The Tokai Reprocessing Issue:
Japan's Fight for Elite Nation Status in 1977

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A Disloyal Teacher
The U.S.-Japan Nuclear Relationship: 1953 to April 7, 1977

"We were good students and did what the teacher told us," explained a senior Japanese bureaucrat in the summer of 1977, "and you abruptly changed the policy." [1]

As part of the postwar fostering of a bilateral science and technology relationship, the United States helped build Japan's nuclear energy program beginning in the mid-1950s with President Dwight Eisenhower's Atoms for Peace initiative. With Japan demilitarized and under the U.S. nuclear umbrella, the U.S. government helped facilitate the Japanese nuclear energy program, partly as an alternative outlet for Japanese national ambitions and partly as an economic venture that would benefit the American nuclear energy industry.[2] The establishment of the U.S. as the global political leader in Cold War nuclear affairs, both in the field of energy and in nuclear nonproliferation, was also implicit in the Atoms for Peace program.[3] Thus, the U.S.'s nuclear energy policy was inseparable from its nonproliferation policy from the very beginning—a characteristic that has made the U.S. nuclear energy policy dynamic, fickle, and responsive to ever-

[1] John Saar, "Japanese Want Nuclear Plant, Despite Carter's Objections," *The Washington Post*, July 1, 1977.
[2] In respect to Japan's national ambitions, the Johnson administration writes, "The national unity and pride which were shattered in Japan by World War II are again beginning to reassert themselves and are likely to do so increasingly with the passage of time. We should encourage and assist Japan to find constructive, nationally satisfying outlets for the pressures which these feelings will inevitably create. Obvious channels, well suited to Japan's interests and capacities are in the exploration of outer space, the development of a nuclear merchant fleet, and other peaceful uses of nuclear power." In United States Department of State, "Background Paper on Factors Which Could Influence National Decisions concerning the Acquisition of Nuclear Weapons [Includes Japan Section Only], Secret, Background Paper, December 12, 1964, 15; For the economic benefits to the U.S., see Motoya Kitamura, "Japan's Plutonium Program: A Proliferation Threat?," 3, http://cns.miis.edu/npr/pdfs/kitamu32.pdf.
[3] Motoya Kitamura, "Japan's Plutonium Program: A Proliferation Threat?," 3, http://cns.miis.edu/npr/pdfs/kitamu32.pdf.

changing global conditions. This mutability stands in stark contrast to the very rigid and inward-focused Japanese nuclear energy policy, which has remained the same since Japan declared it would work towards a closed nuclear fuel cycle in its first Long Term Plan in 1956.[*] This fundamental disparity in the two nations' nuclear energy programs explains caused the allies to find their nuclear policies abruptly opposed to each other in 1977.

U.S. facilitation of the Japanese nuclear energy program continued into the 1960s and early 1970s, despite growing U.S. government concern that nuclear energy technologies, including the reprocessing of spent nuclear fuel into a pure plutonium product, may have proliferation implications. Moreover, the signing of the Nuclear Nonproliferation Treaty (NPT) in 1968 did not end U.S. favor towards Japan's nuclear energy program as Japan had feared; instead, the U.S. assured Japan that its peaceful nuclear program, including reprocessing, would not be obstructed as long as conditioned to international safeguards.[4]

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[*] The nuclear fuel cycle consists of 1) the mining and enrichment of uranium to be used as nuclear fuel; 2) the use of this uranium fuel in a reactor, which produces energy using heat from a fission process, resulting in spent nuclear fuel; and 3) the disposal and or recycle of spent fuel. In a complete, or "closed," nuclear fuel cycle, the spent fuel is "recycled" by reprocessing, in which the plutonium and uranium are recovered and separated from each other to be used in thermal reactors or breeder reactors as new fuels. The isolated plutonium resulting from reprocessing can be used to create nuclear weapons. If the spent fuel is not reprocessed, it is stored as nuclear waste; in this case the fuel cycle is considered "open," or "once-through."

[4] "It is clear from the examination of the late 1967 record of correspondence between the Joint Committee and the then [Atomic Energy Commission of Japan] that [Article VIII.C. of the Japanese Agreement for Cooperation as last amended in 1968] specifically contemplates reprocessing in Japanese facilities as a quid pro quo exchange for placement of reprocessing Japanese facilities under IAEA safeguards." In United States Energy Research and Development Administration, "[Background Information on Tokai; Includes Attachment]," Classification Unknown, Memorandum, July 22, 1977, 1.

The real change in U.S. nuclear policy occurred as a result of the 1974 Indian nuclear device explosion, in which India successfully tested a nuclear bomb using plutonium produced from a Canadian-derived research reactor and U.S.-derived heavy water. This bomb, code-named "Smiling Buddha," shook international and American leaders alike. As a presidential candidate in 1976, Jimmy Carter was "the first important personage to blow the whistle" on the proliferation danger of using and exporting reprocessing plants and breeder reactors.[5] President Gerald Ford was soon pressured to follow suit. He, too, publicly questioned the necessity of reprocessing and announced U.S. disapproval of the closed nuclear fuel cycle just days before Election Day in 1976, albeit in a noncommittal manner that left him the flexibility of approving domestic commercial reprocessing plants, such as Barnwell.[6] Carter's speech a few months later, on April 7, 1977, expressed a crucial difference in intention and commitment. Whereas Ford had only suggested the U.S. as a potential global model of anti-reprocessing, Carter committed passionately to positioning the U.S. as both a model and a policeman on the international stage. Moreover, he denounced reprocessing as not only dangerous, but also impractical and unnecessary.[7] He insisted on ending reprocessing both at home and abroad, demanding that other nations similarly end their quest for the closed nuclear fuel

[5] Joseph, Kraft, "The Real Transition: Becoming Presidential," *The Washington Post*, April 14, 1977.
[6] Rossin, David A, "U.S. Policy on Spent Fuel Reprocessing: The Issues," http://www.pbs.org/wgbh/pages/frontline/shows/reaction/readings/rossin.html.
[7] PBS Frontline. "Presidential Actions—A Brief History," http://www.pbs.org/wgbh/pages/frontline/shows/reaction/readings/rossin1.html.

cycle and participate in an international nuclear fuel cycle evaluation (INFCE) program.[8*]

Carter's denouncement of reprocessing and call for the INFCE angered close American allies in Western Europe and Japan alike.[9] The United Kingdom, France, West Germany and Japan all possessed domestic nuclear programs committed to the realization of the closed nuclear fuel cycle, including reprocessing. Lacking the natural energy resources, including uranium, of the U.S., these nations saw nuclear energy—specifically breeder reactors that would ensure energy independence through the recycle of spent fuel—as essential to their domestic energy needs and, in the case of technologically advanced France and the United Kingdom, valuable to their national economies as high value added exports.[10]

In reality though, the United States had no concrete control over the nuclear energy policies or programs of their allies in Western Europe; Carter could only rely on political sway. Conversely, the threat to Japan's nuclear energy program was much more real, for the U.S. supplied Japan with nuclear fuel and an agreement between the two nations first signed in 1955 stipulated that the U.S. had control over what Japan did with

[8] Jimmy Carter, "Nuclear Power Policy Remarks and a Question-and-Answer Session With Reporters on Decisions Following a Review of U.S. Policy," Speech, April 7, 1977.
[*] Language note: The INFCE is sometimes referred to as INFCEP (International Fuel Cycle Evaluation Program).
[9] Edward Walsh and J.P. Smith, "U.S. Acts to Curb Plutonium, Asks Allies to Assist," *The Washington Post*, April 8, 1977.
[10] Spurgeon M. Keeny, Jr., "Plutonium Reprocessing: Twenty Years Experience (1977-1997)," http://www.pbs.org/wgbh/pages/frontline/shows/reaction/readings/keeny.html.

this U.S.-origin spent fuel.[11] Intended as a nonproliferation measure, this arrangement put Japan in the unique position of being subject to fluctuation in U.S. nuclear policy. This was a position that the Federal Republic of Germany and the Western European nations of the European Atomic Energy Community (EURATOM) were exempt from, due to differences in their bilateral contracts with the United States for the purchase of nuclear fuel. Thus, Japan's desire to achieve equality with these Western European nations was not merely parallel to its quest for reprocessing; rather, for Japan the pursuits of equality and reprocessing were overtly intertwined.

Japan's strong desire to reprocess spent fuel, coupled with Carter's brusque turnabout of U.S. nuclear policy meant that the U.S. suddenly found itself directly opposed to one of its most important economic and political allies. Specifically, the conflicting policies came to a head in a negotiation between the two governments over a Japanese pilot reprocessing plant known as Tokai-mura, located in Ibaraki prefecture. From February to September of 1977, the Tokai negotiation proved to be a difficult political quandary that endangered both nations' international reputations. For the U.S., Japan's bid to reprocess at Tokai represented the first test of Carter's nonproliferation policy and consequently would determine its early success or failure in the international arena. For Japan, on the other hand, success at Tokai would not only symbolize the culmination of decades of planning and investment in the closed nuclear fuel cycle, but would also demonstrate that Japan was a first-class nuclear-industrial nation, deserving of international prestige.

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[11] Eugene Skolnikoff, Tatsujiro Suzuki and Kenneth Oye, *International Responses to Japanese Plutonium Programs* (Cambridge, MA: Working paper from the Center for the International Studies Massachusetts Institute of Technology, August 1995), pp. 48-54.

Despite Japan's relative inferiority compared with the superpower status and post-WWII paternalism of the United States,* Japan entered the Tokai negotiations with an advantage over its ally for several reasons. First, there was a general lack of international support—most notably in Western Europe—for Carter's denouncement of reprocessing.[12] Second, the U.S.-Japan relationship was in a fragile state, mostly due to the United States' failure to consult Japan in Nixon's rapprochement with China in 1971-2, but also because Japan's economy had grown twice as fast as the U.S. in the postwar period and its Gross Domestic Product (GDP) had become second in the world, creating economic competition between the two allies. Third and most important was the consistent record of a positive U.S. attitude towards the Japanese nuclear energy program in the postwar period, most notably during the signing of the NPT, which Japan signed with the understanding that its nuclear energy program would not be affected.[13] Additionally, Japan had consistently played by the rules, strictly adhering to international safeguards and committing itself to the principle of transparency in its nuclear endeavors.[14] And, as the only nation who could claim to be a victim of the atomic bomb, Japan had a stake in the promotion of nonproliferation and cooperation internationally.

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* The paternal relationship between the U.S. and Japan during the post-WWII period can be attributed to the American occupation of Japan (1945-52), the American encouragement of and influence on numerous Japanese industries and leaders, and the protection of Japan under the American nuclear umbrella.

[12] Spurgeon M. Keeny, Jr., "Plutonium Reprocessing: Twenty Years Experience (1977-1997), http://www.pbs.org/wgbh/pages/frontline/shows/reaction/readings/keeny.html.

[13] "The [American] nuclear and foreign affairs bureaucrats promised the [Japanese] Diet that once the NPT was ratified, Japan's ability to obtain and develop nuclear technology would be improved." United States Department of State, Energy Research and Development Administration, "Talking Points [Nuclear Energy Programs]," classification unknown, c. February 18, 1977, 6.

[14] As declared in Japan's 1955 Atomic Energy Basic Law.

Therefore, prior to Carter's denouncement of reprocessing, Japan had no reason to doubt that hot tests would commence at Tokai-mura in the summer of 1977.[*]

Japan's Fight for Elite Nation Status
The Significance of the Tokai Issue: 1977 to Present

The Tokai issue is a critical moment not only in the history of the U.S.-Japan relationship, but also in the history of Japan's rise into an elite club of first-world nations in the Cold War era. The decision-making process behind the Tokai negotiation on the U.S. side provides insight into the changing nature of the U.S.-Japan relationship during the 1970s, for during this decade the U.S. relinquished much of its post-WWII paternalism toward Japan in exchange for a more equal partnership with the fledgling economic powerhouse.

Japan's post-war economic "miracle" and the increasing exhaustion of American military commitments in Asia led American leaders to call for Japan to play a greater role in the global arena in the 1970s. In 1976 the soon-to-be ambassador to Tokyo under Carter, Michael Mansfield, announced a new era of U.S.-Japan relations: "The era of patron-client is over. A new relationship on the basis of equality and a mutuality of interests has begun."[15] Carter himself expressed a similar view; in his first meeting with Japanese Prime Minister Takeo Fukuda on April 3, 1977, the President encouraged

[*] In the field of nuclear energy, hot testing, also called active testing, is the testing of a method, process, apparatus, and/or instrumentation under normal working conditions and at expected activity levels. In the case of Tokai, hot testing implied the testing of conventional reprocessing and plutonium handling.

[15] Don Oberdorfer, *Senator Mansfield: The Extraordinary Life of a Great American Statesman and Diplomat*, 457.

Fukuda to expand upon his country's economic leadership and play a bigger political role in world affairs.[16]

Carter's public encouragement of a greater Japanese role was part of his vision of a strong trilateral world. Carter and several of his cabinet members, including National Security Adviser Zbigniew Brzezinski and Secretary of State Cyrus Vance, were members—or, in Brzezinski's case, the director—of the Trilateral Commission, a private organization comprised of some of the most prominent political and economic leaders from Western Europe, the United States and Japan. David Rockefeller founded the Commission in 1973 in hopes of harmonizing the world views of the industrial states and as "an effort to modernize U.S. foreign policy thinking to enable the nation to continue exercising leadership in a world where allies were no longer clients but competitors."[17] Working under the idea that cooperation rather than unilateralism would spell success for U.S. foreign policy in a post-Vietnam War and post-Kissinger era, Carter promised to strengthen the alliances between the U.S. and its trilateral allies.[18] It was Carter's hope that the trilateral allies could successfully stabilize and direct the global economy and other affairs in the face of the jarring rise of the Third World, as exhibited by the Vietnam War, the OPEC oil crisis in 1973, and the Indian nuclear device explosion. Much of this trilateral philosophy depended upon the growth of Japan as a global power, for the bonds between the U.S. and Western Europe were already strong and Asia was a region of great concern and instability for the U.S. following the Vietnam War.

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[16] Sam Jameson, "Why Japan Shuns a Bigger Political Role," *Los Angeles Times*, April 3, 1977.
[17] Richard J. Barnet, *The Alliance: America-Europe-Japan: Makers of the Postwar World*, 362-3.
[18] Ibid., 363.

Yet, despite the importance attributed to the need for Japan to play a greater political role and despite Carter's public encouragements of this growth, Carter did not act upon these sentiments. Like other American leaders in his time, Carter publicly recognized the need to make Japan a partner and treat it as such, but failed to change his political practices. The Tokai negotiation serves as a good example of this inconsistency in theory and in practice, for Carter promised and perhaps truly intended to cooperate with Japan on the issue of reprocessing but still expected the latter to acquiesce to American demands.

This inconsistency spelled trouble for the Carter administration in its handling of the Tokai issue. Fukuda and the government of Japan took Carter's call to action and trilateral considerations seriously. The leaders and people of Japan increasingly viewed their client role as outdated and began to resent American expectations of Japanese reticence.[19] The Tokai negotiation was an opportunity for Japan to prove that it would no longer blindly follow American leadership. Consequently, Japan's persistent demand for the right to reprocess demonstrates its strong drive to establish itself as an elite global power and respected American ally in the same rank as the U.S.'s more privileged Western European allies. The U.S. decision to allow conventional reprocessing at Tokai, then, should be considered a critical moment in the broader narratives of the U.S.-Japan relationship and the rise of Japan. Seen within these two contexts, the Tokai negotiation serves as an explicit display of the loss of absolute American superiority within the two nations' alliance, as well as a manifestation of Japan as a new influential player in the global arena.

[19] Sam Jameson, "Why Japan Shuns a Bigger Political Role," *Los Angeles Times*, April 3, 1977.

The significance of the negotiation as a moment of change in the American perception and treatment of Japan becomes apparent when the history of the Tokai issue is told from the American side. The evidence available on the American side reveals that the Tokai negotiation resulted in a change for each nation and therefore serves as an important turning point in each nation's history and in the history of the U.S.-Japan nuclear relationship. Japan enjoyed a nuanced change in status in its fight to become an elite nuclear nation. The Americans, as represented specifically by the Carter administration, exhibited a change as well, however this change occurred forcibly and much to the administration's chagrin. The administration had to bridge the gap between its trilateral philosophy and the traditional American treatment of Japan as a willing client.

More specifically, the administration had to grapple with the fact that it was not going to be able to prevent Japan from reprocessing. The government of Japan had the upper hand in the negotiation from the beginning, and its position only became stronger as the administration botched its handling of the situation. Whereas Japan always perceived the Tokai issue as a serious strain in the U.S.-Japan relationship and as a symbol of Japan's international status, the members of the Carter administration failed to acknowledge Tokai's significance and Japan's commitment to the issue until it was too late, causing the administration to find itself in what Carter's East Asian Affairs adviser Michael Armacost identified as "a genuine bind."[20] The Tokai issue, then, is essentially the story of the Carter administration's struggle to salvage its nuclear policy in the wake of a consistent Japanese demand for reprocessing approval. In this struggle the Carter

[20] Michael H. Armacost, "Japan and the Nuclear Reprocessing Issue," Secret, Information Memorandum, April 18, 1977, 1.

administration had to come to terms with the idea of a more powerful Japan, an idea that Mansfield emphasized intensely. In response to Mansfield's warnings, the administration found itself unexpectedly fearful of losing an ally and forced to concede much of its own agenda to fulfill Japan's demands. This new respect for Japan matured in the last phase of the negotiation, and by the signing of the Tokai agreement, Japan's value as an international power was clear.

Part I: Assumptions and Blunders
February 18-July 11, 1977

Jimmy Carter first alluded to a dramatic shift in U.S. nuclear policy as a presidential candidate in late 1976. On September 25, he voiced his concerns about the reprocessing of spent nuclear fuel, denouncing the process as an unnecessary and dangerous step in the nuclear fuel cycle.[21] Despite the potency of Carter's stance, the American public dismissed his initial statement as mere campaign rhetoric.[22] The government and people of Japan, on the other hand, took notice early on.[23] Japanese newspapers alluded to previous instances of American betrayal, such as the "Nixon shocks" and "oil shock" of the early 1970s, as they characterized American proposals to curb reprocessing as a "plutonium shock."[24] Carter's election victory, then, prompted alarm in Tokyo; Fukuda began to worry about his nation's nuclear energy program and his personal reputation that was dependent on the program's success.

[21] PBS Frontline, "Presidential Actions—A Brief History," http://www.pbs.org/wgbh/pages/frontline/shows/reaction/readings/rossin1.html.
[22] Ibid.
[23] "International Issues Supplement Regional and Political Analysis," Classification Unknown, Report, January 26, 1977, 3.
[24] Ibid.

Fukuda's distress was warranted; Carter entered the White House with an ambitious nuclear non-proliferation agenda in mind, and he began to act on it just weeks into his term. More worrisome, however, was the fact that the members of the Carter administration did not take Japan's concerns seriously or simply failed to understand them. Plagued by miscommunication, lack of technical information, an assumption of American superiority and even ignorance, the Carter administration was extremely ineffective in the first few months of the Tokai issue. Even as the government of Japan increasingly pressured the administration to reach a positive decision, the administration believed that delaying a decision on Tokai would be the best way to insure the success of its nuclear policy. In the administration's eyes, avoiding the Tokai issue would allow the U.S. time to convince Japan that reprocessing was uneconomical, as well as time to garner Western European support for its nuclear policy. Unfortunately for the U.S., the Carter administration's general ineptitude and strategy of postponement in this first phase caused its negotiating position to weaken severely, essentially guaranteeing that Japan would win the right to reprocess.

Despite the government of Japan's clear pronouncements of its concerns about the effect of a new U.S. nuclear energy policy on its own energy program and its intention to take a hard stance,[25] and despite the Carter administration's knowledge of these concerns months before Carter's April 7 speech, the latter did not take Japan's point of view

[25] Fukuda declared, "The issue is very important to our nation's energy policy…I intend to express our position strongly…[Japan's nuclear energy] course must not be impeded." In Sam Jameson, "Fukuda Arrives for Talks with Carter," *Los Angeles Times*, March 21, 1977; Also, "Fukuda stated flatly that Japan 'absolutely must carry out reprocessing...To ban reprocessing now would be grossly unequal treatment between nations with nuclear weapons and nations which already have reprocessing facilities, on one hand, and Japan, which is now starting reprocessing on the other.'" In Sam Jameson, "Fukuda, Carter Fail to Agree on Nuclear Fuel Issue," *Los Angeles Times*, March 23, 1977.

seriously. By mid-February, the administration recognized that Japan's most immediate concern was securing U.S. approval for the reprocessing of U.S.-supplied fuel at its Tokai-mura plant. Moreover, a report from the Energy Research and Development Administration (ERDA) for the State Department assessed that the issue had become "highly emotional" in Japan.[26] Despite these acute observations, the ERDA dismissed the Japanese concern about Tokai reprocessing as irrelevant to Japan's "real worries—access to nuclear fuel and adequate storage for spent fuel."[27] The report further characterized the Japanese as "still very much in the grip of our pre-1976 ideas."[28] In other words, the ERDA essentially dismissed Japan's plan to reprocess as misguided, claiming the real issue underlying Japan's perceived need to reprocess was finding an adequate and uncontroversial waste storage solution for spent nuclear fuel.

Moreover, the report recognized that the governmental leaders of Japan were "jittery about public acceptance of their nuclear program" and more generally sought evidence of Japan's national status, but the ERDA felt that this desire for status could be amply fulfilled "by setting up a U.S.-Japan Working Group on Nuclear Problems to conduct a constant dialogue at the technical and political levels."[29] The ERDA underplayed "the possible embarrassment of the Japanese government and industry at having to publicly change directions, seemingly under U.S. pressure" as "more subtle problems."[30] And, the ERDA suggested that the U.S. was in a superior position, for its

[26] United States Department of State, Energy Research and Development Administration, "Talking Points [Nuclear Energy Programs]," classification unknown, c. February 18, 1977, 1.
[27] Ibid., 2.
[28] Ibid., 5.
[29] Ibid., 2.
[30] Ibid., 1-2.

control of Japan's U.S-supplied fuel was open-ended; "We have never said what we have in mind." According to the ERDA, Japan would have to wait on a decision on Tokai "at least long enough to sit down and explore the issues with us."[31] Therefore, the ERDA's report—requested and widely read by Carter's administration—led the administration to not only believe that the U.S. had control over Japan's reprocessing rights, but also that the U.S. was the superior partner in the alliance.

This rejection of Japanese reprocessing as an ineffective solution to Japan's "real worries" meant a dismissal of Japan's concerns as illogical, and as a result caused the Carter administration to believe that the best way to handle the Tokai issue was to try to convince Japan to give up the idea of reprocessing altogether. Based on a technical study issued by President Ford, Carter staunchly contended "that there is 'strong scientific and economic evidence' to support a shift away from the rush toward plutonium reactors."[32] His administration therefore believed it would not necessarily have to impose its will on Japan; rather it could persuade Japan to forgo its reprocessing plans.[33]

For Fukuda and his government, however, reprocessing was not only the best solution to their fuel and waste problems, but was also an important political symbol of Japan's power. If Fukuda and his government could secure the right to reprocess from the United States, Japan's appointment to an elite club of highly industrialized and technologically advanced nations—consisting of the United States and Western Europe—and Japan's position as an equal within its relationship with the U.S. would both be

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[31] Ibid., 6.
[32] Edward Walsh and J.P. Smith, "U.S. Acts to Curb Plutonium, Asks Allies to Assist," *The Washington Post*, April 8, 1977.
[33] Paul E. Steiger, "U.S. Seeks to Bar Use of Plutonium," *Los Angeles Times*, April 8, 1977.

realized. The ERDA report concedes, "The Japanese feel strongly that when the lines are drawn between the favored states and the disciplined states, Japan must be in the former category."[34] Yet the ERDA refused to see this view as valid since Japan was the only major nuclear-industrial power that had not yet begun reprocessing. The right to reprocess, then, had already become the factor excluding Japan from an elite group of nations consisting of the U.S. and its Western European allies. This fundamental misunderstanding of Japan's stake in Tokai and reprocessing in general as a fight for national prestige severely affected the administration's ability to negotiate effectively and promptly.

Working within the context of—and perhaps blinded by—the traditional American treatment of Japan as a client, Carter's new policy and the ERDA's report, the Carter administration began to operate under two assumptions, one technical and one political. First, the administration assumed that Tokai was not the real issue; the bigger problem was the international pursuit of closing the nuclear fuel cycle, a problem that—according to Carter—should be fixed by a new nuclear energy policy relying solely on uranium as nuclear fuel. This assumption led the administration to believe that Japan was fighting for the right to reprocess as a way to get rid of its nuclear waste, and that reprocessing was not the right solution for Japan. Second, the administration assumed that approval of reprocessing at Tokai was not the only way to satisfy Japan's hunger for recognized status; the administration believed it could feasibly reject the Japanese demand for reprocessing without destroying the two nations' relationship. Underlying

[34] Ibid., 2.

both assumptions was the American underestimation of Japan as an inferior ally and an inferior nation.

The administration's first assumption—that it could change Japan's mind about conventional reprocessing—caused the administration to begin a strategy of delay in its dealings with the Tokai issue. On March 18, Brzezinski informed Carter,

> [Japan's] interest is in not having us say "no;" our interest for the moment is in not having to make that decision. We need to avert a confrontation…But beyond this we need to refocus attention to the more positive task of jointly working toward safe, economical, nondiscriminatory forms of nuclear technology.[35]

On March 20, Fukuda sent a "special representative," journalist and nuclear engineer Ryukichi Imai, to Washington in order to more directly express Japanese concerns about Tokai. Imai warned that Japan was facing "government and bureaucratic embarrassment," and that a negative decision on Tokai "will cause distrust and suspicion" of the U.S. among the Japanese, partly because of the Japanese belief that it was one of "the only four states which can justify a full fuel cycle (US, USSR, FRG, Japan)."[36] The U.S. representatives who met with Imai—Deputy Secretary of State Warren Christopher, Assistant Secretary of State for East Asian and Pacific Affairs Richard Holbrooke, and Deputy to the Undersecretary of State for Security Assistance, Science and Technology Joseph Nye—dismissed Japan's concerns, as relayed by Imai, in the same manner that the ERDA report did. Instead of attempting any kind of resolution of the specific Tokai issue, the U.S. representatives stressed the need for a review of the entire fuel cycle, and expressed the need for time to make a decision on Tokai. Believing

[35] Zbigniew Brzezinski, "Weekly National Security Report #5 [Japan: Reprocessing Issue; Pages Missing]," Top Secret, Memorandum, March 18, 1977, 1.
[36] Cyrus R. Vance, "Nuclear Reprocessing for Fukuda Discussions," Confidential, Memorandum, March 20, 1977.

their country to be in control of the negotiation, the U.S. representatives gave Imai a vague and noncommittal answer about resolving Tokai:

> We want to avoid making an official US determination that the reprocessing operation at the Tokai plant can be "adequately safeguarded" because of the general precedent that would set, but that we also do not wish to make a negative determination at this time and do not rule out some form of operation of the Tokai facility.[37]

By the end of March, the Carter administration began its final preparations for a bilateral talk with Fukuda and Carter's April 7 speech that would officially announce the new U.S. nuclear energy and nonproliferation policy denouncing reprocessing. These last preparations demonstrate that the administration had ample information about Fukuda and his government's concerns. The administration repeatedly discussed the issues of embarrassment, public image and discrimination vis-à-vis the U.S.'s Western European allies. And, the administration understood that the government of Japan was not the only source of pressure; on April 2 Christopher noted to Carter, "the Japanese people and the mass media view this issue as a nationalistic one in which resource-poor Japan is being denied energy self sufficiency."[38] Yet, the administration continued to postpone a resolution of the issue.

More importantly, the administration continued to assume that it would eventually convince Japan to seek an alternative to conventional reprocessing, thereby indirectly rejecting Japan's demand for conventional reprocessing. Christopher's memorandum for Carter, which clearly acknowledges Japan's concerns on the one hand, continued,

> We therefore believe it important to proceed in a manner which will not seem to present the Japanese with a <u>fait accompli</u> or foreclose possibilities for further

[37] Ibid., 2.
[38] Warren Christopher, "Nuclear Reprocessing Discussions with Japan," Secret, Memorandum, April 2, 1977, 1-2.

> discussion. We have therefore developed an approach which will explore with the GOJ the feasibility of operating Tokai, on an experimental basis, with a modified process which does not produce separated plutonium.[39]

A memorandum from Armacost to Brzezinski similarly treated the Tokai issue as just a small manifestation of the greater fuel cycle problem. Armacost wrote,

> A major objective in our discussion with the Japanese should be to broaden talks beyond the specific issue of reprocessing at Tokai-mura toward ways in which we can collaborate more effectively with Japan in meeting its enriched uranium requirements, enhancing the safety of reactor operations, and assuring adequate spent fuel storage capacity.[40]

By April 5, the administration's intention to reject Japan's demand to perform conventional reprocessing had solidified, mostly due to the assumption that the United States could impose its will on Japan without consequence. In a report for Brzezinski, Armacost claimed that the announcement of Carter's new policy may make Japanese plans to reprocess at Tokai "a moot point."[41] And, Staff Secretary Mike Hornblow noted,

> The President…has concluded that exploring with the Japanese the feasibility of operating Tokai with a modified process which does not produce pure separated plutonium would be the least we could accept—while no operation of Tokai would be preferable.[42]

Therefore, by the eve of Carter's April 7 speech, the administration had heard but not listened to Japanese concerns both privately and in the public media, decided on a strategy of postponement, assumed American superiority in the negotiation, and felt certain that it would not allow Japan to perform conventional reprocessing.

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[39] Ibid., 2.
[40] Michael H. Armacost, "Japan: Nuclear Reprocessing," Secret, Action Memorandum, April 5, 1977, 1.
[41] Michael H. Armacost, "<Sanitized> Evening Report 7 April 1977," Secret, Report, April 7, 1977, 3.
[42] Michael Hornblow, "Consultations with Japanese on Nuclear Reprocessing," Secret, Memorandum, c. April 15, 1977.

Yet, in the very speech that officially presented the new nuclear policy and condemned reprocessing—in essence, the foundation for U.S. rejection of conventional reprocessing at Tokai—Carter made a critical mistake that irreversibly damaged his administration's negotiating position in the Tokai issue. In his *Nuclear Power Policy Remarks and a Question-and-Answer Session With Reporters on Decisions Following a Review of U.S. Policy*, Carter publicly and repeatedly approved of Japanese reprocessing. Despite expressing the belief that the risks of the uncontrolled spread of nuclear weapon capability "would be vastly increased by the further spread of reprocessing capabilities of the spent nuclear fuel from which explosives can be derived," Carter clearly stated,

> We are not trying to impose our will on those nations like Japan and France and Britain and Germany which already have reprocessing plants in operation. They have a special need that we don't have in that their supplies of petroleum products are not available."[43]

Carter's approval of Japanese reprocessing was even more explicit during the question-and-answer session with reporters after his speech, for he declared,

> It would be impossible, counterproductive, and ill-advised for us to try to prevent other countries that need it from having the capability to produce electricity from atomic power…The one difference that has been very sensitive, as it relates to, say, Germany, Japan, and others, is that they fear that our unilateral action in renouncing the reprocessing of spent fuels to produce plutonium might imply that we prohibit them or criticize them severely because of their own need for reprocessing. This is not the case. They have a perfect right to go ahead and continue with their own reprocessing efforts.[44]

These statements and Carter's subsequent retraction of them were major mistakes on the part of the Carter administration in its handling of the Tokai issue. As one can imagine, the Japanese gathered from these statements that the U.S. would allow Japan—a

[43] Jimmy Carter, "Nuclear Power Policy Remarks and a Question-and-Answer Session With Reporters on Decisions Following a Review of U.S. Policy," http://www.presidency.ucsb.edu/ws/index.php?pid=7315&st=&st1=.
[44] Ibid.

nation comparable to the industrialized nations of Western Europe and one who felt nuclear energy was essential to its energy security—to begin conventional reprocessing at Tokai as planned. Needless to say, Fukuda and his supporters were initially ecstatic. *Asahi Shimbun*, a major Japanese newspaper, planned to run a banner headline the next day saying, "Carter Approves Reprocessing in Japan."[45] The Carter administration, on the other hand, was frantic. It quickly recognized the President's mistake and attempted to clear up the "ambiguity" with the Japanese government that same day, claiming,

> What was clearly said at the briefing was that reprocessing could continue in countries where it was already underway. But [President Carter] included Japan in this list although Tokai is not underway. It has not yet even undergone hot tests.[46]

Unfortunately, the administration could not clean up the mess Carter had created, and his statements resulted in severe consequences for the U.S. in respect to the Tokai negotiations. The administration's negotiating position suffered immediately, and for the first time the administration felt the weight and pressure of the issue. Armacost relented, "We are in a genuine bind…Our policy task is to reconcile two conflicting political imperatives. The Japanese need to avoid the appearance of submitting to unilateral U.S. decisions which, whatever the intent, have a discriminatory result. We need to avoid actions on Tokai that would compromise the broader principles of the President's nonproliferation policy."[47] The administration began to consider a "line of mutual retreat toward a workable arrangement," involving the approval of an experimental operation of Tokai from the Americans and some kind of vocal support for Carter's new policy from

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[45] Jessica Tuchman, "Japanese Bilateral Briefing Paper [Includes Tabs B and C]," Secret, Memorandum, May 4, 1977, 3.
[46] Ibid, .
[47] Michael H. Armacost, "Japan and the Nuclear Reprocessing Issue," Secret, Information Memorandum, April 18, 1977, 1.

the Japanese.[48] Thus, Carter's April 7 slip gave Japan some leverage in the negotiation and caused the Carter administration to realize it would need to adjust its position slightly—i.e. lobbying for a modified form of reprocessing as opposed to an outright rejection of any form of reprocessing at Tokai—in order to prevent further tension in its alliance with Japan.

Nonetheless, the administration's modification was still too slight to be realistic. The members of the administration continued to believe that they ultimately held control over the situation and felt that it was still possible to prevent Japan from performing conventional reprocessing. They continued to pursue a strategy of delay in hopes of refocusing Japan's attention "on the wider issues of nuclear energy."[49] Armacost informed Brzezinski, "[The Japanese] are preoccupied with who is making the decision and not what are the real choices…What should we do at this point? Nothing. Let the issue lie until after the [London] Summit."[50] Secretary of State Cyrus Vance advised the President, "I believe that a solution may be attainable that is consistent with our global non-proliferation policy and objectives…and that continued discussions at the technical level should be encouraged."[51] Brzezinski similarly advised the President, "You should essentially play for time and attempt to get away from the question of the 'right' to reprocess."[52] Thus, the administration still did not treat the Tokai issue with the urgency,

[48] Ibid., 2-3.
[49] Ibid., 4.
[50] Ibid., 4.
[51] Cyrus R. Vance, "Non-Proliferation and Reprocessing in Japan [Attachments Not Included]," Confidential, Memorandum, c. April 19, 1977, 3.
[52] Zbigniew Brzezinski, "Conversations with Fukuda in London," Secret, Memorandum, c. May 4, 1977, 2.

significance or specificity that the Japanese attributed to it. A critical misunderstanding and mishandling of the issue remained.

The leaders of Japan began to make their frustration with the administration known publicly. The chairman of Japan's Atomic Energy Commission, Sosuke Uno, suggested "that American officials were dealing with Japan in bad faith," and told reporter Henry Kamm from the *New York Times*, "At the working level, the American side has made unreasonable requests and harassed us. …I have a feeling that cracks are about to appear in our friendly relations."[53] Kamm observed,

> For a ranking Japanese official to speak so bluntly on any contentious issue between Japan and its major ally is unusual and a measure of the unhappiness over American opposition to Japan's plan to begin operation of a reprocessing plant for spent nuclear fuel next July…Mr. Uno said the development of domestically produced nuclear energy was a 'matter of life and death for Japan.'[54]

Imai also made his irritation with the Carter administration's handling of Tokai known. In response to a question about the contradiction of Carter's April 7 statement and Washington's position that Japan must still get Tokai approved, Imai told the *Los Angeles Times*, "We have the right to reprocess or do anything in the nuclear fuel cycle—and we do not need to be told by anybody about our own rights."[55]

Therefore in the Japanese leaders' eyes, Carter's April 7 statement insinuating that Japan had the right to reprocess and the administration's frantic attempts "to correct the Japanese misimpression" was not only offensive to their sense of national status, but also created a policy gap between the President and the State Department. Carter

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[53] Henry Kamm, "Tokyo Aide Hints at Bad Faith by U.S. in Nuclear Talks," *The New York Times*, May 18, 1977, 3.
[54] Ibid.
[55] Sam Jameson, "Japanese Criticizes U.S. Nuclear Stirrings: Expert Says Nation May Reprocess Fuel Without American Approval," *Los Angeles Times*, May 21, 1977, A21.

managed to further widen this policy gap and only exacerbate the situation when he met with Fukuda in London on May 17, about a month later. A telegram from the U.S. embassy to Washington reads,

> Fukuda stated that he and other Japanese had been most impressed by Carter statement on Japan at press conference announcing new U.S. nuclear policy on April 7, but then had been disturbed by statements made subsequently by lower level officials which contradicted President's remarks; he then said it was a pity that President's views had not been passed down to subordinates; President replied that he would see to it that his views were made known to other [U.S. government] officials. The next morning President and Fukuda were taking a walk and Fukuda purportedly asked President if his views had been relayed. President said not yet but that this would be done on his return to U.S.[56]

In this personal meeting with Fukuda, Carter twice affirmed his intention to allow Japan to conduct reprocessing. Thus, by mid-May Carter had both publicly and privately assured Fukuda that Japan had a right to reprocess in spite of his and his administration's firm intention to reject hot tests at Tokai-mura that summer.

Behind a façade of compromise, Carter continued to maintain a hard line within the State Department against allowing the Japanese to perform conventional reprocessing. On May 31, Carter's staff presented him with an options paper, asking him for his decision on what to negotiate during upcoming talks with a Japanese delegation in early June. Carter, encouraged by his agencies' suggestions, bypassed both options involving conventional reprocessing and decided that the U.S. should allow Tokai to operate only with a modified process that would not produce pure separated plutonium.[57] In reference to Japan's fear of unequal treatment, Carter wrote, "Assess for me how this

[56] Thomas P. Shoesmith, "Fukuda-Carter Bilateral Talks," Confidential, Cable, May 17, 1977, 1-2.
[57] Zbigniew, Brzezinski, "Japanese Nuclear Talks—Negotiating Guidance [Includes Tab B; Tab A Not Included]," Confidential, Action Memorandum, May 31, 1977, 3.

can be characterized as non-discriminatory."[58] Carter's decision to bypass conventional reprocessing in spite of his knowledge of Japan's concern for discrimination demonstrates his beliefs that Japan's views were invalid and that his administration held the upper hand in the negotiation with the Japanese.

In reality, the American's slighting treatment of the issue only hardened the Japanese position that it had to win the right to reprocess in order to prove itself an elite nation. Moreover, Fukuda's upcoming election on July 10 was predicted to be a difficult one for him, and he had not yet realized his promise of conducting hot tests at Tokai. Thus by summer, the determination of Fukuda and other Japanese leaders was absolute. On June 16, *New York Times* reporter Andrew H. Malcolm wrote,

> Yoshishige Ashihara, chairman of the Kansai Electric Power Company, met with the Prime Minister to urge him to take a strong stand against any easy compromise in the talks with the United States. Mr. Fukuda replied that he had every intention of doing just that.[59]

On July 1, John Saar of *The Washington Post* similarly reported,

> Government officials, usually oblique and reserved in talking with foreign reporters, are echoing a tough, uncompromising position: Tokaimura must open. 'Japan has no intention of stopping or delaying the reprocessing program,' says Masahiro Kawasaki, an atomic energy division director in the Science and Technology Agency. 'It is a very vital national issue for Tokaimura to go critical'—to begin operation…Shelving the plant…would expose the ruling Conservative Party to charges of knuckling under Washington. The dispute—with the accompanying hazard of loss of prestige and face—is critically timed for Premier Takeo Fukuda.[60]

Despite Japan's public commitments to reprocessing, the Carter administration continued to be obstinate in its belief that surely there were other ways to appease the

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[58] Ibid.
[59] Andrew H. Malcolm, "Carter's Nuclear Policy Encounters a Snag in Japan," *New York Times*, June 16, 1977.
[60] John Saar, "Japanese Want Nuclear Plant, Despite Carter's Objections," *The Washington Post*, July 1, 1977.

Japanese demand for status than granting them the right to reprocess. The administration explored its technical options, bought some time, and tried to appease the Japanese demand for status by setting up a team of both Japanese and American technical experts. From June 27 to July 11, this team of experts explored the costs, realities, and proliferation potentials of alternative forms of reprocessing—i.e. reprocessing not resulting in a pure plutonium product—in an on-site case study at the Tokai-mura facility. The team found that "the greater the non-proliferation value of a technical alternative, the more it costs, the longer delay entailed, and the greater the costs in terms of our political relationship with Japan."[61] According to the team's report, all forms of co-processing explored were not guaranteed to be proliferation-resistant, as the plant could either be easily reverted to be used for conventional reprocessing, or the amount of plutonium in the product would still be significant enough to be used in weaponry.[62] In short, the team found that co-processing would be beneficial to neither Japan nor the U.S.

Even with this new technical information, as well as the knowledge that "reprocessing as become potentially the most disruptive bilateral issue with which we are dealing,"[63] the Carter administration maintained its postponement and mishandling of the issue under the assumption that the U.S. still held the dominant negotiating position. Throughout July, all of the administration's options on Tokai, as organized "in rough order of desirability," were characterized by either an outright rejection or a delay of

[61] Cyrus R. Vance to Jimmy Carter, Secret, Memorandum, July 14, 1977, 1.
[62] United States Department of State. "Summary of Case Study on Scheduled and Alternative Modes for Operating the Tokai Reprocessing Facility [Annex E]," Classification Unknown, Report, c. July 10, 1977, 1-45.
[63] United States Department of State, Bureau of East Asian and Pacific Affairs, Office of Japanese Affairs, "Japan—Internal Situation and External Relations," Confidential, Briefing Paper, July 8, 1977, 1.

reprocessing.[64] Technical practicality was sacrificed for political image, as the administration continued to seek time to convince Japan to rethink conventional reprocessing. Senior Adviser to the Under-Secretary Lawrence Scheinman informed Nye,

> We should discourage the early visit [of a Japanese negotiator], saying that the 'earliest opportunity' would be as a consummation to the political discussions to take place in the very near future [i.e. a meeting in early August in Tokyo].[65]

Moreover, despite the team reporting estimated costs to the Japanese of hundreds of thousands of dollars and months of remodeling for each alternative to conventional reprocessing, members of the administration still viewed co-processing as an acceptable compromise between the U.S. and Japan. Vance argued to Carter that the co-processing option,

> fulfills your message to Prime Minister Fukuda that you will personally expedite a compromise decision on this issue, and of the three [options for resolving Tokai, consisting of conventional reprocessing, co-processing, and no form of reprocessing] most adequately balances our non-proliferation concerns."[66]

Thus, the administration felt that its negotiating position was so dominant that it took the Japanese demands for conventional reprocessing for granted, and instead saw co-processing—that is "some" form of operation of the Tokai plant—as a reasonable alternative. The administration assumed it had the power to issue an outright veto to conventional reprocessing at Tokai, but it did not understand that the Japanese had invested so much time, money, prestige and emotion into Tokai by the summer of 1977 that conventional reprocessing was the only acceptable outcome of the negotiations. The

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[64] United States Department of State, "Some Japan/Tokai Options," Classification Unknown, Internal Paper, c. July 1977, 1.
[65] Lawrence Scheinman. "[Meeting with Sousuke Uno]," Confidential, Memorandum, c. July 11, 1977, 2.
[66] Cyrus R. Vance, "Options Paper on Japanese Nuclear Reprocessing Facility," Confidential, Memorandum, c. July 11, 1977.

members of the administration would soon realize just how irrational their negotiating position had become.

Part II: The Mansfield Telegram
July 12-August 31, 1977

The man who shed light on the situation for the Carter administration was Michael Mansfield, the American ambassador to Tokyo. In the summer of 1977, a single telegram from Mansfield to the Carter administration caused, as Armacost remembered it, "a '180-degree shift' from earlier thinking" on the Tokai issue.[67] For an ambassador to hold so much political influence was "mind-boggling at the time" to Armacost and his colleagues,[68] yet Mansfield was no ordinary ambassador. Rather, he was widely admired in the United States for his role as the Senate Majority Leader for an unprecedented (and still unmatched) sixteen years, and was one of the most experienced American politicians in Asian affairs and culture.[69] Mansfield's familiarity with Japan was especially notable, for he had taught about Japan as a college professor, interviewed potential Japanese-American internees in the aftermath of Pearl Harbor, visited General Douglas MacArthur

[67] Don Oberdorfer, *Senator Mansfield: The Extraordinary Life of a Great American Statesman and Diplomat*, 465.
[68] Ibid.
[69] Ibid., 459.

during the American Occupation of Japan, and witnessed the devastation of Hiroshima first-hand.[70]

In addition to these experiences with Japan, Mansfield's personal style allowed him to gain the respect of Japanese leaders and successfully immerse himself in their world. His taciturn nature and nurturing of personal relationships allowed him to communicate effectively with Japanese leaders.[71] He made it a point to forge personal relationships with these leaders, including several prime ministers and members of the Imperial family, as well as the Japanese press.[72] He also understood the importance of learning about a country by experiencing it first hand and therefore encouraged American lawmakers and politicians to travel to Japan as a means to foster a better U.S.-Japan partnership.[73]

These experiences prompted Mansfield to value Japan and its relationship to the U.S. more than most of his American colleagues; as early as 1955, Mansfield demanded that Japan receive more American attention, calling Japan the "key to war or peace in the Far East."[74] As the ambassador to Tokyo under Carter and later under Reagan, Mansfield worked under the belief that Japan was "America's most important bilateral relationship, bar none."[75]

This view of Japan as an equal partner motivated Mansfield's telegram in the summer of 1977. As the most expert and experienced in Asian affairs, Carter had assigned him a special, albeit informal status as the President's chief adviser on Asia; and

[70] Ibid., 459-461.
[71] Ibid., 478.
[72] Ibid., 469-491.
[73] Ibid., 480.
[74] Ibid., 460.
[75] Ibid., 457.

Mansfield felt that this recognized authority gave him the liberty to communicate personally with the President, which was rare for a U.S. ambassador. This special status, in conjunction with Mansfield's admirable reputation and exceptional understanding of Asia, caused Mansfield's opinion on Tokai to have a profound influence on Carter and on the outcome of the negotiation.

Mansfield voiced this opinion in a telegram to Vance on July 12, 1977 with the subject title, "The Reprocessing Issue and Future U.S.-Japan Relations," making it clear that he believed the Tokai issue had put the U.S.-Japan alliance at risk. By framing the matter as a decision that could irreparably destroy the U.S.-Japan relationship, Mansfield's telegram effectively prompted the Carter administration to view the Tokai issue with more urgency and validity and to carry out a new course of action—one of compromise.

Whereas in the first six months of the negotiation the Carter administration stubbornly believed it could prevent Japan from reprocessing in any form, Mansfield's telegram immediately convinced the administration that it would have to allow Japan at least some form of reprocessing at Tokai. This telegram is crucial because it changed the administration's dealings with Japan. The administration subsequently saw itself as holding the weaker negotiating position, and its members frantically had to figure out how to salvage its nuclear policy while still allowing Japan to reprocess in some form. Thus an important change in the administration's attitude toward the issue occurred in response to the telegram.

Most importantly, the Carter administration realized that it could no longer prevent Japan from performing conventional reprocessing, as the technical alternative of

co-processing was infeasible in terms of cost and delay and was not adequately proven to be proliferation-resistant. In this phase of the negotiation, the Carter administration admitted to there being "no technical solution," and resorted to demanding political concessions from the Japanese that would fit Tokai reprocessing into Carter's anti-reprocessing policy.[76]

In his telegram, Mansfield repeatedly made it clear that the U.S. did not have a real choice in the Tokai issue; the Carter administration absolutely had to approve of hot tests at Tokai-mura for two reasons. First, the administration had botched its handling of the Tokai negotiation so far, putting the U.S.-Japan relationship at dire risk. Second, and more importantly, Japan's views were valid.

In respect to the administration's mishandling of the issue, Mansfield pointed specifically to Carter's misstatement on April 7, which caused the issue to become "serious" in Tokyo and resulted in "charges of 'bad faith' [being] leveled against [U.S. government] officials."[77] The telegram, complete with Vance's underlining, reads,

> I suggest that attempts to resolve the problem have reached a critical stage. Actions to be taken subsequently could have <u>profoundly adverse effects</u> on <u>our future relations</u> unless we urgently seek a compromise which balances non-proliferation concerns against energy needs and which insures that the reprocessing issue is addressed in the context of our overall relationship.[78]

Mansfield warned against any more American missteps in the negotiation, for what he found "most disturbing" was

[76] Zbigniew Brzezinski, "Japanese Nuclear Reprocessing: The Tokai Decision [Attachments Not Included]," Confidential, Action Memorandum, c. August 1977, 1.
[77] Michael J. Mansfield, "The Reprocessing Issue and Future U.S.-Japan Relations," Confidential, Cable, 010376, July 12, 1977, 2.
[78] Ibid., 1.

> that I have heard rumors emanating from Washington that the technical study will prove to be merely an exercise, rather than the foundation for a political compromise, and that there are some in the [U.S. government] who will be pressing the President to permit no repeat no form of reprocessing to occur at Tokai Mura…If…the US rejects [the technical study] as the basis for further political negotiations or selects alternatives from it which are unrealistic in terms of delay or cost, again the US (and by implication the President) will be accused by the Japanese of having negotiated in bad faith, further complicating the issue.[79]

He further explained that the U.S. could potentially lose its strong partnership with Japan in the nuclear field. Mansfield acknowledged that the effects on Carter's non-proliferation policy have "obvious merit,"

> but they must be balanced by the potential adverse consequences…In my personal opinion, the repercussions will be long lasting, severe, and widespread. For example, there is already a considerable amount of pressure building up to diminish nuclear supply ties with the U.S.…largely due to the perception that the U.S. is no longer a dependable ally in the nuclear field.

The second reason that Mansfield felt the Japanese should have the right to reprocess was his belief that the Japanese government's arguments for reprocessing as a means to energy independence were legitimate. Consequently, he urged the Carter administration take Japan's stated concerns seriously. In essence, he felt it mandatory for the administration to acquiesce to Japan's demands. He informed Vance, "There is widespread agreement among Japanese on this issue and a factual base to the Japanese arguments which we must be alert to and which we must address carefully and thoughtfully."[80] He further warned, "Our failure to heed these basic [energy] concerns could, I believe, lead them to question the nature of our 'partnership.'"[81]

His arguments for Japanese reprocessing at Tokai also involved another affirmation of the Japanese point of view, that is, a validation of Japan's argument that

[79] Ibid., 3.
[80] Ibid., 2.
[81] Ibid., 4.

the U.S. was not treating it with the favor it deserved as a major and highly industrialized ally with reprocessing infrastructure already in place. Mansfield therefore believed that the concern of both the Japanese government and its people regarding Japan's discrimination vis-à-vis Western Europe was justified. He claimed that the Japanese,

> Will be comparing their treatment to that we accord our West European allies, in particular West Germany. They will ask themselves, understandably I believe, whether we give Japan's NPT pledges less credence than those of the Europeans and whether we are prepared to deny them nuclear facilities which their European industrial allies—and competitors—already have. These are, of course extraordinarily difficult questions to field; they go directly to the heart of the trilateral concept.[82]

Additionally,

> The ill will caused among the Japanese people in general over what they see as the heavy hand of the U.S. being brought the bear on them, in a way which could threaten their personal well-being and security, is a factor that may not be immediately quantifiable but which is real and pervasive. If this is to be avoided, compromise as proposed by the president is absolutely essential.[83]

Thus, Mansfield not only argued that the Japanese government's grievances over Tokai were valid, but also informed the Carter administration that the people of Japan were equally concerned with its nation's quest for reprocessing.

By framing the Tokai issue in terms of the U.S.-Japan relationship and by asserting that Japan's feelings of mistreatment and discrimination were true, Mansfield became the first American leader in the Tokai issue to seriously consider Japan an equal within the U.S.-Japan relationship and a country worthy of elite nation status, comparable to that of the U.S.'s Western European allies. In that respect, Mansfield's telegram caused a significant change in the administration's treatment of Tokai not because of the nature of its content—it acutely echoed the well-known concerns and demands of the

[82] Ibid.,5.
[83] Ibid., 4.

Japanese leaders—but instead because it was an instance of a prominent American leader affirming the validity of Japan's point of view and Japan's deserved status.

Mansfield's telegram not only caused a new awareness in the members of the Carter administration, but also laid out a specific idea of what the administration's next steps in the Tokai negotiation should be. He forcefully advised Vance,

> I am of the strongest possible opinion that, first, a compromise is mandatory if the bilateral alliance is to be preserved…Second, the compromise must be reached expeditiously…to procrastinate longer will act to harden each side's position. Third, the compromise must include permission for the Tokai plant to operate in some fashion at the earliest possible time. And fourth, the Japanese must be permitted to retain the option of operating the plant for commercial reprocessing purposes in the event that the U.S. is unsuccessful in stopping plutonium reprocessing throughout the world.[84]

Mansfield's opinion on the kind of compromise the U.S. should reach with Japan differed greatly from that of the Carter administration, who had previously felt that allowing conventional reprocessing at Tokai was the last option, if an option at all. Due to the U.S.'s botched handling of the negotiations, Mansfield felt that the U.S. was in no position to deny reprocessing at Tokai or to delay giving Japan an answer any further; he believed that the U.S. had to at least let Tokai operate in some alternative fashion—i.e. co-processing—and as soon as possible. More importantly, he felt it would be unfair to deny Japan the right to perform commercial reprocessing indefinitely should other countries continue to reprocess or the results of the INFCE proved the closed fuel cycle to be the most economical energy option. All of Mansfield's terms for a U.S. compromise demanded an immediate, unbiased and equal treatment of Japan as compared to the nuclear nations of Western Europe.

[84] Ibid., 5.

Taking Mansfield's demands seriously, the administration now found itself in a lesser negotiating position. Saying "No" to the operation of Tokai was no longer an option; there was no real technical solution to their dilemma. Consequently, the administration decided it would have to save its non-proliferation policy from utter failure by convincing the public that an affirmative decision on Tokai was in support of Carter's policy, as opposed to in contradiction to it. In other words, the Carter administration had to make political gains from Japan if it could not make technical ones.

The Carter administration first set out amending its wrongs to Japan during the negotiation process. Carter decided he would make the final decision and promised Fukuda a personal, expedited compromise on the issue.[85] The administration quickly drafted reports about the long-term implications of their options and began to seriously work towards a resolution of the issue. On July 26, a presidential draft memo on Tokai revealed a significant change in U.S. position. The memo, drafted to "give adequate stress to the political factors identified by Ambassador Mansfield in his telegram to the Secretary," emphasized the political factors that the Carter administration believed to be "vital to a decision on this issue."[86] Repeating outright all of Mansfield's political considerations, the memo outlined the U.S. position as one in which Tokai would operate with both co-processing using plutonium separation, and conventional reprocessing.[87] This constituted a major shift in U.S. negotiating position; the administration, due to Mansfield's telegram, was now willing to allow the Japanese to reprocess as they had

[85] Michael J. Mansfield, "Effect of Nuclear Reprocessing Issue on U.S. Relations with Japan," Secret, Cable, 010653, July 15, 1977, 1; Richard C.A. Holbrooke, "The Politics of Tokai Mura," Confidential, Memorandum, August 19, 1977, 1.
[86] Richard C.A. Holbrooke, "Draft Presidential Memo on Tokai [Includes Attachment]," Confidential, Memorandum, July 26, 1977, 1.
[87] Ibid., 2-4.

planned in order to "put Tokai 'on stream' promptly" and resolve the issue "before it heats up again."[88]

The U.S. would place only minor technical constraints and major political constraints on Japan's right to reprocess, in an attempt to save the principles of its policy:

> Tokai would operate in an experimental mode for a defined period. The Japanese should be called upon to provide the following non-proliferation assurances: a) public agreement that recycling in LWRs is premature…b) active support for the International Fuel Cycle Evaluation (INFCE) and the objective of working for fuel cycles that are as proliferation-resistant as the "once-through" fuel cycle and that a significant part of the Tokai operation will be devoted to that objective; c) assurances that Tokai will be operated on a schedule commensurate with actual plutonium needs; and d) assurances that any major moves toward the proposed follow-on 1500 ton reprocessing plant would be deferred during the evaluation period.[89]

Japan, then, would compromise by publicly supporting Carter's non-proliferation policy and call to re-evaluate the nuclear fuel cycle, including the use of plutonium. In turn, the U.S. would compromise by allowing Japan to undergo conventional reprocessing at Tokai, albeit in a limited and experimental manner.

To prevent any domestic criticism about the operation of Tokai as opposed to that of Barnwell and to prevent Japan from becoming a precedent for other nations seeking to reprocess, the U.S. worked to cautiously phrase their decision and fit it into its non-proliferation policy:

> Tokai would be an experimental program with unique features (already completed pilot size plant built by an NPT party and linked to INFCE, in which plant production would only be used for experimental purposes in an already established advanced reactor development program, and entailing only a limited amount of conventional reprocessing during the fuel cycle evaluation period), which can be adduced as a rationale for Tokai's operation in a carefully drawn

[88] Gerard C. Smith, "Tokai Reprocessing [Attachment Not Included]," Confidential, Memorandum, July 29, 1977, 1.
[89] Ibid., 3-4.

> framework. These considerations should distinguish Tokai from any other reprocessing plants anywhere.[90]

Similarly, while informing Carter of his final options, Brzezinski explained,

> Tokai is bound to appear as an exception to our general stand against reprocessing. The key issue is thus how an exception can be made with as little damage as possible to our non-proliferation objective. None of the technical options is very good from the standpoint of those objectives…Limiting damage to non-proliferation objectives will depend on what political measures accompany any technical solution.[91]

Therefore, the Carter administration realized it could only salvage its nuclear policy by gaining six major political concessions from the Japanese, "regardless of which technical option" Carter chose to negotiate.[92] According to the Tokai Options Paper, the Japanese would be asked to:

> --Agree publicly that recycling in LWRs is premature. Further, to explicitly preclude R&D relevant to commercial application of plutonium recycle…
> --Actively support INFCE and other U.S. non-proliferation objectives
> --Conduct any operation of Tokai involving plutonium separation to meet actual plutonium needs for advanced reactor development, which would be the only purpose for which recovered plutonium would be used.
> --Defer any major moves toward a follow-on 1500 ton [i.e. commercial-scale] reprocessing plant during INFCE.
> --Consult with us about INFCE results and the appropriateness [of] multinational alternatives as well as spent fuel storage possibilities.
> --Afford the IAEA maximum opportunity, including continuous inspection, to apply safeguards during the experimental operation of Tokai.[93]

The administration now staked its policy on these six political provisions; the Deputy Director of the Arms Control and Disarmament Agency, Spurgeon M. Keeny, Jr., reiterated, "Obtaining Japanese concurrence on the six political measures…is the most

[90] Ibid., 5.
[91] Zbigniew Brzezinski, "Japanese Nuclear Reprocessing: The Tokai Decision [Attachments Not Included]," Confidential, Action Memorandum, c. August 1977, 1.
[92] Ibid., 5.
[93] Ibid.

significant non-proliferation benefit to be gained from the Japanese and should not be diluted in the negotiations."[94]

Mansfield's telegram, then, caused the majority of the members of the Carter administration to change their outlook on the issue accordingly. In general they acquired a more realistic approach to the negotiation, understanding that Japan would not under any circumstances give up the fight to conventionally reprocess. An overwhelming amount of the briefing reports made after the telegram mentioned Mansfield's political considerations and sincerely took them into account. The Carter administration's previously stubborn technical stance against conventional reprocessing had, within a month, withered into a situation of anxiety, an acceptance of technical limitations, and an attitude of reluctant flexibility. An editorial in the *New York Times* on August 15 observed,

> There have been disturbing hints that the American resolve is softening under a barrage of complaints from Japan. Some officials believe the Administration has given up hope of blocking the Tokai Mura plant and is seeking a fallback formula to allow reprocessing under restricting conditions.[95]

Indeed, a small minority of Carter's administration—most notably Gus Speth, the chairman of the Council of Environmental Quality—expressed dissatisfaction with the American decision to compromise. Speth's qualms with the rest of the administration's new negotiating position demonstrate just how much of its nuclear policy the administration had sacrificed in anticipation of negotiating with an inflexible Japan in late August. On August 2, Speth claimed,

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[94] Spurgeon M. Keeny, Jr., "Tokai Reprocessing Plant Options Paper," Confidential, Memorandum, August 2, 1977, 1.
[95] "Carter's Nuclear Test in Japan," *New York Times*, August 15, 1977.

> Tokai is precisely the type of facility which current Administration policy recognizes as posing grave proliferation risks and therefore opposes…Conventional reprocessing at Tokai…could result in material sufficient to produce over 100 nuclear weapons…The only form of co-processing identified as technically feasible…would delay the time to nuclear weapons materials by only a matter of days.[96]

Thus, the decision to approve reprocessing at Tokai, despite a direct contradiction to American policy, speaks to the importance of Mansfield's telegram and the loss of American power in the Tokai issue.

The third round of negotiations were scheduled to take place in Tokyo in late August. The administration's final preparations for these negotiations revealed a new sensitivity towards Japan as a more equal partner and as an elite nation with global influence. In preparation for the final round of negotiations, Mansfield advised the administration,

> The U.S. approach must underscore elements of conciliation and respect for the Japanese position. If it is offered as a heavy-handed, take-it-or-leave-it imposition of the U.S. will, we are going to be facing more serious problems.[97]

He also felt that the administration should not force Japan to abide by the results of the INFCE; rather, he suggested, the U.S. should be "prepared to rely on Japan's best judgment."[98] In these last instructions, Mansfield again stressed the need for the Carter administration to treat Japan as an equal nation capable of making sovereign decisions, as opposed to a subject of American paternalism.

By mid-August, the internal paper "Suggested Negotiating Strategy for Tokai," directed U.S. negotiator Gerard Smith to "approach the forthcoming negotiations

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[96] James Gustave ("Gus") Speth, "Tokai Policy Options," Classification Unknown, Memorandum, August 2, 1977, 1.
[97] Michael J. Mansfield, "Presidential Options Paper on Tokai Mura; Possible Japanese Negotiating Position," Secret, Cable, 011748, August 4, 1977, 3.
[98] Ibid.

rigorously, but with sufficient built-in flexibility to demonstrate a genuine interest in, and effort to, achieve a mutually satisfactory compromise," for "the Japanese negotiating position on Tokai is not likely to be very accommodating to US goals and objectives."[99] The paper also advised Smith "to not treat Japan in a discriminatory manner."[100] Holbrooke belabored this point a few days later when he reminded Smith and Nye,

> The Japanese believe that their alliance with the United States, the magnitude of their relationship with us, and their manifest aversion both to the consequences and the development of nuclear weapons entitles them at least to the same treatment as our European allies."[101]

On August 22, Brzezinski sent the President a memorandum requesting a final decision on Tokai. Brzezinski expressed, "There was unanimity on the following: There is no good choice," next to which Carter wrote, "True."[102] Nonetheless, Carter made a decision. The United States would negotiate a position that asked Japan to couple its conventional reprocessing with a co-processing operation, the latter merely acting as a symbolic buttress to Carter's non-proliferation policy.[103] After all, the administration had realized by the end of July that "co-processing is a fraud" due to its failure to be significantly more proliferation-resistant than conventional reprocessing.[104]

Therefore, in the months following Mansfield's telegram and leading up to the final negotiation with Tokyo, the Carter administration adopted an entirely new approach

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[99] United States Department of State, "Suggested Negotiating Strategy for Tokai [Attachments Not Included]," Secret, Internal Paper, August 15, 1977, 2, 5.
[100] Ibid., 1.
[101] Richard C.A. Holbrooke, "The Politics of Tokai Mura," Confidential, Memorandum, August 19, 1977, 1.
[102] Zbigniew Brzezinski, "Tokai Decision [Includes Attachment]," Secret, Action Memorandum, August 22, 1977, 1.
[103] Ibid.
[104] Philip J. Farley, "Tokai Negotiation," Classification Unknown, Memorandum, August 4, 1977, 1.

toward the Tokai issue. Mansfield's telegram served as a wake-up call to members of the administration, urging them to compromise much of Carter's policy in order to appease Japan. For the first time, the administration treated Japan as an equal, a favored ally, and an elite nation with bona fide influence both within the U.S.-Japan partnership and in the international arena. Indeed, the administration—confronted with Mansfield's assertions that the U.S.-Japan relationship was at stake and that Japan's point of view was valid—feared the resentment of Japan and the negative potential of its global influence on the broader success of Carter's policy, specifically on the realization of the INFCE.

Part III: Negotiation, Agreement, and a Slap in the Face
August 29, 1977 to Early 1978

American acquiescence to Japanese terms reached fruition during the third and final round of negotiations, occurring in Tokyo from August 29 through September 1. During this round, Carter's special representative on non-proliferation matters, Gerard C. Smith, did his best to pitch Carter's decided option—a limited form of conventional reprocessing coupled with co-processing—to Japanese representative Uno and his government. Smith was somewhat successful in that he managed to get Japan to agree on the six political measures that the U.S. had their nonproliferation policy staked on. However, Uno and the government of Japan took advantage of their superior negotiating position; they controlled the negotiation by repeatedly devaluing the U.S.'s demands. Moreover, the major concession that the Japanese did make—the deferral of construction on a commercial-size reprocessing plant—was their choice as a means to a smoother negotiation and a means to achieving its primary objective of gaining the right to perform conventional reprocessing at Tokai-mura in a timely manner. Thus, it is true that both

sides made concessions; yet, Japan was the only nation out of the two that achieved and maintained its number one priority. This was true at the time of the agreement but became even more apparent in its aftermath.

Japan outright agreed to three of the six political measures outlined by the Carter administration: Japan would publicly support United States proliferation policy and the INFCE, adhere to all IAEA safeguard measures, and defer any major moves toward commercial reprocessing during the two-year operation of the Tokai pilot reprocessing plant. Yet, the administration's ability to secure these three measures was not a sign of American superiority. Rather, Japan's abidance by IAEA safeguards was unquestionable as an NPT party, and Japan had volunteered the other two measures on its own at various times throughout the bilateral talks on Tokai.

As early as late April, a representative from the Japanese Foreign Ministry suggested making a deal with the U.S. based on "a possible US-Japanese 'political' understanding on the nuclear fuel cycle."[105] As Vance understood it, "Clearly, the Japanese hope to trade their support for our broad non-proliferation approach for our agreement to allow Tokai to operate in a manner that meets their political and technical objectives."[106] Owing to the administration's assumption of superiority at that early point in the negotiation, Vance continued, "We gave the Japanese no encouragement…We hope they will come up with further alternatives."[107] Vance's expression of dissatisfaction with Japan's "proposed 'political' solution" in April demonstrates the

[105] Cyrus R. Vance, Secret, Memorandum, April 27, 1977, 3.
[106] Ibid.
[107] Ibid.

administration's damaged—and consequently Japan's elevated—negotiating position by late August.

Moreover, Japan's decision to publicly support Carter's non-proliferation policy in the final agreement was a vague notion that did not subject Japan to any tangible commitments. Japan merely agreed to postpone any additional "major moves" toward plutonium reprocessing. This vague declaration of support for U.S. nonproliferation policy served as a weak U.S. gain, for Japan would be simultaneously conducting conventional reprocessing at Tokai despite declaring the process was questionable. Hence, Japan's political support for the American denouncement of reprocessing did not constitute a real political concession.

Likewise, Japan's adjournment on the construction of its planned plutonium conversion plant—what the public and the Carter administration perceived to be Japan's major concession in the Tokai agreement—also did not constitute a real loss by the Japanese, for the conversion plant would only cause a delay of two years in Japan's overall, decades-long nuclear energy plan. Furthermore, their deferment of the conversion plant did not readily equate with the concessions made by the Americans. Japan's voluntary sacrifice of the plant still allowed it to achieve its primary goal, U.S. approval for conventional reprocessing without the added delay and costs associated with co-processing. Conversely, the Carter administration did not concretely realize its main objective of salvaging its non-proliferation policy, which emerged significantly weakened from the talks.

Thus, Uno and his government expressed a willingness to declare their support for U.S. non-proliferation policy, including the INFCE and studying alternatives to

conventional reprocessing, however Japan refused to commit to any concrete materializations of this support. Even though the Carter administration expressed only lukewarm feelings toward co-processing as a "technically marginal procedure,"[108] it called "for the operation of Tokai mura in an experimental full-scale coprocessing mode, for two years following the initial period of operation in the scheduled mode" as a way for Japan to publicly demonstrate her commitment to reprocessing and plutonium alternatives.[109] Japan, however, was reluctant to take on the heavy costs associated with co-processing, especially since it only had symbolic value for the U.S. and lacked technical benefit for either country. Seeking a gradual way out of co-processing, Japan argued it would defer its decision to co-process "until successful research and development and INFCE are completed in 1979."[110] Christopher informed Carter, "The Japanese have said they now can give us only an assurance of their intention to go to co-processing after two years, because they cannot agree to a commitment which would require Diet ratification."[111] Carter approved in hopes of expediting a compromise and preventing any damage to "gains already made."[112]

Unfortunately for the administration, Japan pushed to develop its escape clause out of co-processing even further. Smith and the administration proposed the Tokai agreement read, "after two years Tokai mura [will] be operated in coprocessing mode

[108] Warren Christopher, "Current Tokai Negotiations," Secret, Memorandum, August 30, 1977, 2.
[109] Michael J. Mansfield, "Tokai Negotiations: Text of U.S. Presentation on Co-Processing," Confidential, Cable, 013240, August 30, 1977, 1.
[110] Michael J. Mansfield, "Tokai Negotiation [For Cyrus Vance and Zbigniew Brzezinski from Gerard Smith]," Secret, Cable, 013293, August 30, 1977, 1.
[111] Warren Christopher, "Current Tokai Negotiations," Secret, Memorandum, August 30, 1977, 1.
[112] Ibid.

'unless such coprocessing is agreed to be technically infeasible or ineffective.'"[113] However, the Japanese would only agree to convert to co-processing after two years "if such coprocessing is agreed by the two governments to be technically feasible and effective."[114] This change in language, which the Japanese secured without complaint from the Americans, completely devalued any Japanese "intention" to co-process beginning in 1979. Whereas the Americans' proposed wording assumed a Japanese commitment to co-processing and subjected Japan's nuclear program to American political opinion, Japan's preferred wording assumed Japan would not co-process and depended only on the Japanese opinion of the INFCE's results, not the actual results themselves. Regardless of the American opinion on co-processing after the INFCE, Japan would never have to co-process unless it decided subjectively that it was "technically feasible and effective"; in other words, unless Japan wanted to.

Therefore, Japan's control throughout the negotiation was great. Uno and his government emerged from the talks with the agreement they had been looking for. Not only did they win the right to perform conventional reprocessing, but in doing so they also eroded U.S. gains and policy to the bone. Japan agreed to a public support of U.S. policy, but did not make concrete commitments to this policy besides its voluntary and temporary deferral on the construction of its plutonium conversion plant, a move that meant only a two-year delay in Japan's path to a closed nuclear fuel cycle. And, the Japanese essentially negated the U.S. request for co-processing and walked away without agreeing to adhere to the results of the INFCE, even if they were in U.S. favor.

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[113] Michael J. Mansfield, "Tokai Negotiation [Attached to Distribution Sheet]," Secret, Cable, 013367, August 31, 1977, 2.
[114] Ibid.

The Americans, on the other hand, gained little from the Tokai agreement. The agreement arguably avoided setting an official precedent for other countries seeking the right to reprocess, as well as avoided official conflict with its policy on domestic nuclear plant controversies, such as Clinch River and Barnwell. Yet, the evasion of a precedent-setting agreement was based on technicalities and the feeble claims that Japan's situation and its plant were unique and that its right to reprocess was limited and experimental.

Moreover, the administration's greatest achievements were comprised of a transparent Japanese declaration of political support for U.S. policy and the recuperation of the U.S.-Japan relationship. The fact that the Carter administration perceived these two things as its greatest gains from the Tokai agreement speaks not only to the American failure of the negotiation, but also to more general trends of Japan's growing international influence and the transformation of the bilateral alliance into a more equal partnership.

In its "Assessment of the Tokai Settlement," the Carter administration put "improved U.S.-Japan relations" first under its list of accomplishments, noting that the maintenance of good relations with Japan was important to stability in Asia, foreign trade and international economic initiatives, and U.S. non-proliferation efforts.[115] The administration felt, "continued Japanese cooperation is indispensible to the success of the NPT, INFCEP, and suppliers' efforts, among others."[116] The assessment also listed Japan's cooperation in the INFCE and support for the U.S. position on recycle in light water reactors as accomplishments, emphasizing the significance of Japan as a nation: "We obtained public support by Japan—the second largest nuclear industrial state in the

[115] United States Department of State, "Assessment of Tokai Settlement," Confidential, Briefing Paper, c. September 1977, 1.
[116] Ibid.

free world—for US views."[117] Therefore, inherent in the American sense of accomplishment was the notion that Japan was a key nation with the ability to exercise global influence and to determine the success or failure of U.S. policy.

In the same assessment, the administration addressed "the price we paid." It admitted,

> By authorizing conventional reprocessing even of a limited amount of US-origin fuel, we will be taking a step which could be visualized as inconsistent with a) our campaign against the spread of national reprocessing plants; b) our refusal to authorize reprocessing in the US; and c) the serious qualms we have expressed with respect to whether Purex[118] reprocessing plants can be effectively safeguarded.[119]

However, the administration, perhaps in denial of the blatant damage to its non-proliferation policy, insisted,

> But we did so on a limited basis and on the basis of a unique combination of circumstances that will enable us to deny that this will establish a precedent. (We have built in features that distinguish this case from Barnwell, Tarapur, Brazil, Pakistan, and any larger Japanese reprocessing plant, or even fuller use of Tokai.)[120]

This optimistic reading of the American situation after the agreement quickly changed, as the administration increasingly realized that its policy had been damaged symbolically, even if the agreement could not technically be applied as a precedent. By September 9, about one week after the negotiation, the administration had developed a more realistic view of the situation, relenting,

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[117] Ibid., 2.
[118] Plutonium and Uranium Recovery by Extraction (PUREX) is a form of reprocessing that uses liquid-liquid extraction ion exchange method to recover separated uranium and plutonium from the fission products of spent nuclear fuel. It is the standard method of nuclear reprocessing and the method used at the Tokai-mura pilot reprocessing plant.
[119] United States Department of State, "Assessment of Tokai Settlement," Confidential, Briefing Paper, c. September 1977, 5.
[120] Ibid., 5.

> By authorizing conventional reprocessing (even of a limited amount of fuel, on a limited basis, and on the basis of a unique combination of circumstances) we have taken a step which can be seen as inconsistent with:
> --our campaign against the spread of national reprocessing plants;
> --our refusal to authorize reprocessing in the US;
> --our concern as to whether Purex reprocessing plants can be effectively safeguarded.[121]

The administration understood that the symbolism of approving conventional reprocessing at Tokai greatly outweighed the value of any limitations it had placed on that approval. Hence, the administration acknowledged that its policy was irreparably damaged regardless of the very particular conditions it had laid out for Japanese reprocessing.

The media on both sides of Pacific also perceived the negotiations to be a detriment to American policy, as well as a Japanese success. Japanese newspapers were naturally excited by the result of the negotiations: all of the daily newspapers carried front-page headline news stories on the Tokai agreement.[122] "The agreement was seen as the result of a 'U.S. concession' and 'withdrawal' of the demand for adoption of the mixed extraction process [i.e. co-processing]," and one Japanese editorial remarked, "We appreciate the flexible posture of the U.S."[123] *Asahi Shimbun*, "in a burst of nationalist enthusiasm," outright claimed victory for Japan.[124]

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[121] Richard C.A. Holbrooke, "Your Meeting with Minister of Science and Technology Uno, Monday September 12, 3:30 p.m. [attachment not included]," Confidential, Briefing Memorandum, September 9, 1977, 2.
[122] Michael J. Mansfield, "Press Reaction in Japan to Agreement on Reprocessing at Tokai Mura," Limited Official Use, Cable, 013555, September 3, 1977, 1.
[123] The Situation Room to Zbigniew Brzezinski, "Information Items," Top Secret-Sensitive, Report, September 5, 1977, 1.
[124] Michael J. Mansfield, "Press Reaction in Japan to Agreement on Reprocessing at Tokai Mura," Limited Official Use, Cable, 013555, September 3, 1977, 1.

American reporters lacked the enthusiasm of their Japanese counterparts, however, many drew the same conclusion: Japan had won the negotiation. In a *Washington Post* article entitled, "U.S. Japan A-Plant Agreement Seen as Turnabout by Carter," reporter William Chapman characterized the agreement as

> a partial turnabout by the Carter administration…Japanese officials regard the agreement…as a victory for the government of Premier Takeo Fukuda…While the chief U.S. negotiator, Gerard Smith, called the agreement a 'very equitable arrangement' and said both sides had gained points…the few details of the agreement that trickled out indicated that the Japanese have gotten pretty much what they wanted…Japanese sources seem elated by the outcome. An official of the science and technology agency said the U.S. negotiators had made 'fairly big concessions' to Japan.[125]

Jameson from the *Los Angeles Times* presented a more positive view of the negotiation by highlighting Japan's postponement of the construction of its separate plutonium-conversion plant. According to Jameson, this meant

> that the plutonium extracted at the Tokai reprocessing plant will be of a grade at least two steps short of conversion into material that could be used to produce nuclear weapons—one step further away than if the conversion plant had been built as originally planned.[126]

Yet Jameson also remarked, "American officials said the United States had never been concerned about the possible diversion by Japan of any nuclear material into a nuclear weapons program"; instead, they expressed concern that "the precedent that would be set in a decision on the Tokai reprocessing plant would have global implications for Carter's policy of curbing the spread of nuclear weapons."[127] Consequently, the chief gain made

[125] William, Chapman, "U.S. Japan A-Plant Agreement Seen as Turnabout by Carter," *The Washington Post*, September 2, 1977.
[126] Sam Jameson, "U.S.-Japan A-Fuel Pact Averts Clash," *Los Angeles Times*, September 3, 1977.
[127] Ibid.

by the U.S. negotiators was not aligned with their primary objective of avoiding any precedent setting measures.

The failure of the Carter administration to achieve its primary goal appeared more blatantly in an editorial in the *New York Times.* Granted, the editorial claimed that Carter's policy "emerged from its first major test…battered but not beaten," and suggested that Japan "could prove a strong ally in Mr. Carter's efforts" as "the first major nuclear-industrial power to join the United States," whose "avowed concern about plutonium is apt to carry weight in international deliberations."[128] Nonetheless, the editorial still identified the major hit the policy had taken: "The decision to allow even limited reprocessing in Japan could set an unfortunate precedent. It has already increased pressures to allow reprocessing elsewhere."[129] Thus, while the U.S. made important political gains and secured a deferral of "major moves" on commercial reprocessing in Japan, the Carter administration had not, in fact, achieved its primary goal of avoiding setting a precedent for other countries seeking the right to reprocess.

This failure to set a precedent and the damage to Carter's policy quickly became apparent. In mid-September Jessica Tuchman, Director of the National Security Council Office of Global Issues, informed Brzezinski that members of Congress were "getting industry pressure on Barnwell because of the Tokai agreement."[130]

Moreover, the newly empowered government of Japan failed to take the Tokai agreement seriously, thereby diminishing the Americans' political gains even further. Japanese leaders continued to work both publicly and privately towards developing a

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[128] "The Silver Lining of a Nuclear Cloud," *New York Times*, September 16, 1977.
[129] Ibid.
[130] Global Issues [Jessica Tuchman] to Zbigniew Brzezinski, "Evening Report," Secret, Report, September 19, 1977, 1.

closed nuclear fuel cycle, despite their promise to defer any "major moves" toward the further development of reprocessing until after the completion of the INFCE. On September 23, Uno ceremonially cut the tape on the Tokai pilot reprocessing plant, calling the event the beginning of "the establishment of a complete nuclear fuel cycle for energy-short Japan."[131] On October 8, the *New York Times* published an article entitled, "Paris-Tokyo Nuclear Reprocessing Pact Is Viewed as a Blow to Carter," which reported on the joint Japanese and European intention "to continue research and development of breeder reactors and the use of plutonium as a nuclear fuel" regardless of their participation in the INFCE.[132]

The Japanese acted on this intention early. On September 16, they approached the U.S. State Department asking the latter to clarify what it considered "a 'major move' regarding additional reprocessing facilities for plutonium separation," as stipulated in the Tokai agreement. Japan notified the Department of three intended Japanese actions that might constitute "major moves": the creation of a government-sponsored bill authorizing private companies to go into the reprocessing business, the formation of a company by major Japanese utility companies that would be responsible for planning a commercial-scale reprocessing plant, and the planning of site surveys for a follow-on reprocessing plant.[133] All three of these actions clearly demonstrated Japan's continued commitment to the development of its reprocessing capabilities and a closed fuel cycle. However, the State Department did not take a stand against the measures; instead it informed Japan that

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[131] Sam Jameson, "Nuclear Reprocessing Plant Begins Operations in Japan," *Los Angeles Times*, September 23, 1977.
[132] Jonathan Kandell, "Paris-Tokyo Nuclear Reprocessing Pact Is Viewed as a Blow to Carter," *New York Times*, October 8, 1977.
[133] Charles Van Doren, "Tokai Settlement," Classification Unknown, Memorandum for Record, September 16, 1977. 1-2.

as long as it remained discreet in its pursuits, the U.S. would not count them as "major moves."[134]

This accommodating decision by the State Department created a new policy gap between the Department and Carter's administration that again allowed Japan to gain momentum on the reprocessing issue. On September 19, Tuchman informed Brzezinski that the State Department "seems to have given up on achieving anything from the proliferation point of view on this agreement."[135] Later that month, she irritably observed, "The Japanese appear to be going ahead with the plans for a second reprocessing plant—in direct violation of the Tokai agreement they just signed."[136] Additionally, in early 1978, she told Brzezinski that, "despite the clear provisions of the Tokai agreement," the Japanese were financing the construction of a new French reprocessing plant.[137] The Tokai agreement, the administration realized, had neither changed Japan's mind about reprocessing nor hindered its course toward a closed fuel cycle.

Thus, the Tokai agreement was a failure for Carter's administration. In the short-term, the administration failed to uphold its strong stand against reprocessing in the first test of its nonproliferation policy, thereby weakening the policy and making the U.S. seem conciliatory. But, more importantly, the agreement had severe long-term consequences; the Carter administration was not able to enforce the conditions of the

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[134] Ibid., 2.
[135] Global Issues [Jessica Tuchman] to Zbigniew Brzezinski, "Evening Report," Secret, Report, September 19, 1977, 1.
[136] Jessica Tuchman to Christine Dodson, "Summary of Issues/Events for Dr. Brzezinski," Top Secret, Report, September 28, 1977, 2.
[137] Global Issues [Jessica Tuchman] to Zbigniew Brzezinski, "Evening Report," Secret, Report, January 31, 1978, 1.

agreement, despite its purported control over Japan's U.S.-supplied fuel and reprocessing capabilities. Japan treated the agreement irreverently, which caused irreversible damage to Carter's reputation and to his policy. In both the short-term and long-term aftermath of the agreement, then, Tokai served as a potent example of the U.S.'s inability to police international nuclear energy developments.

Part IV: Fading into Oblivion
Late 1978 to 1988

Throughout the next two years and beyond, the United States continued to ignore Japan's "major moves" toward the development of its reprocessing program, preferring instead to avoid another public and hostile encounter with its ally. Despite the two-year and 99-ton limitations on Japan's right to perform conventional reprocessing at Tokai, the Carter administration repeatedly expressed lenience toward Japan's nuclear energy program, eventually letting the issue discreetly fade into oblivion. In fact, within five years of Carter's denouncement of reprocessing, the United States permanently granted Japan the right to reprocess at Tokai. This remarkable turnabout happened because of three reasons. First, Carter's presidency became plagued by bigger issues, such as the Soviet invasion of Afghanistan and the Iranian hostage crisis both occurring in 1979. Second, Carter's contentious nuclear policy essentially failed. It did not garner enough international support and the results of the INFCE were not convincing. Lastly, Carter was replaced by Ronald Reagan in 1981, a president who was set on reasserting American dominance in the world and therefore acted more favorably to U.S. allies like

Japan, as opposed to acting on the principles of universalism that Carter sometimes chose over trilateral ideals.[138]

After nearly a year of tense U.S.-Japan relations over the issue of reprocessing and a troubled presidential term in general, the Carter administration was reluctant to revisit the Tokai issue anytime soon; at least not until the two nations' nuclear policies could reach greater accord. In late 1978, the U.S. discovered that Japan was encountering problems at the Tokai reprocessing plant, rendering it temporarily inoperable.[139] Tuchman expressed relief as she told Brzezinski,

> Since the Tokai agreement covered the reprocessing of a prescribed amount of fuel, this may allow us to stretch it out and postpone the difficult negotiation of a second phase of the agreement.[140]

Early in 1979, the government of Japan officially requested an extension of Tokai operations due to the plant's shutdown and need for repair.[141] Citing the need to "take the results of INFCE into account in determining the future of reprocessing at Tokai Mura," the U.S. government "agreed informally to extend the two-year period by six months, i.e., until the spring of 1980."[142]

The approval of this initial extension demonstrates the administration's early realization that neither the INFCE nor Carter's nuclear policy in general would be as successful as Carter had hoped. His lofty INFCE was met with an unenthusiastic

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[138] Motoya Kitamura, "Japan's Plutonium Program: A Proliferation Threat?," 8, http://cns.miis.edu/npr/pdfs/kitamu32.pdf.
[139] Global Issues [Jessica Tuchman] to Zbigniew Brzezinski, "Evening Report," Secret, Report, September 20, 1978, 2.
[140] Ibid.
[141] Michael J. Mansfield, "Repairs at Tokai Mura Reprocessing Plant," Confidential, Cable, 003386, February 27, 1979, 1.
[142] Thomas R. Pickering, "Nuclear Issues with Japan—Your Meeting with Mr. Amaya at 4:00 p.m., Monday, March 5, 1979," Confidential, Briefing Memorandum, March 5, 1979, 1.

international response, if not outright hostility. Although more than thirty nations participated in a period of over three years, they found no viable alternative to the closed fuel cycle that would prevent nuclear proliferation other than giving up nuclear energy in general.[143] Moreover, what was conceived as "an attempt to establish a technical consensus that might bridge" the difference of opinion between the U.S. and its allies in Western Europe and Japan became subject to national self-interest and political manipulation.[144] The exercise, then, only deepened the nuclear energy schism between the U.S. and its trilateral allies, as Western Europe and Japan became strongly united in their criticism of U.S. policy and strengthened their own nuclear ties.[145]

In fact, Japan discovered that it could isolate the U.S. and deny the superpower's dictums by aligning with the nations of Western Europe on the issue of reprocessing. By emphasizing the American discrimination of Japan and threatening to take its nuclear business elsewhere, Japan used Western Europe as a tool to check American power in the nuclear field. With Japan and Western Europe united in opposition to Carter's nuclear policy, Carter's policy had no hope of succeeding, and Japan gained crucial leverage in the Tokai negotiation against an isolated United States. As a result, following the completion of the Tokai negotiation and the INFCE, the Carter administration recognized the bleak future of its policy; it understood there to be a "generally reserved attitude toward U.S. initiative" in the area of alternative nuclear fuel cycles.[146]

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[143] A. David Rossin, "U.S. Policy on Spent Fuel Reprocessing: The Issues," http://www.pbs.org/wgbh/pages/frontline/shows/reaction/readings/rossin.html.
[144] Norman Moss, "A global code for nuclear fuel," *Bulletin of the Atomic Scientists* 36 1980), 10.
[145] Stephen Salaff, "The plutonium connection: energy and arms," *Bulletin of the Atomic Scientists* 36 (1980), 21-22.
[146] Michael J. Mansfield, "Foreign Minister Okita's Visit," Confidential, Cable, 003799,

For this reason, the administration accepted the fact that it would be unable to harmonize Japan's nuclear policy with that of the United States by the spring of 1980, the time at which the two governments would have to revisit the Tokai agreement. In February of 1980, Mansfield assessed, "On the nuclear front, we need to rationalize our policies and Japan's toward nuclear reprocessing in the aftermath of the international fuel cycle evaluation and the probable extension of the Tokai Mura agreement."[147]

The administration extended the Tokai agreement two more times despite its reluctance to give Japan an indefinite approval to reprocess. By continually extending the Tokai agreement, the administration effectively put off a permanent resolution of the policy conflict, instead choosing to repeatedly "postpone the next 'crunch point.'"[148] After the initial, informal extension of the original agreement into spring of 1980, Carter next extended it through April 30, 1981.[149] The administration additionally turned a blind eye to another "major move" toward commercial reprocessing by the Japanese, who specifically informed the United States that it would conduct site surveys and consult with local authorities for the construction of its second reprocessing plant—this time commercial-scale—in 1981.[150]

March 3, 1980, 8.
[147] The Situation Room to David Aaron, "Additional Information Items," Top Secret-Sensitive, Memorandum, February 1, 1980, 2.
[148] United States Department of State, "U.S.-Japanese Negotiations on the Tokai-Mura Reprocessing Facility," Secret, Briefing Paper, November 21, 1980, 4.
[149] Ibid., 1.
[150] Edward Muskie, "Draft Japanese Demarche for Extension of Tokai Mura Communique [Cable on December 24, 1985]," Sensitive, Situation Listing, January 20, 1981, 11-12.

In January 1981, Carter's last month in office, he approved yet another extension of the Tokai agreement, giving Japan the right to reprocess through June 1, 1981.[151] Carter and his administration, then, never resolved the Tokai issue. The policies of the two nations never reached a state of harmony, as the administration refused to publicly admit the international defeat of its nuclear policy. Carter's vision of trilateral cooperation in the field of nuclear energy was never fulfilled, as the leaders of Western Europe, Japan, and the U.S. were acted according to domestic pressures and considerations of national self-interest rather than the idealized notions of trilateral interdependence. Richard J. Barnet, an American scholar-activist and the co-founder of the Institute for Policy Studies, writes, "In theory [energy] was the perfect issue for trilateral action, but in practice the politicians of the industrial democracies who were severely pressed by their domestic constituencies were unwilling to act on the statesmanlike rhetoric which graced every occasion on which they met."[152] Therefore the reprocessing issue in particular demonstrates how difficult it was for Carter to bridge the gap between his trilateral intentions and American self-interests, as well as demonstrates the reluctance of Japan to give up its fight to reprocess in favor of a universal nonproliferation policy. Instead of accepting that the nuclear goals of Japan and the U.S. would never be harmonized, Carter and his administration bequeathed the issue of Japanese reprocessing to his successor, Ronald Reagan, who took office in January of 1981.

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[151] David D. Newsom to United States Embassy, Japan, "Tokai Mura Reprocessing Plant Negotiations," Secret, Cable, 010122, January 14, 1981, 1-2.
[152] Richard J. Barnet, *The Alliance: America-Europe-Japan: Makers of the Postwar World*, 384.

Unlike Carter, Reagan allowed Japan to pursue its closed nuclear fuel cycle goals without impediment. Recognizing that the Tokai agreement had failed to stop Japan in its pursuit of the closed nuclear fuel cycle and that Carter's nuclear policy was a flop, Reagan announced a more cooperative nuclear policy on July 16, 1981. In accordance with this statement, which stipulated that his administration would "not inhibit or set back civil reprocessing and breeder reactor development abroad in nations with advanced nuclear power,"[153] Reagan lifted the operating restrictions at the Tokai-mura plant in October.[154] He further approved of Japanese reprocessing in 1988, when he signed an agreement allowing Japan to reprocess U.S.-origin spent fuel for thirty years without American permission.[155]

The Tokai agreement, then, marked the beginning of the United States' ultimate failure to curb Japan's quest for a closed nuclear fuel cycle. Japan emerged from the agreement as the clear victor, and as time passed, Japan repeatedly tested the United States by violating the terms of the Tokai agreement and rendering the few political gains the Carter administration had made ineffectual. As Japan continued to apply pressure to the United States to grant it a more permanent right to reprocess, the administration took a stance of indifference and avoidance. The administration, in a sense, allowed Japan to

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[153] United States Department of State, Office of Public Communication, "Nuclear Nonproliferation Policy: President's Statement, July 16, 1981," *Department of State Bulletin*, v. 80, no. 2045 (Dec. 1980), 60.
[154] "Joint Determination Between the United States and Japan for Reprocessing of Spent Nuclear Material of United States Origin, with Joint Communique and Exchange of Letters. Signed at Washington, October 30, 1981. Entered into force October 30, 1981," *Treaties and International Agreements Online (Oceana*), CTIA No.: 4035.000.
[155] Michael R. Gordon, "U.S. Ready to Tell Japan It Will Back Nuclear Cooperation Pact," Jan 12, 1988, *The New York Times*, accessed October 15, 2010, http://www.nytimes.com/1988/01/13/world/us-ready-tell-japan-it-will-back-nuclear-cooperation-pact.html.

dictate not only the development of its own nuclear energy program, but also the fate of Carter's nonproliferation policy. Ultimately, Carter's policy failed, and Japan prevailed in her quest to reprocess.

Therefore the Tokai issue serves as potent example of the loss of American supremacy within the U.S.-Japan relationship, as well as an example of the ascension of Japan to an elite international status. However, it should be noted that this rise of Japan both in the global arena and within the U.S.-Japan relationship was a decades-long process. In this respect, the Tokai negotiation should be taken as a beginning step rather than a sudden, qualitative change in the greater transition of Japan from American client to partner. Nonetheless, Japan's ability to win the right to reprocess not only signified that Japan had increased its political influence during the negotiation, but also made the thought of Japan as a more equal partner more concrete in the American imagination.

One qualitative result of the Tokai negotiation was the affirmation of Japan as an elite nuclear nation in the ranks of its trilateral allies. Because the Tokai issue was the moment at which Japan fought for and won the right to reprocess, it functions as a climax in the story of Japan's nuclear energy program. The Tokai agreement, in combination with the Carter administration's subsequent refusal to enforce the agreement, caused Japan to become one of the "have" nations in the nuclear game, despite its lack of an actual nuclear weapons program. Like the United States, Canada, Australia and Western Europe, Japan now had the liberty to possess and handle plutonium. The only nation to experience the horrors of the atomic bomb now had the freedom to master and control nuclear technology both as a means to energy independence and as a commercial enterprise. Thus, the Tokai agreement catapulted Japan to the rank of a first class nuclear

nation, not only within the field of nuclear energy but also in the sense that Japan had now become an enforcer of international nonproliferation measures on nations deemed untrustworthy and thereby inferior. By supporting Carter's nonproliferation policy and participating in the INFCE, albeit in a transparent and half-hearted manner, Japan became an active participant in and director of the international nonproliferation dialogue. In both its bilateral relationship with the U.S. and the global arena, Japan's influence as an elite nuclear player had solidified.