Old problems – the Senkaku fishing boat incident, the East China Sea, and China’s increasing maritime activities in waters off Japan – persisted in early 2011. Efforts by Japan to keep lines of communication open with China’s leadership included a visit to China by members of the Diet and Japan’s senior vice minister for foreign affairs at the end of January – the first high-level bilateral diplomatic engagement since the Senkaku incident. The China-Japan Strategic Dialogue resumed in Tokyo at the end of February. Less than two weeks later, the March 11 earthquake and tsunami hit Japan. China responded by providing emergency assistance and sending a rescue and medical team. Prime Minister Kan personally thanked China’s leadership and, in an article carried by the Chinese media, the Chinese people for their assistance, support, and encouragement. The Asahi Shimbun offered the hope that the crisis could serve as an opportunity for a fresh start in Japan’s relations with its Northeast Asian neighbors.

State of relations

In mid-January, China’s media greeted Prime Minister Kan Naoto’s Cabinet reshuffle with concern, observing that hawkish elements now occupied key posts, including the new Chief Cabinet Secretary Edano Yukio and Maehara Seiji retained as foreign minister. The new lineup suggested the possibility that the Kan government might take a harder line toward China. A public website under the auspices of the People’s Daily cited Edano’s remarks of October 2010 in which he called China a bad neighbor and continued with a story from a Tokyo-based journalist who observed that Kan holds very few personal opinions and that on many issues is swayed by the opinions of his Cabinet. Meeting with reporters on Jan. 14, Edano attempted to spin his earlier remarks, saying there are many countries, not only China, with which Japan does not have close relations and that in his new post he wanted to build good relations with Japan’s neighbors and structure win-win outcomes.

In his foreign policy address to the Diet on Jan. 24, Foreign Minister Maehara outlined the government’s approach to China. The policy objective was to deepen the mutually beneficial strategic relationship by promoting cooperation in areas such as resource development, the environment, and the East China Sea. Maehara also expressed concern over the buildup of China’s defense capabilities, its lack of transparency, and its increasing maritime activities. 

The views expressed in this article are the views of the author alone and do not necessarily represent the views or policy of the National Defense University, the Department of Defense, or the U.S. government.
went on to call for China to become a responsible member of the international community and made clear that the Japan-US alliance is the “linchpin of Japan’s foreign policy and security.”

Appearing before the Lower House Budget Committee on Jan. 31, Prime Minister Kan and Foreign Minister Maehara responded to policy-related questions. Regarding China, Maehara said that the peaceful rise of China would be a plus for peace and stability in the Asia-Pacific region. To advance that cause, he said that he would “say what I need to say.” He went on to point out that China’s defense spending had increased in 20 of the past 21 years, but that he had “no idea of what they are using the money for.” He argued that telling China that it lacks transparency will result in a stronger relationship. He would continue to call on China “to ensure free navigation in the South China Sea and the East China Sea.” Japan would work to engage China while working with other countries that share common values.

Prime Minister Kan admitted that the government’s handling of the fishing boat incident had caused many to question how the Democratic Party of Japan (DPJ) was handling foreign policy. Still, he wondered whether China would “fulfill its obligations or strongly assert its position.” Japan needed to hold “honest discussions with China” and tell China that it “must play its role in Asia and the world.” In early February, Japanese media reported that Prime Minister Kan would launch a new advisory panel on Japan’s relations with China, which held its first meeting on Feb. 6. The panel is headed by former Kiedanren chairman Mitarai Fujio and comprised of senior business leaders, as well as former Ambassador to China Miyamoto Yuji and Tokyo University professor Takahara Akio.

On April 1, by Cabinet decision, the Kan government approved the 2011 Diplomatic Blue Book. Referencing the Senkaku ship incident and the resulting strains in bilateral relations as well as the North Korean attack on South Korea’s Yeonpyeong Island, the document stated that sources of uncertainty and instability mark Japan’s security environment. The Blue Book cited China’s military buildup and the People’s Liberation Army (PLA) Navy’s increasing maritime activities as sources of “concern” and urged Beijing to take steps to increase transparency.

Looking for traction

Efforts to re-engage China continued through the winter and early spring. With high-level diplomatic contacts mostly frozen, political leaders worked to keep contact alive.

At the end of December 2010, Hayashi Yoshimasa, deputy chairman of the Liberal Democratic Party’s (LDP) Policy Research Council, led a delegation of Diet members of the non-partisan “Parliamentary Union for Japan-China Friendship” to Beijing. They met Li Yuanchao, head of the Organization Department of the Communist Party’s Central Committee and other Chinese officials. Li told the Japanese legislators that “we are grateful for the work of Diet members for the strengthening of bilateral friendship.” In reply, Hayashi observed that “the current state of the Japan-China relationship is one of a mutually damaging tactical relationship. This needs to be returned to a mutually beneficial strategic relationship.” Earlier, in mid-December, New Komeito leader Yamaguchi Natsuo traveled to Beijing and met Vice President Xi Jinping.
On Jan. 11, Kato Koichi, former secretary general of the LDP and chairman of the Japan-China Friendship Association, accompanied by the LDP’s Takeshita Wataru and the New Komeito’s Tomita Shigeyuki and independent legislator Tsujimoto Kiyomi, began a three-day visit to Beijing. The delegation met senior political and government officials, including State Councilor Dai Bingguo and Wu Dawei, China’s lead negotiator in the Six-Party Talks. Afterward, Kato told reporters that Dai, in reference to the September fishing boat incident, had said “we must examine where the problems lay.”

At the end of January, Senior Vice Foreign Minister Banno Yutaka and Sugiyama Shinsuke, director general of the Asian and Oceanic Affairs Bureau, traveled to Beijing and met Vice Foreign Minister Zhang Zhijun and other Chinese officials. The two sides agreed to resume the Japan-China strategic dialogue. Banno’s visit to China was the first by a senior vice foreign minister since the September fishing boat incident.

In connection with the Japan-China Strategic Dialogue, which resumed in Tokyo on Feb. 28, Foreign Minister Maehara met Vice Minister Zhang Zhijun separately at the Foreign Ministry and they agreed to take steps to improve bilateral relations. After the meeting, Zhang told reporters “we discussed ways to make this year a year in which we improve and advance our bilateral relations.” On April 22, a supra-party delegation of Diet members, belonging to the Japan-China Friendship League and led by former Foreign Minister Machimura Nobutaka announced that it planned to visit China for three days beginning May 5.

**Security**

On Dec. 30, the *Yomiuri Shimbun* reported that Japan’s Ministry of Defense would begin intensive feasibility studies on the introduction of unmanned reconnaissance aircraft in FY 2011 to enable the SDF to monitor developments in North Korea and Chinese naval activities in waters near Japan. These studies will address a requirement outlined in Japan’s new National Defense Program Guidelines, which called attention to the need to strengthen the defense of Japan’s southwestern islands and the Mid-Term Defense Plan, which calls for deployment of Ground Self-Defense Force coastal surveillance units to the islands.

On Jan. 4, the *Sankei Shimbun* reported that Japan’s Coast Guard (JCG) had decided to strengthen its mandate for policing Japan’s territorial waters to deal with unexpected contingencies, such as the September fishing boat incident. The *Sankei* reported that an expert panel on policing territorial waters set up by Land and Transport Minister Mabuchi Sumio was considering amending the law to provide the JCG with legal authority to stop poaching fishing boats and to coordinate activities with the Maritime Self-Defense Force (MSDF). The Jan. 13 *Tokyo Shimbun* reported that the MSDF was formulating a new strategy toward China based on the National Defense Program Guidelines that focused on the triangular area connecting Tokyo, Guam, and Taiwan. The reported objective of the strategy is to strengthen surveillance capabilities in the area with a particular focus on People’s Liberation Army (PLA) Navy submarine activities.

On Jan. 20, Japanese and Chinese diplomats and defense officials, led by Vice Foreign Ministers Sasae Kenichiro and Zhang Zhijun, met in Beijing to resume the Japan-China Security Dialogue,
the first meeting since March 2009 and the 12th in the series. The Japan-China Strategic Dialogue resumed Feb. 28 in Tokyo, the first since June 2009. Vice Minister Sasae Kenichiro led the Japanese team and Vice Minister Zhang Zhijun led the Chinese side. Issues on the agenda included steps to reinforce the mutually beneficial strategic relationship, the promotion of exchanges, and preparations to mark the 40th anniversary of the normalization of diplomatic relations in 2012.

On Jan. 27, a plenary session of the Diet met to question Prime Minister Kan on his policy address. During the session, Kan reiterated concerns with China’s rapid military modernization and the development of power projection capabilities in waters near Japan. He said that Japan “will pay close attention to Chinese military moves and through our dialogues and exchanges in the security area we will positively work with China to increase the transparency of its defense policy.” Earlier, during a Jan. 21 press conference, Foreign Minister Maehara called on China “to take steps to clarify the aim of its military buildup and enhance the transparency of its military spending as a responsible country.”

**Senkakus/Diaoyu**

The Kan government, responding to an October 2010 petition from the Ishigaki city government to allow municipal officials to survey the islands for tax and environmental purposes, denied permission to land on the islands on Jan 7. (The Japanese government leases and manages the four privately owned islands.) Tokyo explained its decision by stating that “the government comprehensively took into account its lease purpose to maintain and manage the islands peacefully and stably.” On Jan. 13, the LDP’s Ishiba Shigeru introduced a resolution calling on the government to take steps to assert Japan’s effective sovereignty over the island to include landing on the islands and the conducting of surveys. The day before, a senior official of China’s Maritime Safety Administration, Fang Jianmeng told Xinhua that China intended to build 36 new surveillance ships beginning in 2011, among them 22 would be large ships over 1,000 tons in weight. By June 2011, China will have completed building a total of 47 surveillance ships, including 26 over 1,000 tons. Fang told the news service that “when considering the need to protect our coastline of 32,000 kilometers and the escalating strife over maritime rights and interests, we think this number is insufficient.”

The conflict over the Senkaku/Diaoyu Islands continued to cloud bilateral relations. Although Japanese prosecutors dropped charges against the Chinese captain involved in the fishing boat incident, Japan maintained its claim for compensation, which Chinese Foreign Ministry spokesman Ma Zhaoxu dismissed in a Feb. 12 statement by asserting the islands are “an integral part of Chinese territory.” On Jan. 27, the JCG reported that a Chinese patrol boat, the Yuzheng 201, had been observed just outside Japan’s territorial waters and warned it against entering Japanese waters. The Chinese ship responded by asserting that the “Diaoyu Islands are an integral part of Chinese territory. We are conducting legitimate operations.” On March 5, the JCG spotted the Yusheng 202 just outside Japanese waters. Two JCG ships radioed the Chinese ship to avoid entering Japanese waters. Meanwhile, Chinese Maritime Safety Administration (MSA) surveillance ships continued to patrol the area, staying just outside Japan’s territorial waters. JGC ships and aircraft operating from Naha have recorded eight such Chinese patrols since the September incident, and a total of three in March. On March 7 and again on March 26,
a Chinese helicopter operating from an MSA ship buzzed a MSDF ship in international waters in the East China Sea, setting off a protest from Tokyo. The Chinese Foreign Ministry replied that the helicopter was following proper procedures, acting in accordance with international law, and had maintained proper operating distance from the MSDF ship.

**East China Sea**

On March 7, the Ministry of Defense reported that a Chinese helicopter had buzzed the MSDF destroyer *Samidare* in the East China Sea gas field. Tokyo protested the incident as a “dangerous act.” The Ministry reported that the Chinese helicopter had approached as close as 70 meters to the Japanese destroyer, 20 meters closer than the incidents of April 2010.

Earlier on March 2, the Air Self-Defense Force (ASDF) radar spotted two Chinese military airplanes flying toward Japan’s southwestern islands. The ASDF scrambled two fighters and the Chinese planes turned away. Defense Ministry sources, however, said that for the first time Chinese planes had crossed the mid-line boundary in the East China Sea and approached the Senkakus. Addressing the incident at a press conference, Chief Cabinet Secretary Edano told reporters that Japan had not protested because the Chinese planes had not violated Japanese air space. Nevertheless, Edano took the occasion to call attention to China’s increasing military activities and insufficient transparency as matters of concern.

On March 8, Song Enlai, a senior official of the China National Offshore Oil Corp. (CNOOC) indicated that China was at the production stage in the Chunxiao (Shirakaba) gas field in the East China Sea. Although unilateral action in the gas fields would run counter to the Japan-China agreement on joint development, the official told the *Asahi Shimbun* that “oil is being produced.” A day earlier, China’s Foreign Minister Yang Jiechi had taken a positive stance toward concluding a bilateral treaty on joint development.

In Tokyo, Foreign Ministry officials told a meeting of the LDP that high-level Chinese officials had told Japan that China was engaged only in “maintenance and repair” operations, not drilling and production. The officials also said that Japan, which was actively monitoring the gas field area, could not confirm the *Asahi* report. Chief Cabinet Secretary Edano called the CNOOC report “very regrettable” and told reporters that Japan was seeking official verification from Beijing. Beijing denied the accuracy of the *Asahi* story.

**Official development assistance**

Gross Domestic Product (GDP) figures released in Beijing on Jan. 20 confirmed that China had surpassed Japan as the world’s second largest economy in 2010. This reality intensified the debate over Japan’s Official Development Assistance (ODA) program for China. New yen loans to China ceased in FY 2007 however, the Foreign Ministry looked to continue ODA efforts to support environment and exchange programs. In the previous fiscal year, grant aid and technical cooperation in the fields of the environment and energy conservation amounted to 1.3 billion yen and 3.3 billion yen respectively.
Before his return to Tokyo for consultations, Ambassador Niwa Uichiro spoke with Japanese media on Feb. 28 and made the case for a continuation of Japan’s ODA program. The ambassador recognized that an increase in ODA to support infrastructure projects had little support. Nevertheless he thought that continuation of an ODA program, focused on environmental technology and youth exchanges, would redound to Japan’s benefit. He noted that, in December, he had proposed that the Foreign Ministry strengthen the program as a step toward restoring Japan-China relations.

Foreign Minister Maehara, however, was focused on putting the axe to the ODA budget for China. On March 4, he told a meeting of the Upper House Budget Committee that given Japan’s “very severe” economic situation and the fact that China had surpassed Japan as the world’s second top economy, “it is completely inconceivable for Japan, which has been outranked, to increase ODA.” The Fukushima earthquake/tsunami ended the debate on ODA.

**Business and economics: rare earth metals**

At the end of December, China announced that it would cut rare earth metal exports by 35 percent for the first half of 2011 to approximate 14,000 tons from 30,000 tons in 2010. Minister of Economy, Trade and Industry Ohata Akihiro told reporters that the “quota was decided roughly in the form we had in mind.” Japan’s trading companies had a mixed reaction to the announcement; one executive expressed concerns that the expected shortfall of approximately 11,300 tons could actually be greater because of Chinese government pressures on suppliers to hold back on exports, while another took the view that the announcement was not a worst-case scenario because the quotas for the first half of 2011 were actually greater than the quotas for the last six months of 2010.

On March 7, on the sidelines of the National People’s Congress, China’s Commerce Minister Chen Deming suggested that Japan and China should cooperate to develop alternatives to rare earth metals and methods of recycling. The next day, Japan’s Minister of Economics, Trade and Industry Kaieda Banri suggested a cautious approach, telling reporters that “we should decide our stance after figuring out China’s intention.”

On March 24, *Xinhua* reported that China’s Ministry of Finance and the State Administration of Taxation would impose a tax on rare earth producers beginning April 1. Zhang Zhong, general manager of China’s leading rare earth producer, Inner Mongolia Baotou Steel Rare-Earth Hi-Tech Co., estimated that the tax would increase production costs by 720 million yuan per year.

**Fukushima aftermath**

On the evening of March 14, Premier Wen Jiabao met with reporters at the closing news conference of the National People’s Congress and expressed his sympathies for the Japanese victims of the earthquake/tsunami. Citing Japan’s rescue and relief support for China following the 2008 Chengdu earthquake, he expressed his intention to support relief efforts for Japan. China’s *Environmental Times* reported 83 percent of respondents to an internet poll supported China extending assistance and the Japanese embassy reported Chinese postings of encouragement and sympathy on a blog that it had opened. To assist in recovery operations,
China dispatched an emergency rescue team to the stricken area, where it operated between March 13-20, along with emergency relief supplies of gasoline, tents, and clothing. The Foreign Ministry also issued an evacuation advisory to Chinese citizens resident in northern Japan.

On April 11, State Councilor Dai Bingguo met Sasamori Kiyoshi, special advisor to the Japanese Cabinet, who transmitted a letter from Prime Minister Kan to President Hu Jintao thanking the Chinese people for their support and assistance. The following day, Kan held a 35-minute telephone conversation with Premier Wen to thank him for China’s assistance. Wen is reported to have replied that he hoped the effort would support the development of bilateral relations. According to Chinese diplomatic sources, Wen also asked Japan to give a high degree of consideration to the impact of the incident both on the ocean environment and on Japan’s neighbors and that Japan act in strict accord with international law in dealing with the incident. On April 21, Chinese newspapers carried a message from Kan thanking the Chinese people for their support, assistance and encouragement.

The April 10 Asahi Shimbun offered the hope that the crisis would serve as an opportunity for neighboring countries to improve relations with Japan. The story observed that there appeared to be a change in the way China had responded to heretofore pressing issues, noting that Chinese protests on Japan’s new high school history text books, which asserted Japanese sovereignty over the Senkakus, were made at the working level and that various Chinese officials had expressed their interest in wanting to contribute to Japan’s recovery and their belief that the crisis offered the opportunity to advance cooperation.

Meanwhile, Beijing took steps to prohibit the import of foodstuffs and agricultural products from Japan. On April 12, the Foreign Ministry spokesperson, noting that Japan had upgraded the “severity of its nuclear leakage to level 7,” called on Japan to take measures that “will effectively ease the situation and …update the rest of the world on the situation of nuclear leakage in a timely, comprehensive and accurate manner.” On April 21, the Japanese Embassy in Beijing, in an attempt to dispel rumors, held an open forum to report on steps taken to address the crisis. During a trilateral Japan-China-South Korea meeting held in Tokyo on April 24, the Japanese government failed to persuade the neighboring government to ease the restrictions on food imports from Japan.

Chronology of Japan-China Relations
January – April 2011

Jan. 5, 2011: First meeting of a Japanese government panel to consider strengthening laws to protect against disclosure of classified information by government officials. Strengthening of territorial sea law is also under review to allow Japan Coast Guard (JCG) to react swiftly to intrusions into Japan’s territorial waters.

Jan. 6, 2011: Honda Corp. announces 2010 sales in China increased 12.2 percent over 2009 to 646,631 units.

Jan. 6, 2011: China and Japan hold first antiterrorism dialogue in Beijing.

Jan. 10, 2011: Nissan Corp. announces 2010 sales in China increased 35.5 percent over 2009 to 1,023,600 units. China is now Nissan’s largest market.

Jan. 11-12, 2011: Former Liberal Democratic Party (LDP) Secretary General Kato Koichi leads parliamentarian delegation to China and meets State Councilor Dai Bingguo and diplomat Wu Dawei, China’s lead negotiator in the Six-Party Talks.

Jan. 11, 2011: Taiwan’s Ministry of Transportation and Communication releases data showing that in 2010 China displaced Japan as top source of tourists to Taiwan.

Jan. 13, 2011: LDP’s Ishiba Shigeru introduces resolution calling on the government to take steps to assert sovereignty over the Senkakus, including landing on and surveying the islands.


Jan. 14, 2011: Prime Minister Kan Naoto reshuffles Cabinet; Maehara Seiji retained as foreign minister and Edano Yukio becomes chief Cabinet secretary.

Jan. 20, 2011: Beijing releases 2010 gross domestic product (GDP) data confirming that China is now the world’s second largest economy, surpassing Japan.


Jan. 25-28, 2011: Japan’s Senior Vice Minister for Foreign Affairs Banno Yutaka visits China, the first visit by a senior vice minister since the Senkaku incident.

Feb. 2, 2011: Yomiuri Shimbun reports that Japan briefed China on contents of Japan’s new National Defense Program Guidelines on Dec. 16, the day before public release of the document, to demonstrate Japan’s transparency.

Feb. 14, 2011: Former JCG officer Masaharu Isshiki, responsible for the leak of JCG Senkakus video, speaks at Foreign Correspondents Club of Japan, expressing concern that foreign countries are invading Japanese territory.

Feb. 17, 2011: Asahi Shimbun reports there are more than 50,000 Japanese residing in Shanghai.
Feb. 21, 2011: Japan’s Supreme Court denies appeal for 150 million yen in damages filed by Chinese workers for being forcibly brought to Japan as laborers during World War II. Court cites the 1972 Joint Communiqué in which China waived rights of individuals to pursue damages.

Feb. 25, 2011: *Sankei Shimbun* reports that a Chinese company, Huawei Japan, has become a member of Keidanren.

Feb. 25, 2011: NEC Corp. announces agreement to cooperate with Chinese partner Tianma Micro in the production of liquid crystal display (LCD) units.


Feb. 28, 2011: Japan’s Ambassador to China Niwa Uichiro calls for continuation of the Official Development Assistance (ODA) program for China.

March 1, 2011: Deputy President of DPJ Sengoku Yoshito meets China’s Vice Foreign Minister Zhang Zhijun in Tokyo; Zhang invites Sengoku to visit China when time is appropriate.

March 2, 2011: Japan’s Air Self-Defense Forces scrambles jets as Chinese aircraft enter Japan’s air defense identification zone.

March 4, 2011: Foreign Minister Maehara rules out the continuation of ODA for China.

March 5, 2011: JCG ship observes Chinese Maritime Safety Administration patrol boat just outside Japanese waters and warns it against entering.

March 6, 2011: Foreign Minister Maehara resigns from his post.


March 7, 2011: China proposes cooperation to develop alternatives to rare earth metals.

March 8, 2011: Senior official of China’s National Offshore Oil Corp. tells *Asahi Shimbun* that oil is being produced in the East China Sea; China denies the accuracy of the report.

March 9, 2011: Matsumoto Takeaki is announced as the new foreign minister of Japan.

March 11, 2011: An earthquake measuring 9.0 on the Richter scale hits the Tohoku region of Japan resulting in a massive tsunami.

March 12, 2011: Ambassador Cheng calls at the Foreign Ministry and transfers funds for earthquake relief and recovery, citing Japan’s support following the 2008 Chengdu earthquake.

March 13, 2011: China dispatches emergency rescue team to Japan; team returns March 20.
March 14, 2011: Premier Wen Jiabao expresses sympathies for victims of earthquake and tsunami; China sends gasoline, tents, clothing, and foodstuffs.

March 19, 2011: Foreign ministers of Japan, China and South Korea meet in Kyoto. Foreign Minister Matsumoto thanks counterparts for their assistance in tsunami relief and recovery.

March 21, 2011: Kyodo reports that Russian officials from Sakhalin have invited China to invest in an island located in Japan’s Northern Territory.

March 24, 2011: Japan’s Foreign Ministry, citing earthquake emergency, announces decision to postpone consideration of ODA program.

March 24, 2011: Xinhua reports China will impose tax on rare earth producers beginning April 1.

March 31, 2011: China’s Foreign Ministry responds to Japan’s new high school textbooks that assert Japanese sovereignty over the Senkakus by reasserting that China’s claim is incontestable and efforts to try to change this reality will prove unavailing.

April 1, 2011: Kan government approves the 2011 Diplomatic Blue Book.


April 11, 2011: Special advisor to Prime Minister Kan travels to China and transmits personal letter of thanks to President Hu Jintao for China’s earthquake/tsunami relief.

April 12, 2011: Prime Minister Kan calls Premier Wen Jiabao to thank him for China’s earthquake/tsunami relief contributions.

April 17, 2011: Xinhua reports the second successful test flight of China’s stealth fighter.

April 19, 2011: Japanese independent panel concludes that captain of the Chinese fishing trawler involved in the Sept. 7 incident should have been indicted.

April 21, 2011: Japanese Embassy in Beijing holds open forum on the situation at Fukushima nuclear plant.

April 21, 2011: Chinese newspapers carry an open letter of thanks from Prime Minister Kan to the Chinese people.