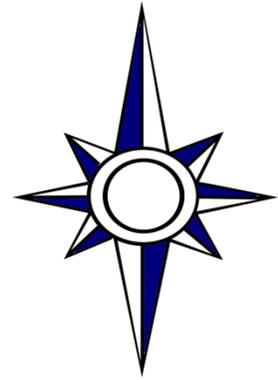


Comparative Connections

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Japan-China Relations: All's Well that Ends Well

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The final report of the Japan-China Joint Study of History project, which was composed of studies by individual Japanese and Chinese historians and not a consensus document, was released at the end of January. While differences remained over issues related to Nanjing and postwar history, both sides expressed satisfaction with the three-year effort and committed to follow-on studies. At the same time, efforts to reach an implementing agreement on joint development in the East China Sea failed to make progress. Even the decline to single-digit growth in China's 2010 defense budget, while welcomed in Japan, was met with skepticism and calls for greater transparency. Meanwhile, China protested Japan's appropriations to support conservation and port construction on Okinotorishima. Then, with hopes fading in Japan for a resolution of the two-year running controversy over contaminated *gyoza* imported from China, Chinese authorities at the end of March announced the arrest of a former employee at the Tianyang Food Plant in Hebei Province who admitted under questioning that he had injected pesticide into the frozen *gyoza*.

Foreign policy triangulation

Prime Minister Hatoyama Yukio delivered his policy speech at the opening of the 174th session of the Diet on Jan. 29. In his discussion on foreign policy issues, he made clear that in building an East Asian community "not only is the importance of an unshakeable Japan-US alliance unchanged but such an alliance is indispensable as a precondition for forming an East Asian community." Elsewhere, Hatoyama pledged that he would "work to further enhance the mutually beneficial relationship with China based on common strategic interests...."

Meanwhile, the debate over the nature of the Japan-US-China relationship continued within the Democratic Party of Japan (DPJ). Ozawa Ichiro confidant Yamaoka Kenji observed that the Japan-China relationship was in the "best shape" in postwar history. He believed that relations among Japan, China, and the US "should be equally balanced like an equilateral triangle." Upper House DPJ Chairman Koshiishi Azuma also supported the equilateral concept. However, the prime minister and Foreign Minister Okada Katsuya rejected that formulation. On Jan. 19, Okada told a press conference that "Japan should not give equal treatment to the US, its ally, and China, which has adopted a different political system from Japan."

* The views expressed in this article are the views of the author alone and do not represent the views or policy of the National Defense University, the Department of Defense, or the U.S. government.

On Jan. 21, the prime minister told the Lower House Budget Committee that the lengths of the side of the triangle are “not the same length. The Japan-US alliance is the core.” Two months later, on March 22, in remarks delivered at graduation ceremonies of the National Defense Academy, Hatoyama described the Japan-US Alliance as “unshaken,” while, at the same time, calling for a security strategy that would “develop a network of confidence building and interdependence with our neighbors.”

High-level visits

Early in the new year, Shizuoka Gov. Kawakatsu Heita visited China and on Jan. 11 met Vice President Xi Jinping in Beijing. Xi emphasized the importance of developing the strategic and mutually beneficial bilateral relationship and told Kawakatsu that China would welcome a Hatoyama visit in 2010.

The Jan. 6 *Yomiuri Shimbun*, citing sources close to Japan-China relations, reported that the Chinese had unofficially broached the idea of historic reciprocal visits – a Hatoyama visit to Nanjing in June followed by a Hu Jintao visit to Hiroshima in November. According to its sources, the *Yomiuri* reported that China believed that an “improvement of popular feelings on both sides is indispensable” to further strengthening the mutually beneficial strategic relationship. In that context, a Hatoyama visit to Nanjing and an expression of deep remorse would serve to ameliorate the feelings of the Chinese people toward Japan. The next day, Chief Cabinet Secretary Hirano Hirofumi told a press conference that he was aware of the reports but did not see them as having any factual basis. As for the possibility of the prime minister visiting Nanjing, Hirano said that “at present we are giving no thought to the matter.”

East China Sea

The Dec. 31 *Yomiuri Shimbun* reported that Tokyo and Beijing had reached a de facto agreement on investment shares with respect to the development of Shirakaba/Chunxiao gas fields. The agreement, yet to be made public, allotted over 50 percent of the investment total to China, given the fact that China had previously developed the gas field. An agreement to implement the June 2008 deal on joint development remained unfinished and, as the *Yomiuri* reported, there were no prospects for further negotiations.

China’s Foreign Minister Yang Jiechi traveled to Japan in mid-January to attend the Asia-Central America Cooperation Forum and on Jan. 17, met with his Japanese counterpart. Noting the lack of progress in negotiating the implementation of the 2008 deal, Okada pressed Yang to move ahead on negotiations, and cautioned China against taking independent actions to develop the Shirakaba field, which would violate the agreement. Should China do so, Okada warned that Japan “will have to take certain actions.” Yang replied that China would honor the 2008 agreement and would like to continue negotiations at the working level. As for the Shirakaba/Chunxiao field, Yang emphasized China’s sovereignty and made it clear that, as such, the field was not subject to joint development.

Speaking at a news conference during the National People’s Congress, Yang said China “has consistently emphasized the position of arriving at an appropriate solution through dialogue.”

He described China's attitude as "positive." The foreign minister underscored the importance of creating "favorable conditions for realizing an agreement" and went on to note the great potential that exists for bilateral cooperation in the fields of energy, the environment, and high technology.

Senkaku Islands

On Jan. 14, the Japanese government authorized legislation appropriating funds to support construction of sea walls on Okinotorishima and Minamitorishima to prevent erosion and reinforce Japan's Exclusive Economic Zone (EEZ) claims. Okinotorishima and Minamitorishima are Japan's southernmost and easternmost islands respectively. The legislation would also support the construction of port facilities on the islands.

Chinese Foreign Ministry spokesperson Ma Zhaoxu told a press conference on Jan. 19 that Japan's "assertion of territorial waters under its jurisdiction with Okinotori Island as a base does not conform to international law." Okinotorishima's legal status could not be changed by Japan's artificial construction efforts.

The Japanese rejoinder came the following day. Foreign Ministry spokesperson Kodama Kazuo reasserted Japan's position that Okinotorishima is an island not a rock as China claimed. Kodama went on to say that "from July 31 ... to now, we have effectively controlled Okinotori Island as an island and have set an exclusive economic zone in the surrounding sea." Japan believed that "such rights and its status as an island have already been established."

Earlier in the month, on Jan. 12, Hokama Shukichi, the mayor of Japan's westernmost island, Yonagumi, called on Defense Minister Kitazawa Toshimi to consider deploying a Ground Self-Defense Force (GSDF) contingent to the island. Afterward, Kitazawa told reporters that "we should study this matter." Later, on March 18, Kitazawa told the *Yomiuri Shimbun* that the government should advance consideration of the "necessary level of GSDF presence there from the standpoint of surveillance and deterrence." Kitazawa visited Yonagumi Island on March 26 and, according to the mayor, spoke positively with regard to the request for the GSDF deployment to the island.

Also on the March 26, the First GSDF Composite Brigade, stationed at Naha, was reformed and, with the addition of 300 personnel, brought up to brigade status. The new 15th Brigade, with 2,100 troops, is aimed at strengthening Japan's defense posture in the southwestern islands.

Security

The Hatoyama government announced on Feb. 16 the creation of a panel on "Security and Defense Capability in the New Era, to be chaired by Sato Shigeo, CEO of the Keihin Electric Railway Company. The mission of the panel is to assist in the formulation of new National Defense Program Guidelines. In remarks delivered at the outset of the first meeting, which was held on Feb. 18 at the prime minister's official residence, Hatoyama indicated that the panel should conduct its deliberations "from the viewpoint of how Japan should deal with the escalation of nuclear and missile development by North Korea and the modernization of the military of Japan's neighbor." Japan's media interpreted the "modernization of the military of

Japan's neighbor" to mean China, and the government did not challenge that interpretation. A second meeting of the council on Feb. 24 was focused on "the international military situation in areas close to Japan."

Meanwhile, on March 4, Beijing announced a 7.5 percent increase in its defense budget for 2010. The single-digit number marked a retreat from 22 consecutive years of double-digit increases in defense spending. In making the announcement at the National People's Congress, Li Zhaoxing told the media "China is committed to a policy of peaceful development."

The *Asahi Shimbun's* March 5 editorial on China's defense budget titled "Slowdown with a Tint of Hegemony" expressed Japanese concerns. While welcoming the retrenchment, the *Asahi* pointed to China's continuing lack of transparency. Citing the PLA's increasing blue-water operational capabilities – efforts to construct port facilities in Sri Lanka, Myanmar, and Pakistan – as well as increasing space-based capabilities, the editorial cautioned that such actions are reinforcing apprehensions that China is aiming to become a "hegemonic country." The *Asahi* remained to be persuaded by China's leaders' statements to the contrary

In an interview with the *Yomiuri Shimbun*, Defense Minister Kitazawa expressed his concerns with China's actions as opposed to policy statements. Taking up the issue of China's anti-satellite test, the minister said that Japan and the US should consider it "a global challenge."

History

At the Abe-Hu summit in October 2006, the two leaders agreed to a three-year joint study on history. The study was completed in December 2009 and released at the end of January 2010. The study is divided into three periods: ancient, medieval and modern history. Twenty-six papers were submitted, 13 by each side. However, they do not represent a consensus.

Both sides used the word "aggression" when referring to the 1937-45 Sino-Japanese War and the actions of the Imperial Army. The head of the Chinese team, Bu Ping, director of the Institute of Modern History at the Chinese Academy of Social Sciences, found the "common recognition and the issue of who bears responsibility for the war ... is an important outcome." As for the Marco Polo Bridge Incident, while many Chinese historians have consistently held the view that that the action was "planned or plotted" by the Imperial Army, the Chinese papers entertained "the possibility that it may have occurred accidentally." The two sides were unable to reach agreement on the number of deaths in Nanjing, and, at the request of the Chinese side, the post-war section of the report, including the Tiananmen Square Incident, was not made public.

Foreign Minister Okada welcomed the reports saying that "Even if there may be differences in views, especially in modern and contemporary history, I think a common understanding can gradually be nurtured by working on it." Despite differences, both sides recommended follow-on studies. An anonymous Japanese diplomat was quoted as observing that the study "was a smart mechanism in terms of managing bilateral relations in a smoother fashion."

The gyoza caper: “book ‘em, Danno!”/case closed?

Japanese media greeted the second anniversary of the unresolved *gyoza* incident with a sense of resignation. Then, on March 26, the *Xinhua* News Service reported that the Ministry of Public Security had announced the arrest of a suspect identified as Lu Yueling, a 36 year-old former temporary employee at the Tianyang Food Plant in Hubei Province. Under questioning, Lu was reported to have admitted to using a syringe to inject the frozen *gyoza* produced at the plant with the pesticide, methamidophos, beginning in October of 2007. Lu told Chinese officials that he was unhappy with pay and working conditions at the plant. Subsequently Chinese authorities found two syringes with traces of the pesticide in sewers identified by Lu.

In Tokyo, the Foreign Ministry released a statement respecting “the efforts made by the Chinese police and others involved” and expressing the hope that “the arrest will shed more light” on the incident. Speaking the next day in Yokkaichi, Mie Prefecture, Foreign Minister Okada, after highlighting his role in pressing Foreign Minister Yang to admit that the incident took place in China, expressed his satisfaction with the “great efforts” that had been made to resolve the matter. Prime Minister Hatoyama also praised the efforts of the Chinese authorities and expressed his hope that resolution of the incident would further deepen Japan-China relations.

Outlook

Resolution of the long-running *gyoza* case at the end of the quarter stands as a promising start to the second quarter of the year. The likelihood of a Hatoyama visit to the Shanghai Exposition sometime in May or June should provide positive momentum to the bilateral relationship.

Chronology of Japan-China Relations January - March 2010

Dec. 31, 2009: *Yomiuri* Shimbun reports a de facto agreement on investment shares in Shirakaba/Chunxiao gas field in the East China Sea.

Jan. 4, 2010: Prime Minister (PM) Hatoyama Yukio visits Issei Shrine.

Jan. 4, 2010: Taiwan President Ma Ying-jeou meets Ono Yoshinori, former director general of Japan’s Defense Agency, and calls for closer defense cooperation among Japan, US, and Taiwan.

Jan. 4, 2010: Former Japanese Justice Minister Nagano Shigeto, who gained notoriety for denying the Nanjing Massacre, dies.

Jan. 5, 2010: Japan’s Interchange Association appoints Imai Tadadshi as successor to Saito Masaki as chief of its Taipei office.

Jan. 7, 2010: Japanese advertising giant Dentsu announces it will take a 40 per cent stake in China’s Suntrend Group.

Jan. 7, 2010: China criticizes Japan's plan for infrastructure development on Okinotorishima, which is located in the Senkaku Islands.

Jan. 10, 2010: Japanese government sources report that China may take over Japan's Maritime Self-Defense Force (MSDF) refueling operations in the Indian Ocean following the Jan. 15 expiration of its mission there.

Jan. 11, 2010: *Xinhua* announces successful Chinese ballistic missile intercept test.

Jan. 11, 2010: Shizuoka Gov. Kawakatsu Heita meets China's Vice President Xi Jinping in Beijing. Xi expresses hope that PM Hatoyama will visit China later in year.

Jan. 11, 2010: Beijing announces the opening of Lushunkou (Port Arthur) and Dalian (Dairen) in Liaoning Province to Japanese tourism; the Peninsula was the scene of major fighting in the first Sino-Japanese (1895) war and the Russo-Japanese war (1904-05).

Jan. 12, 2010: The mayor of Yonagumishima requests Minister of Defense Kitazawa Toshimi to deploy Ground Self-Defense Forces to the island; Kitazawa commits to studying the matter.

Jan. 14, 2010: The Hatoyama government approves funds for preservation measures and port construction on Okinotorishima and Minamitorishima Islands.

Jan. 15, 2010: China's Ministry of Public Security announces Japanese visitors ranked as China's largest group of tourists in 2009.

Jan. 17, 2010: Foreign Ministers Okada Katsuya and Yang Jiechi meet in Tokyo; discussion focuses on East China Sea.

Jan. 19, 2010: China protests Japan's decision approving conservation measures and port construction on Okinotorishima and Minamitorishima. Japan reasserts sovereignty claim over the islands the following day.

Jan. 21, 2010: Japan and China agree to cooperate on food safety issues, including information sharing and inspection visits to food processing facilities.

Jan. 24, 2010: *Kyodo* News Service reports that Japan's Environment Ministry will cooperate with China on measures to counter air pollution.

Jan. 27, 2010: Japanese, Chinese, and South Korean officials meet in Seoul and agree to hold the first joint meeting of government, industry, and academia representatives to discuss a trilateral free trade agreement (FTA) in Seoul later in the spring.

Jan. 29, 2010: PM Hatoyama delivers policy address to the opening session of the Diet.

Jan. 30, 2010: The second anniversary of the contaminated *gyoza* incident passes as responsibility remains undetermined despite ongoing investigations by China and Japan.

Jan. 31, 2010: Foreign Minister (FM) Okada tells TV *Asahi* that China's reaction to US arms sales to Taiwan was predictable and will not lead to China-US confrontation.

Jan. 31, 2010: Japan-China Joint History Research Committee releases the report on its three year study of history. *NHK*'s Japanese language World Report segment on the study is interrupted in China during airing of scenes from Tiananmen Incident.

Feb. 5, 2010: A government task force headed by Minister of Land, Infrastructure, Transport and Tourism Maehara Seiji agrees to recommend easing of Japan's visa policy to allow the issuance of visas for individual Chinese at all Japanese consular offices.

Feb. 12, 2010: Tokyo Gov. Ishihara Shintaro announces that Ueno Zoo expects to receive a pair of giant pandas from China in early in 2011 at a cost of \$950,000 per year.

Feb. 18, 2010: *Yomiuri Shimbun* reports the popularity in China of a Japanese TV series about the fate of a 19 year-old Japanese woman left behind in China at the conclusion of World War II. The article's headline asks "Is this a change in attitude toward Japan?"

Feb. 7, 2010: New Japan-China Friendship Committee for the 21st Century begins a five-day meeting in Beijing. The group meets Premier Wen Jiabao then shifts the venue to Yangzhou in Jiangsu Province.

Feb. 16, 2010: Hatoyama government announces the creation of a panel on "Security and Defense Capability in the New Era" to assist in formulating Japan's new National Defense Program Guidelines.

Feb. 17, 2010: Koshi Higashi, Democratic Party of Japan (DPJ) Upper House chairman calls for equality in the Japan-US-China relationship at the reception for Upper House DPJ members.

Feb. 18, 2010: The panel on "Security and Defense Capability in the New Era" holds its first meeting at prime minister's official residence.

Feb. 24, 2010: Japan's Ministry of Economy, Trade and Industry and China's Ministry of Commerce hold regularly scheduled vice-ministerial talks in Tokyo, focusing on China's export control practices on mineral resources, including rare metals.

Feb. 24, 2010: "Security and Defense Capability in the New Era" panel discusses China.

Feb. 28, 2010: China's new ambassador, Cheng Yonghua, who describes his sighting of Fuji-san from the airplane as an emotional experience, arrives in Japan.

March 1, 2010: At a press conference in Beijing, Toyota President Toyoda Akio apologizes to Chinese consumers for vehicle recalls and quality-control shortcomings.

March 3, 2010: Japanese Coast Guard aircraft locates Chinese maritime research vessel operating in Japan's Senkaku Island chain within Japan's EEZ.

March 4, 2010: China announces 7.5 percent increase in defense spending for 2010.

March 7, 2010: Chinese FM Yang tells a news conference during the National People's Congress (NPC) that China's position on the East China Sea is to arrive at an appropriate solution through dialogue.

March 8, 2010: Japanese and Chinese diplomats meet in Beijing to discuss restarting the Six-Party Talks.

March 9, 2010: *Xinhua* News Service reports that secret understandings between Japan and the US on nuclear weapons contradict Japan's three non-nuclear principles.

March 11, 2010: PM Hatoyama meets in Tokyo members of New Japan-China Friendship Committee for the 21st Century and announces plans to visit Shanghai Exposition. Tang Jiaxuan, Chinese chairman of the Friendship Committee, invites Hatoyama to attend opening ceremonies.

March 16, 2010: FM Okada reasserts Japanese sovereignty over Senkaku Islands.

March 17, 2010: PM Hatoyama calls for greater efforts to resolve East China Sea issues in order to make the region a "Sea of Fraternity."

March 18, 2010: Minister of Defense Kitazawa expresses support for early consideration of Ground Self-Defense Force (GSDF) deployment to Yonagumi Island.

March 19, 2010: Wang Yi, former ambassador to Japan and presently director of the Taiwan Affairs Office, visits Tokyo and meets PM Hatoyama and Ozawa on Taiwan issues.

March 21-26, 2010: Japan Chamber of Commerce and Industry Chairman Okamura Tadashi, with leaders of Japan's regional Chambers of Commerce, visits China, marking the first such mission in 17 years.

March 23, 2010: A survey conducted in Taiwan by Japan's Interchange Association reveals that Taiwanese pick Japan over China as their favorite country.

March 24, 2010: Japan, China, South Korea, and ASEAN announce revamped currency swap procedures under the Changmai Initiative.

March 26, 2010: Minister of Defense Kitazawa visits Yonagumi Island and is asked by Yonagumi mayor to consider GSDF deployment to the island.

March 26, 2010: The GSDF Composite Brigade, stationed at Naha, is brought up to brigade status to strengthen Japan's defense posture in the southwestern islands.

March 26, 2010: *Xinhua* News Agency announces the arrest of a suspect in the contaminated *gyoza* incident.

March 27, 2010: PM Hatoyama and FM Okada express appreciation for efforts made by Chinese authorities to resolve the *gyoza* incident.

March 29, 2010: Minister of Defense Kitazawa tells *Nikkei Shimbun* that he has directed Ministry of Defense staff to study the deployment of the GSDF to Yonagumi Island.

March 30, 2010: China's Foreign Ministry informs Tokyo of the pending execution of a Japanese citizen convicted of smuggling drugs into China.

March 31, 2010: Japan expresses concern over the pending execution of the Japanese citizen through its embassy in Beijing. Chief Cabinet Secretary Hirano Hirofumi acknowledges the issue belongs to China's judicial system but cautions of the impact on bilateral relations.