Monday. "An appropriate level of our share is unavoidable."

Although Tokyo won a concession on the costs from Washington, there are deep-rooted opinions, even within the Japanese government, that the U.S. estimate is still way too high, sources said.

Japan had asked the U.S. side for a breakdown of the costs required. The Japanese public might now press Tokyo for an explanation,

observers said.

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Japanese Government Needs to Explain Cost of Moving Marines

The Yomiuri Shimbun

The issue of what share of the cost Japan should assume for relocating 8,000 U.S. marines now stationed in Okinawa Prefecture to Guam has been settled at last.

With the settlement, planning for the realignment of U.S. bases in Japan has passed its critical phase. Japan and the United States will finalize an overall package of agreements during a meeting of the top foreign policy and defense officials from both countries in early May. This will mark a big step forward in deepening the alliance between the two countries.

During their meeting in Washington on Sunday, Defense Agency Director General Nukaga Fukushima and U.S. Defense Secretary Donald Rumsfeld agreed that Japan would shoulder 59 percent of the financial burden of the relocation, which is estimated to cost a total of 10.27 billion dollars or 1.14 trillion yen, calculated at the yen-dollar conversion rate for the fiscal 2006 budget.

Japan's share comprises grants of 2.8 billion dollars (or 310.8 billion yen) from its general account, government investment of 1.5 billion dollars (or 166.5 billion yen), and loans through the Japan Bank for International Cooperation and other financial institutions.

But many details about the latest agreement remain obscure. On what basis has the total cost for relocation been estimated? The government says it plans to establish a new

third-sector body for the investment, with the invested money expected to be returned. But how will the invested money be returned? And in what specific way will the loans be extended?

Explanation owed

The government has a duty to explain the decision to the Japanese public.

One of the important objectives in reorganizing the U.S. forces in Japan is to reduce the burdens of hosting U.S. military bases on Okinawa Prefecture. To transfer the 8,000 U.S. marines to Guam as soon as possible, Japan needs to assume its due share of the burden. Another objective is for the Japanese people as a whole to share the burdens of Okinawa Prefecture, which hosts the bulk of the U.S. military bases in Japan.

It is unprecedented for Japan to spend state funds on U.S. bases located outside Japan.

In addition to the cost of relocating U.S. marines to Guam, the government may be required to spend as much as 2 trillion yen over the next 10 years on other efforts connected to the reorganization of U.S. forces in Japan, including the projects to adjust the surroundings of bases and to promote local economies.

The government is considering submitting to the current Diet session a package of bills related to the realignment of U.S. bases in Japan, including one concerning the basis for shouldering part of the relocation cost, one concerning the related investments and loans, and one concerning new grants to concerned local governments.

Keep moving forward

While it is a matter of course for the government to discuss these issues thoroughly,

it should not delay in laying the legal groundwork and pressing ahead with the realignment.

Concerning the issue of relocating the U.S. Marine Corps' Futenma Air Station to Camp Schwab in Nago, Okinawa Prefecture, Nago Mayor Shimabukuro Yoshikazu agreed to the government's modified plan. The relocation of Futenma Air Station is a prerequisite for the relocation of U.S. marines to Guam.

To reduce the burden of hosting U.S. military bases, Okinawa Gov. Inamine Keiichi should cooperate with the relocation of the Futenma facility.

Former Iwakuni Mayor Ihara Katsusuke won Sunday's mayoral election in Iwakuni, Yamaguchi Prefecture, held following its merger with neighboring municipalities in

March. Ihara opposes relocating U.S. carrier-based aircraft from the Atsugi U.S. Naval Air Facility in Kanagawa Prefecture to the U.S. Marine Corps' Iwakuni Air Station, a stance reinforced by the result of a local referendum held last month in which the majority of residents also expressed opposition to the plan.

The reorganization of U.S. forces in Japan is designed to deal with the so-called Arc of Instability that stretches from Northeast Asia to the Middle East. The rapid military buildup of China is one factor in the region's instability. The Japan-U.S. alliance has gained importance for its role in maintaining the peace and stability of Japan and the region.

Japan must deal with the issue of relocation costs from a realistic and broad perspective.

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