



Japan-China Relations:
Yasukuni Stops Everything

James J. Przystup
Institute for National Strategic Studies
National Defense University

Prime Minister Koizumi Junichiro's Oct. 17 visit to the Yasukuni Shrine effectively put Japan-China relations into a political deep freeze. Meetings on sensitive East China Sea issues were cancelled and prospects for a Japan-China leadership summit before the end of the year went from slim to none. In December, Foreign Minister Aso Taro and Democratic Party of Japan President Maehara Seiji raised the issue of a China threat, which Beijing dismissed as irresponsible and without foundation. China's diplomatic White Paper, issued at the end of December, announced that China has never been a threat and that it never had and never would seek hegemony.

Back to Yasukuni

On Sept. 29, the Tokyo High Court, dismissing an appeal seeking compensation for Prime Minister Koizumi's August 2001 visit to Yasukuni Shrine, ruled that the visit was "an act based on personal religious beliefs" and thus protected under the constitution. The next day, the Osaka High Court ruled that Koizumi's visits to Yasukuni were "official" and "religious" in nature but rejected plaintiff's claims for compensation. In a supplementary statement, the court found that the visits contravened the constitution's separation of religion and state.

Later that day, the prime minister told a Lower House Budget Committee that, "Some courts have ruled them constitutional in the past. Decisions vary from court to court. I have not visited there as part of my duties as prime minister." Later, Koizumi told reporters that the ruling would not affect his decision on future visits to the Shrine. After meeting with Koizumi, political confidant Yamasaki Taku told reporters "I got the impression that Prime Minister Koizumi will visit the Shrine before year's end without fail. His mind is made up."

Responding to a question regarding the Tokyo Court ruling, Chinese Foreign Ministry spokesperson Qin Gang asked reporters "Do you believe such logic?" Qin made clear that Yasukuni is "the major sticking point in the current difficulties facing China-Japan relations."

On the morning of Oct. 17, the prime minister visited the Shrine, and Japan's relations with China, hovering near the freezing mark, plunged to record lows. At a noon meeting of the government and ruling party coalition, Koizumi was quoted as saying that he visited the Shrine "as a private citizen, not as prime minister" and prayed based on his resolve that Japan would "never fight a war again." He went on to say "Japan is where it is today, owing to the people who went to war against their wishes." The prime minister wanted "to work toward future-oriented relations with neighboring countries." Chief Cabinet Secretary Hosoda Hiroyuki emphasized to reporters that the prime minister did not visit in his official capacity.

Beijing's response was not long in coming. On the evening of Oct. 17, China's Foreign Minister Li Zhaoxing called in Japanese Ambassador Anami Koreshige to express the strong displeasure of the Chinese government and people. The foreign minister noted that such a direct form of protest was unusual but an indication of the severity with which the Chinese government viewed the matter. China's Ambassador Wang Yi also protested the visit to Foreign Minister Machimura Nobutaka

Subsequently, Beijing cancelled the scheduled Oct. 23 visit of Minister Machimura. The visit was to discuss the possibility of a summit meeting between Koizumi and President Hu Jintao sometime before the end of the year, as well as issues related to history, North Korea, and the East China Sea. Foreign Ministry Spokesperson Kong Quan announced that "given the present situation, the visit is not timely." Kong charged that Koizumi had "destroyed the political base of China-Japan relations" and bore "responsibility for the results of his visit."

Koizumi appeared nonplussed, telling the press that he visited Yasukuni in his private capacity and that "China and South Korea will eventually understand." The matter was a spiritual issue, and foreign governments should not be telling Japanese not to pay their respects to those who gave their lives for Japan. Taking a long-term view, he was confident that in "10 years, 20 years, or 30 years, the issue will not be serious."

On the evening of Oct. 17, Foreign Minister Machimura held a press conference and explained the protests lodged by Chinese and Korean ambassador. His response was to emphasize the private nature of the visit, that it represented a pledge that Japan would never again resort to war, and the intention to pursue future-oriented relations with neighboring countries.

The day after Koizumi's visit, 92 members of the Liberal Democratic Party (LDP), including Party Secretary General Takebe Tsutomu visited the Shrine accompanied by nine members of the opposition. An additional 94 Diet members were represented by their secretaries. Four possible successors to the prime minister were equally divided: Abe Shinzo and Aso Taro indicated support for visits by the prime minister; Fukuda Yasuo and Tanigaki Sadakazu expressed concern with the effects of history issues on relations with neighboring countries.

Addressing relations with China, Machimura told an Oct. 23 *TV Asahi Sunday* audience that “Until now, we have often, though not always tended to think that it is best for Japan to follow everything China says, not insist on our own claims and keep a rather low profile.” The foreign minister thought “we should be able to say what we believe is right, and also listen to the other side sincerely.” Machimura said that the prime minister had visited Yasukuni, “to show that he should not succumb to foreign pressure.” Earlier, in response to the cancellation, the foreign minister told reporters that dialogue “is not closed at all” and that he would like to “pursue it from now on as well.”

Public opinion polls showed a closely divided public and political leadership. A *Tokyo Shimbun* poll of Oct. 17-18 indicated 48 percent in favor of the visit and 45 percent against, with 65 percent in favor of a new war memorial. An *Asahi* poll of the same dates found 42 percent supporting the visit, 41 percent opposed, and 65 percent concerned about deteriorating relations with China and the ROK. A *Kyodo News* survey conducted Oct. 17-18 reported 48.1 percent in favor and 45.8 percent opposed.

On Oct. 31, Koizumi reshuffled his Cabinet, appointing Abe Shinzo to replace Hosoda as chief Cabinet secretary and Aso Taro to replace Machimura as foreign minister.

Abe held his first press conference that day. He told reporters that he, like the prime minister, had visited Yasukuni Shrine as a Japanese citizen and political figure and expected that similar visits would continue. The next day, he told a press conference that he fully understood the feelings of the Chinese and Korean people and that Japan needed “to give explanations in a sincere manner.” Newly appointed Foreign Minister Aso in his first press conference acknowledged the differences between Japan and China on the issue and called for dialogue as the “only way” to resolve them. He noted that Japan enjoyed good economic relations with China and, while “things have not gone smoothly at the political level,” he did not think “the strained ties ...have damaged Japan’s national interests.”

China’s Foreign Ministry spokesman Kong replied Nov. 1, making clear that the responsibility for the present difficulties “does not lie with the Chinese side.” Kong observed that the issue was not one that could be addressed by dialogue; rather the issue was whether Japan would honor its commitment to earnest remorse on history and had indeed embarked on the road of peaceful development. He urged Japan to reflect sincerely on history.

The issue refused to go away – or rather political leadership in both countries found good reason to keep it alive. Within the LDP, Koizumi’s opponents used the Yasukuni issue to criticize the prime minister. On Nov. 5, during the New Komeito Party’s national convention, party leader Kanzaki Takenori, playing to the party’s strong religious support base, asked that the prime minister, foreign minister, and chief Cabinet secretary exercise restraint with regard to visiting the Shrine.

In a speech in Tottori Prefecture Nov. 13, Foreign Minister Aso defended the prime minister’s visits to the Shrine. Aso pointed out that even after the Class-A war criminals

had been enshrined, Prime Ministers Ohira and Suzuki had visited Yasukuni and noted that their visits did not draw the criticism now directed at Koizumi. He went to say “I am not the only person who feels their criticism to be strange.... There is no country in the world that prohibits those who gave their lives for the sake of their country from being enshrined with greatest honor. It is natural for us to give thanks and to respect them. This is an important matter that could affect the basis structure of the state, so Prime Minister Koizumi cannot easily make a compromise.”

On Nov. 15, Foreign Minister Li Zhaoxing, during a press conference at the APEC meeting in Busan, rhetorically asked how European nations would react if Germany’s leaders should visit memorials devoted to Hitler and the Nazis. The following day, Chinese and South Korean presidents joined in urging that the problems of history not exercise a negative influence on cooperation in Northeast Asia and in expressing the view that correct understanding of history is the foundation of stability in Northeast Asia. On Nov. 17, Chief Cabinet Secretary Abe replied that the prime minister visits the Shrine “to pray for people who died for their country and not of specific persons”; Abe thought “many Japanese people find such [an] analogy disagreeable.” Later asked if “those who died for their country” included Tojo Hideki and other wartime leaders, Abe demurred saying that he would not be drawn into a discussion of who’s in and who’s out.

During Dec. 28 yearend press conference, Koizumi, when asked if he planned to visit Yasukuni during the holidays, replied that he planned “to take a good vacation.” While acknowledging that Japan needed to “take steps to get understanding” of the Yasukuni issue, he asked China and the ROK “also to consider the matter.” He went to call for mutual efforts “to promote friendly relations.”

The Yasukuni issue resurfaced the long-running debate within Japanese political circles over the creation of a secular national war memorial. Following the prime minister’s previously articulated formulations on the issue, Abe, as chief Cabinet secretary, and Aso, as foreign minister, avoided taking a stand. Both cited the existence of various opinions as well as the need for broad political support and careful deliberation on the matter. On Nov. 9, 50 political leaders from the LDP, New Komeito, and Democratic Party of Japan, including former LDP Secretary General Yamasaki Taku, former Chief Cabinet Secretary Fukuda Yasuo, former Chief Cabinet Secretary Kato Koichi, New Komeito’s Secretary General Fuyushiba Tetsuo, and party leader Kansaki Takenori, joined in establishing a Secular War Memorial Association. Kansaki called on the prime minister to allocate funds for a feasibility study for a national war memorial. On Nov. 16, LDP General Council Chairman Kyuma Fumio also expressed his support for the idea.

On Dec. 5, however, the *Asahi* reported that the government had tentatively decided against including funds for a feasibility study in the 2006 fiscal year budget. On Dec. 14, the Secular War Memorial Association, meeting in a hotel near the Diet building, likewise decided to put off requesting a feasibility study in the coming fiscal year. However, Komeito’s Fuyushiba, vice chairman of the Association, made clear that his party had not given up hope on including a feasibility study in the 2006 budget. Funds for a study were not included in the final draft budget for 2006 adopted Dec. 22.

The search for a Japan-China summit

A series of high-level diplomatic events – the APEC Summit in Busan, South Korea, Nov. 18-19; the Dec. 12 ASEAN Plus Three (A+3) meeting, followed by the first East Asia Summit (EAS) in Kuala Lumpur on Dec. 14 – provided opportunities for a Japan-China summit. Both Koizumi and the Foreign Ministry made clear Japan's interest in making it happen, but as the EAS closed, the diplomatic box score read 0 for 3.

At APEC, Koizumi ran into a united China-Korea anti-Yasukuni front. While Koizumi did meet with Korean President Roh Moo-hyun, he failed to meet with President Hu – the Chinese Foreign Ministry made clear that “the atmosphere and conditions are not sufficient for making it happen.” A meeting between the foreign ministers also failed to materialize. More directly, there was “absolutely no possibility” of such a meeting. Koizumi told reporters that he was “not at all concerned” with the failure to arrange a meeting and that he thought “friendly relations with China are important.” He did not believe that a single issue should stand as an impediment to developing relations with China and Korea. Taking a long-term view, the prime minister asserted that his visits to Yasukuni would not harm relations with China or Korea and that mutual understanding would come with the passage of time.

Looking ahead to the EAS, Foreign Minister Aso, speaking Dec. 7 at the Foreign Correspondents Club of Japan, set forth his views on Japan's Asia Strategy. In his speech “Asian Strategy As I See it: Japan as the ‘Thought Leader’ of Asia,” Aso developed Japan's vision for the future of regional cooperation and addressed issues of the past as well as Japan's relations with its neighbors, China and Korea. Aso made clear that he was “sincerely aware of the fact that Japan in the past caused sufferings to many in Asia, and to the peoples of the Republic of Korea and China in particular”; thus it was “necessary for Japan to maintain continuously a spirit of deep remorse as well as thoughtfulness as a neighbor...” He hoped that Japan's neighbors would “look at this issue within the overall context of the road Japan has taken over the past 60 years.” Speaking directly to Beijing, the foreign minister emphasized that “the rise of China is something we have been eagerly waiting for.” As for the overall relationship, Aso thought it “important” that the two countries “not allow isolated issues to impair progress as a whole” and “overcome the past through a spirit of reconciliation and collaboration so that the happenings of the past do not harm our future.” On Dec. 8, China's Foreign Ministry Spokesperson Qin Gang delivered China's appraisal of Aso's address, making clear that “in our opinion, what is important is Japan should take concrete efforts, not only orally but in action, to eliminate the political obstacles in developing friendly and cooperative relations.”

That same day, however, at the Press Club of Japan, Aso told reporters that “just because China or the press say not to do something, this should not be why the prime minister of a country should not do so. Rather, he should exercise his own judgment.”

Koizumi traveled to Malaysia on Dec. 12 to attend the A+3 Summit, the Japan-ASEAN Summit, and the first East Asian Summit. Foreign Minister Aso arrived earlier to attend the A+3 ministerial meeting and the Japan-ASEAN ministerial meeting on Dec. 9 and the foreign ministers' preparatory meeting for the East Asia Summit on Dec. 10.

Once again, there was hope in Tokyo that proximity to China's leadership would result in a foreign ministers' or summit meeting. Once again, China made clear that Japan should not hold its breath. Director General Cui Tiankai of the Asian Affairs Department warned, "it is impossible to expect everything to go ahead as usual, as if nothing has happened." Cui charged that the Koizumi's visits to Yasukuni "have harmed the political foundation" of the China-Japan relationship. On Dec. 4, Beijing announced that "due to the current atmosphere and condition" the "+3" meeting would be postponed. Commenting on the postponement of the "+3" summit, Koizumi observed, "for me anytime is fine, but it was the other side that postponed it...that's all right by me." On Dec. 8, Beijing also announced that there were no plans for a foreign ministers' meeting during the A+3 summit.

Nevertheless, Foreign Ministers Li and Aso did exchange talking points at the A+3 dinner, with Li putting the worsening of bilateral relations squarely on Japan's shoulders, and, at the A+3 luncheon, Koizumi, seated next to China's Premier Wen Jiabao, turned the conversation to trade. Koizumi noted that Japan is now importing "a large quantity of Shanghai crabs." When asked by Wen if he liked the crabs, Koizumi replied that he did indeed.

On Dec. 14 at the conclusion of the Kuala Lumpur meetings, Koizumi met with the press. The prime minister again emphasized that he had always "been for friendly ties between Japan and China... Japan-China relations are extremely important." Accordingly, he believed that "we should never allow differences in views or confrontations on one or two issues to impede further growth of our bilateral relations." Turning more directly to Yasukuni, the prime minister sought to clear up misunderstandings with regard to his visits. His purpose in visiting the Shrine was "to pay sincere respects to the people who had to go to the battlefield and had to give up their lives." He had "no intention whatsoever to glorify or justify war." Thus the prime minister could not understand "why there are criticisms." As for future summit meetings, Koizumi said "I am prepared to hold summit meetings with the leaders of China and the ROK any time. I have no ill feelings. But I do not know what the attitudes are on the Chinese or ROK side."

As for the diplomatic main event, the EAS, and its run-up, revealed that Tokyo and Beijing were operating on different strategic tracks. China originally aimed to make ASEAN and the A+3 the core of a new East Asian structure – one consciously designed to exclude the U.S. Meanwhile, Japan, supported by Indonesia and Singapore, worked to broaden participation by including Asian democracies, Australia, India, and New Zealand. The communiqué, issued at the conclusion of the A+3 meeting, called for the A+3 grouping to assume the leading role in the "promotion of the community building" in East Asia. Many observers saw the document as moving the community under China's direction and influence. However, the declaration, issued at the conclusion of the EAS,

suggested a shift in the direction of Japan and the region's democracies, by including the formulation that "The East Asian Summit can play a key role in the formation of the community."

Commenting on the summit document, China's Foreign Ministry Spokesperson Qin took the line that "China sticks to the principle of openness and transparency. We oppose exclusive cooperation targeting any third party." Thus, China "welcomed" the participation of Australia, India, and New Zealand, and Cui, director general for Asian Affairs, observed "the whole process is open." For Beijing and Tokyo, the net of the Kuala Lumpur meetings was a diplomatic draw. Where the East Asian community goes from the initial EAS is truly an open question.

East China Sea

Following a four-month hiatus, consultations on issues related to energy development in the East China took place in Tokyo at the Foreign Ministry, Sept. 30-Oct. 1. The 18-member Japanese side was led by Director General of the Asian and Oceanic Affairs Bureau Sasae Kenichiro while the 17-member Chinese delegation was led by Director General of the Department of Asian Affairs Cui Tiankai.

At the end of September, five PLA Navy warships were detected in waters near the Chunxiao gas field. In a Sept. 30 speech in Tokyo, China's Ambassador Wang said that the ships were "simply operating in the open sea" and their appearance had "absolutely no relation to the gas field issue."

The Japanese delegation expressed concern about China's development activities, reiterated requests that China provide information and data on its exploration, and warned that, unless Chinese activities ceased, Japan would have no choice but to begin exploration activities on its side of the median-line boundary. The Chinese reiterated that China's development activities were taking place in undisputed Chinese waters. Japan, for the first time, formally presented proposals for joint development, covering both sides of the median line, but China held to its previous position that joint development extend only to the area to the east of the mid-line boundary, i.e., the Japanese side. Thus, the consultations made little progress on defining the area for joint development. However, recognizing the urgency of the issue, the two sides agreed to meet as early as possible, shortly deciding to resume talks in Beijing Oct. 19.

Meanwhile, the third round of Japan-China vice-ministerial talks was scheduled for Oct. 15-16 in Beijing. The *Sankei Shimbun* reported Vice Minister Yachi Shotaro as being "surprised" at the changes in the official posture of Chinese officials. In an Oct. 15 meeting, China's Foreign Minister Li told Yachi that the two countries should be able to solve all outstanding issues, including the East China Sea. Li also remarked that he appreciated Koizumi's warm welcome during his May visit to Japan and noted the prime minister's remark that he wanted "to make the East China Sea a sea of peace." Li also took time to point out that Koizumi's visit to Yasukuni was "an issue of national emotion." The Oct. 16 meeting was cancelled unexpectedly, leaving the Japanese

delegation scrambling to reschedule the meeting for Oct. 17. Koizumi's visit to Yasukuni that day effectively ended the talks.

The next day, the *Yomiuri Shimbun* published the results of an Oct. 15-16 public opinion poll on political issues, including questions concerning the East China Sea. Seventy percent of the respondents thought that China should cease exploration activities and that, should China fail to do so, 65 percent believed Japan should develop gas fields on its side of the mid-line boundary.

Attempting to get ahead of the prevailing political winds, the opposition Democratic Party of Japan (DPJ) announced its intention to submit legislation aimed at banning other countries from resource exploitation in Japan's EEZ. On Nov. 17, the LDP, followed suit, announcing its intention to submit legislation in next year's ordinary Diet session. On Dec. 1, the LDP's Special Committee on Maritime Interests, chaired by Takemi Keizo, unveiled draft legislation that would protect ships and crew engaged in exploration activities in Japan's EEZ, establish a 500-meter safety zone around exploration platforms, and forbid entry into the safety zone to unauthorized ships. Two weeks later, on Dec. 16, the LDP adopted the legislative recommendations of the Special Committee on Maritime Interests.

During his visit to China, Maehara Seiji, president of the DPJ, raised the East China Sea issue with State Councilor Tang Jiaxuan. Maehara told Tang that unless China ceased its development activities, the Koizumi government will have no choice but to introduce legislation in the coming Diet session that will support Japanese exploration, and that if the government introduces such legislation, it will likely do so with the support of his party. Tang replied that China is prepared to resume discussions at an appropriate time.

Security: defining the threat

In his Dec. 7 speech welcoming the rise of China, Foreign Minister Aso also used the occasion to underscore Japanese concerns with China's continuing military buildup and the lack of transparency in the PLA's budget process. The next day in Washington, DC, DPJ President Maehara, in remarks at the Center for Strategic and International Studies, put the issue in politically starker terms, reportedly labeling China a "real threat."

Maehara left Washington Dec. 10 and traveled directly to China, arriving in Beijing Dec. 11, meeting that day with State Councilor Tang as well as Liu Hongcai, deputy chief of the Chinese Communist Party's International Liaison Department. On Dec. 12, Maehara delivered a speech to China's Diplomatic Academy in which he called attention to the "17 consecutive years of double-digit increases" in China's military spending and its "continuing modernization" and "the growing number of voices that regard China as a threat." Afterward, Maehara met with Xiong Guangkai, PLA deputy chief of staff and raised issues related to China's ICBM deployments and last year's intrusion of a nuclear-powered submarine into Japanese waters. Maehara told Xiong that "when we look into China's military buildup, I cannot but have doubts of its intent." Xiong's replied that China was continuing to lag in military modernization. On Dec. 13, Maehara met with

China's Vice Foreign Minister Dai Bingguo – hoped for appointments with China's top leaders failed to materialize.

China's Foreign Ministry responded to Maehara's remarks by calling attention to the "facts": China had "never invaded any other country," China was a sovereign state, and thus it is "quite natural for it to maintain certain amount of military expenditure." Taking a comparative look at defense budgets, Spokesperson Qin noted that China's defense spending was "only \$25.6 billion while that of Japan was 1.62 times ours" – on a per capita basis that amounted to \$1,300 in Japan and "just \$23" in China. Given that Japan is "only 1/25" the size of China with "only 1/10" the population, Japan's military spending is "huge." Qin asked "how could Japan justify its purpose?"

On Dec. 22, Foreign Minister Aso, following the Cabinet meeting, spoke with reporters on China's military buildup. Expressing his concerns in language that paralleled Maehara's, Aso cited China's large population, possession of nuclear weapons, and 17 consecutive years of double-digit increases in defense spending as well as a lack of transparency, and observed that "it's becoming a considerable threat." The foreign minister's remarks went beyond the policy line as expressed in the 2005 Defense White Paper, which highlighted the need to watch carefully whether China's spending exceeds the legitimate needs of self-defense and labeled China's continuing modernization as a "cause for concern."

Beijing replied that there was no basis in fact for the threat accusations, China's development served the cause of world peace and stability and labeled Aso's remarks "irresponsible." On Dec. 22, Beijing released a diplomatic White Paper, which solemnly pledged that China would never use its growing power to threaten its neighbors. China would adhere to the "road of peaceful development" and "never be a threat to anyone." Contrasting China's development with that of Japan in the last century, the document made clear that "China did not seek hegemony in the past, nor does it now, and will not do so in the future when it gets stronger."

Attempting to gain control of the China threat debate, Koizumi, at dinner with former LDP Vice President Yamasaki and New Komeito Secretary General Fuyushiba on Dec. 27, was reported to have told them that he had said that China's development represented a "chance" for Japan but that he had "never said that China was a threat."

Outlook

While economic engagement continues to strengthen, the outlook for political relations for the near term is, in a word, "bleak." The issues of history permeate the relationship, and the leadership in both countries continues to be focused more on defining the past on its terms than moving beyond history and building a cooperative future. Taking the optimistic view, one can hold the hope that at least a floor has been reached.

Chronology of Japan-China Relations: October-December 2005

Sept. 29, 2005: Tokyo High Court dismisses suit seeking compensation for prime minister's visits to Yasukuni.

Sept. 30, 2005: Osaka High Court rules Koizumi's visits as "official" and "religious" in nature.

Sept. 30, 2005: Keidanren Chairman Okuda Hiroshi meets secretly in Beijing with President Hu Jintao. During Oct. 24 press conference, Okuda denied that he was acting as Koizumi's special emissary.

Sept. 30-Oct 1, 2005: Japanese and Chinese diplomats meet in Tokyo to discuss East China Sea issues.

Oct. 11-15, 2005: Vice Minister of the Cabinet Office Erikawa Takeshi visits Beijing to discuss disposal of chemical weapons abandoned by Imperial Army.

Oct. 13, 2005: Japanese Foreign Ministry announces Third Japan-China Comprehensive Policy Dialogue, Oct. 14-17, in Beijing.

Oct. 15, 2005: Vice Foreign Minister Yachi meets Foreign Minister Li in Beijing to discuss Japan-China issues; second day of meetings scheduled for Oct. 16 is cancelled.

Oct. 16, 2005: Japan-China Foreign Ministry director general-level talks on North Korea and six-party meeting take place in Beijing.

Oct. 16, 2005: Taiwan's former President Lee Teng-hui backs Koizumi's visits to Yasukuni Shrine.

Oct. 17, 2005: Koizumi visits Yasukuni Shrine on first day of Autumn Festival.

Oct. 17, 2005: China protests Yasukuni visit.

Oct. 17, 2005: Chinese companies participating in Tsingtao Japan Week 2005 cancel participation to protest Yasukuni visit.

Oct. 18, 2005: 92 Diet members visit the Yasukuni shrine

Oct. 18, 2005: Beijing cancels visit of Japanese foreign minister scheduled for Oct. 23.

Oct. 19, 2005: Keidanren Chairman Okuda tells business audience in Kanazawa that, while Koizumi's visits to Yasukuni are affecting political relations, economic relations remain largely unaffected.

Oct. 23, 2005: Foreign Minister Machimura tells Sunday TV audience that, with regard to Yasukuni, Japan “should be able to say what we believe is right.”

Oct. 31, 2005: Koizumi reshuffles Cabinet, appointing Aso Taro foreign minister and Abe Shinzo chief Cabinet secretary.

Nov. 2, 2005: Fifth meeting of Japan-China-ROK economic directors general in Beijing.

Nov. 2, 2005: Chinese Ambassador Wang speaks at National Defense Academy of Japan.

Nov. 4, 2005: Governors of Osaka, Kyoto, and Hyogo visit Beijing to promote tourism; meet with Vice Premier Wu Yi.

Nov. 4, 2005: China’s Vice President Zeng Qinghong meets former Prime Minister Murayama Tomiichi in Xian; promotes wide range of exchanges.

Nov. 5, 2005: New Komeito Party leader Kanzaki calls on Koizumi to exercise restraint on Yasukuni visits.

Nov. 9, 2005: Multi-party coalition forms Association to Consider Secular War Memorial.

Nov. 13, 2005: Chief Cabinet Secretary Abe tells *TV Asahi Sunday* audience that China should reconsider patriotic anti-Japanese education campaign, calls attention to double-digit increases China’s military spending, asks for increased transparency, pronounces himself fond of China, and supports increase of Chinese students studying in Japan.

Nov. 13, 2005: FM Aso defends Koizumi’s Yasukuni visits in speech in Tottori Prefecture.

Nov. 15, 2005: China’s FM Li compares Koizumi visits to Yasukuni to paying Germany’s political leaders paying homage to Hitler.

Nov. 16, 2005: Koizumi meets President Bush; observes that “because the U.S.-Japan relationship is so strong, Japan will be able to build better ties with China and South Korea.”

Nov. 17, 2005: Chief Cabinet Secretary Abe finds FM Li’s “Hitler” analogy “disagreeable” to many Japanese.

Nov. 17, 2005: LDP announces draft legislation to govern exploration in East China Sea will be submitted to Diet in 2006.

Nov. 17, 2005: LDP Secretary General Takebe begins three-day visit to Beijing.

Nov. 20, 2005: *Xinhua News Agency* reports CCP Propaganda Departments adds 66 National Patriotic sites to existing list; at least five commemorate the struggle with Japan.

Nov. 22, 2005: Chinese work crews begin restoration of Beijing embassy and consular buildings damaged during April anti-Japanese demonstrations.

Nov. 25-27, 2005: Senior Vice FM Shiozaki Yasuhisa travels to Beijing to discuss Six-Party Talks and bilateral issues; meets Vice Foreign Minister Wu Dawei.

Nov. 30, 2005: Koizumi speaks at LDP headquarters on Yasukuni, and says he will not allow Yasukuni to become a diplomatic card for China and calls for revision of Article 9 of constitution.

Dec. 1, 2005: LDP Special Committee on Maritime Interests unveils legislation to protect exploration activities in East China Sea.

Dec. 1, 2005: State Councilor Tang meets supra-party Diet delegation representing the Japan-China New Century Association; says there is “no possibility” that China’s development activity in East China Sea is siphoning off Japanese resources; calls for joint development while shelving sovereignty issues.

Dec. 1, 2005: Vice FM Wu meets with delegation, calls for complete dismantling/destruction of chemical weapons abandoned by Imperial Army by 2012.

Dec. 2, 2005: *Sankei Shimbun* reports Japan Coast Guard plan to upgrade patrol aircraft and ships to protect Japanese interests in East China Sea.

Dec. 2, 2005: Fourth round of China-Japan-ROK investment treaty discussions conclude in Amoy.

Dec. 3, 2005: FM Aso, meeting Secretary of Defense Donald Rumsfeld in Washington, tells Rumsfeld “we would like to be able to convince China to play a more constructive role in the international community.”

Dec. 4, 2005: Beijing announces postponement of China-Japan-ROK (+3) meeting during the ASEAN Summit in Kuala Lumpur.

Dec. 5, 2005: LDP and New Komeito secretaries general and Policy Board chairmen agree to elevate Defense Agency to Defense Ministry.

Dec. 7, 2005: FM Aso in Asia policy speech welcomes the “rise of China” while expressing concern with China’s defense policy.

Dec. 8, 2005: DPJ President Maehara labels China a “threat” in speech delivered in Washington, DC; on Dec. 12 Maehara repeats China threat remarks in speech in Beijing.

Dec. 11-13, 2005: Maehara travels to Beijing meets with State Councilor Tang, PLA deputy Chief of Staff Xiong, and Vice FM Dai Bingguo.

Dec. 12-14, 2005: ASEAN Plus Three Summit; Japan-ASEAN Summit; East Asia Summit in Kuala Lumpur; Koizumi speaks briefly with China's Premier Wen.

Dec. 15, 2005: *Yomiuri Shimbun* poll indicates 73 percent of Japanese see Japan-China relations as not in good shape, an all time high; 72 percent distrust China; Dec. 28 *Nihon Keizai Shimbun* poll finds 69 percent distrust China, only 14 percent trust China.

Dec. 16, 2005: LDP adopts draft legislation to protect Japanese exploration in East China Sea.

Dec. 20, 2005: Koizumi government approves establishment (February 2006) of Japan-China 21st Century Foundation to provide scholarships to Chinese high school students (150-200 per annum) for study in Japan.

Dec. 20, 2005: Chinese work crews begin restoration of Japanese Shanghai Consulate building damaged during the April anti-Japanese demonstrations.

Dec. 21, 2005: Meeting of China, Japan, and ROK telecommunications ministers, scheduled for Jan. 9 in Amoy, is postponed.

Dec. 21, 2005: Tokyo Municipal Government includes funds for fishery research ship in 2006 budget, aiming to strengthen Japanese claims to waters off Okinotori island.

Dec. 21, 2005: LDP and New Komeito establish study groups to coordinate drafting of legislation to elevate Defense Agency to Defense Ministry

Dec. 22, 2005: FM Aso, following Maehara, sees China "becoming a considerable threat."

Dec. 22, 2005: Beijing releases foreign policy White Paper assuring that China will "never be a threat to anyone" and will not seek hegemony.

Dec. 26, 2005: China's Vice FM Qiao meets in Beijing with Japan's Deputy FM Kono to discuss UN reform.

Dec. 27, 2005: Koizumi at dinner with former LDP VP Yamasaki and New Komeito Secretary General Fuyushiba speaks of China's development as an opportunity for Japan, dismisses China threat; Koizumi also makes clear his intention to upgrade Defense Agency to Ministry before leaving office.

Dec. 27, 2005: Japan protests May 2004 reported suicide of Shanghai consular official in charge of encryption of classified communications at consulate; suicide note suggests Chinese pressure to reveal classified information; government sources reveal Dec. 27 protest to be the fourth on the matter. China denounced Dec. 29 the accusation as “vile behavior” of the Tokyo government.

Dec. 28, 2005: Koizumi indicates he will not visit Yasukuni during New Year Holiday; acknowledges that Japan must “take steps to get understanding in this regard;” ask China and Korea “also to consider the matter”; calls for mutual efforts to promote “friendly relations.”