\$ Det 19-4-3

Mr Armitage

TECHNOLOGY TRANSFER

3d Sepsion

I WOULD LIKE TO SAY A FEW WORDS ON A SUBJECT WHICH IS NOT ON OUR AGENDA BUT WHICH IS OF SIGNIFICANT ENOUGH IMPORTANCE THAT I THINK I SHOULD RAISE IT. THIS IS THE SUBJECT OF RECIPROCAL DEFENSE TECHNOLOGY TRANSFER.

WE HAVE A JAPAN-U.S. SYSTEMS AND TECHNOLOGY FORUM WHICH MORE APPROPRIATELY CONSIDERS THIS ISSUE FROM THE TECHNICAL POINT OF VIEW; BUT BECAUSE THIS IS ALSO A POLICY ISSUE, AND PARTICULARLY BECAUSE OF THE EXTENDED JAPANESE CONSIDERATION OF THIS ISSUE AND THE FORTHCOMING VISIT OF MINISTER ITO TO WASHINGTON, I THINK I SHOULD ADDRESS IT HERE.

FOR OVER ONE YEAR JAPAN HAS BEEN CONSIDERING WHETHER A "TWO WAY STREET" IN THE TECHNOLOGY FIELD IS POSSIBLE WITH THE U.S. THE U.S. DOESN'T HAVE "DESIGNS" ON JAPAN'S TECHNOLOGY, BUT WE THINK THAT IN THE FUTURE BOTH OUR NECESSARILY-LIMITED DEFENSE TECHNOLOGY INVESTMENTS WOULD BE BETTER SERVED BY WORKING TOGETHER RATHER THAN DUPLICATING EACH OTHER'S EFFORTS.

PROCEDURES. WITH JAPAN, IF POSSIBLE, WE WOULD LIKE TO FOLLOW THE NATO PROCEDURES WHICH WE BELIEVE ARE SOUND.

WE THINK OUR COMPANIES SHOULD HAVE MAXIMUM FREEDOM TO WORK TOGETHER AS THEY SEE FIT, I.E. WITH A MINIMUM OF CUMBERSOME RED TAPE. GOVERNMENTAL INVOLVEMENT IS NECESSARY ON MAJOR PROJECTS AND WHEN CLASSIFIED INFORMATION IS EXCHANGED BUT SHOULD BE MINIMIZED IN OTHER CASES SO THAT MAXIMUM COOPERATION IS ENCOURAGED. WE HAVE NO OBJECTIONS TO SOME KIND OF OVERALL MEMORANDUM OF UNDERSTANDING SETTING FORTH PROCEDURES FOR COOPERATION.

MOST IMPOPTANT OF ALL, TO MAKE TECHNOLOGY TRANSFER A

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MEANINGFUL PROGRAM, HOWEVER IS THE ISSUE OF RECIPROCITY. IF

JAPAN IS VIEWED AS GRUDGINGLY ACCEPTING A PROGRAM NARROWLY

DEFINED AND LIMITED TO BENEFIT ONLY JAPAN OR TO MAKE COOPERATION

SO DIFFICULT AS TO STIFLE BILATERAL EFFORTS IN TIMES OF EMERGENCY

WHICH MIGHT MAKE THEIR IMPORTANCE MORE CRITICAL THAN EVER, THE

PROGRAM COULD BE RECEIVED VERY CYNICALLY IN THE U.S. I REALIZE

THERE IS THE VIEW THAT SOMETHING IS BETTER THAN NOTHING, BUT WE

MUST ASSURE THE "SOMETHING" IS "SOMETHING MEANINGFUL, FAIR, AND

EQUITABLE" IN THE SPIRIT OF THE JAPAN-U.S. ALLIANCE.

COLONEL EDMUNDSON AND OTHERS HERE ARE PREPARED TO DISCUSS THIS SUBJECT IN MORE DETAIL AFTER THIS SESSION IF YOU WISH, BUT OUR HOPE IS THAT YOU MIGHT BE ABLE TO REACH CONSENSUS ON A RECIPROCAL PROGRAM PRIOR TO MINISTER ITO'S VISIT TO WASHINGTON.