



Japan-China Relations:

Wen in Japan: Ice Melting But . . .

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

The April 11-13 visit of China's Premier Wen Jiabao proved to be a public diplomacy success. Wen met with Prime Minister Abe, and, focusing on environmental cooperation, both leaders agreed to advance their strategic relationship. Wen addressed the Diet, a historic first; engaged early morning Tokyo joggers in conversation; and played catch with the Ritsumeikan University baseball team in Kyoto. Before his departure, Wen made clear that he considered his visit a success in strengthening bilateral relations. And, judging from the attention given to a mid-June meeting between President Hu Jintao and former Prime Minister Nakasone and members of the Japan-China Youth Friendship Association, so did his boss. In the run-up to the September Party Congress, the media suggested that Hu was running on a platform of improving relations with Japan. Success at public diplomacy, however, did not translate into success at the nuts and bolts level. Despite repeated high-level commitments to a resolution of the East China Sea issue, little progress was evident as the quarter drew to a close. And testing times, the 70th anniversary of the Marco Polo Bridge Incident in July and the 70th anniversary of the Nanjing Massacre in December loom on the horizon.

Wen visit: preview of coming attractions

On April 3, Foreign Ministers Aso Taro and Li Zhaoxing met during the SAARC conference in New Delhi and reached agreement on an agenda for the visit of Premier Wen to Japan. To give concrete meaning to their strategic partnership, the visit would emphasize strengthened cooperation in the areas of energy and the environment. The foreign ministers also agreed to establish a high-level economic dialogue. Both agreed on the need to advance cooperation with the regard to energy development in the East China Sea. When Li called attention to the approaching 70th anniversary of the Nanjing massacre in December, Aso noted that 2007 would also mark the 35th anniversary of the normalization of relations between Japan and China and observed that the event should be kept in mind in thinking about the future.

The next day, one week before his arrival in Japan, Wen met in Beijing with members of the Japanese media. Wen told the media that he intended to make his visit an "ice-melting" event. The premier underscored the importance of the bilateral relationship; in terms of China's national interest, it was "irreplaceable" and expressed the hope that progress could be made on the contentious East China Sea issue. Following talks held in

Tokyo on March 29, Sasae Kenichiro, director general of the Asia and Oceanian Affairs Bureau of the Japanese Foreign Ministry, indicated that China had advanced a new proposal on the development of the East China Sea, which he thought to be in a constructive direction.” It was hoped that details would be developed during the Wen visit. Wen also raised the possibility of a second visit to China by Prime Minister Abe Shinzo later in the year. Wen called for resolution of the abductees issue through dialogue between Japan and North Korea and expressed his “understanding and sympathy” for Japanese concerns. As for the visits to Yasukuni Shrine by elements of Japan’s political leadership, Wen said the visits had “hurt the feelings of the Chinese people” and expressed the hope that it would “never happen again.”

On April 5, the Japanese Foreign Ministry announced that technical experts would meet in Beijing on April 6 to discuss issues related to the East China Sea. The following day, Foreign Minister Aso told reporters that that the Abe-Wen talks would focus on the gas field issue, a joint China-Japan high-level economic dialogue and energy related issues. For Japan, the gas field issue was a priority. Also in advance of the visit, the *Asahi Shimbun* on April 9 reported that Japan and China had agreed to facilitate disposal of chemical weapons abandoned by the Imperial Army in China by introducing mobile processing facilities. A formal agreement would be signed during the Wen visit.

Wen in Japan

Wen arrived in Japan on the afternoon of April 11 and later met Prime Minister Abe at the official residence for one hour and 40 minutes. The talks ranged across many issues, including the environment, energy, economics, the East China Sea, and the fate of Japan’s abductees.

Both Wen and Abe regarded the visit as an opportunity to advance the Reciprocal Strategic Relationship agreed to during Abe’s visit to China in October 2006. Wen also offered China’s cooperation on the abductees issue and on resumption of the Six-Party Talks. The two agreed to the opening of a High Level Economic Dialogue within the year and to concrete measures to advance resolution of the East China Sea issue by the autumn. A kick-off meeting for the High Level Economic Dialogue took place April 12. Approximately 150 Chinese business executives from 50 major Chinese companies accompanied Wen to Tokyo. On the East China Sea, a joint press release stated that higher-level attention would be paid to the issues that joint development would take place “over a relatively wide area,” and the two governments would submit in the autumn a report on specific measures to be taken to advance joint development.

Abe expressed his interest in visiting China later this year and invited President Hu Jintao to visit Japan in 2008. Wen said China would “positively” consider the invitation to Hu. During the G-8 Summit in Germany, Abe met with Hu Jintao on the afternoon of June 8. Hu told Abe that at “an appropriate time” he would like to visit Japan. Hu also reminded Abe that dealing appropriately with issues of history and Taiwan is “the political basis for maintaining Japan-China relations.”

Taiwan was covered by the reiteration of well-worn talking points. Wen did not directly raise Yasukuni or other history-related issues, although he did call attention to the need for “proper handling” of such issues. To which Abe replied that it was his desire that Japan “continue moving ahead as a peaceful country.” The Joint Statement released at the conclusion of the meeting committed the government to cooperation in 10 areas of environmental protection, including drinking water, waste recycling, acid rain, climate change and the transfer of advanced Japanese environmental technologies. Wen also offered two ibises as a symbol of friendship.

At a welcoming dinner for Wen, Abe, keeping his promise to a gathering of Japanese business leaders the previous night, turned export-promoter. Abe served sushi, Japanese beef steak, and rice, observing that it would be fortunate if Premier Wen would help to broaden the appeal of Japanese culinary culture in China. In the informal, relaxed environment, Wen observed that the spring rain, which welcomed his visit, strengthened his belief in the success of his visit.

The following day, in an historic first, Wen addressed the Japanese Diet. His remarks, 35 minutes in length and televised in both countries, spoke to a future of economic cooperation and complementary economic development, a future in which China and Japan would regard economic development of the other as an opportunity, not a threat. The premier acknowledged that China, still a developing country, is beset with many serious problems, and thanked Japan for its “support and assistance” in aiding China’s modernization, adding that “the Chinese people will never forget it.” He called for strengthened bilateral coordination as a necessary building block of regional peace and stability. At the same time, while reiterating China’s “utmost efforts” to resolve the Taiwan issue peacefully, Wen made clear that China would “never tolerate Taiwan’s becoming independent. He called on Japan to recognize the “sensitivity” of the issue and handle it accordingly. Beyond East Asia, Wen called for bilateral cooperation on a global scale to meet the challenges of energy security, the environment, climate change, infectious diseases, anti-terrorism, and the proliferation of weapons of mass destruction.

Wen, however, did not neglect history, calling on the two countries “to summarize the lessons learned from their unfortunate past and keep such lessons in their mind.” Wen put the responsibility for the war on the shoulders of “a few militarists” and acknowledged that the Japanese people “were also victims of the war.” He “positively evaluated” Japan’s official recognition of its acts of aggression and its expression of “remorse and apology.” He hoped from “the bottom of my heart that Japan will demonstrate what it expressed and promised by its actions.”

On June 19, the Council to Consider the Future of Japan and History Education, chaired by Nakayama Nariaki, former minister of education, held a press briefing to reveal the results of its four and a half month review of the Nanjing Massacre. After a study of newspaper reports from Nanjing and interviews with various informed sources, the Council concluded that Nanjing was a “fabrication.” The Council also revealed its intention to seek the removal of “groundless” photographs and accounts from China’s anti-Japanese War Memorial Museums.

On April 13, the *People's Daily* reprinted Wen's speech including lines that Wen did not read in the Diet. Those lines noted that Japan, following the war, had taken the path of peaceful development and become an important member of international society and expressed support for Japan's continuing to follow the path of peaceful development. China's Foreign Ministry's spokesperson explained that the speech at that point had been interrupted by applause and consequently the lines had been omitted. Another explanation offered "technical difficulties" as the reason.

Wen's public outreach went beyond Japan's political class. Early in the morning of April 12, Wen, dressed in a track suit, jogged through Yoyogi Koen and engaged fellow joggers in conversation on the state of Sino-Japanese relations. The picture of Wen's jog was carried by the Japanese media. The next day, he traveled to Kyoto and Osaka. In Kyoto, he visited a local rice farm and was photographed playing catch, a port-sider (lefty – naturally) with members of the Ritsumeikan University team. Before departing for Osaka and Kyoto, Wen reflected on his visit and summarized his thoughts by observing that "many people were saying that his trip had accomplished its ice-melting objective." At the baseball field in Kyoto, Wen told reporters that all in all "it can be said that the visit was a success."

Reaction in Japan

Among Japan's political leadership, reaction to Wen's speech and the visit was overwhelmingly favorable. Nevertheless, among those looking for practical results, comments were more reserved. The chairman of the LDP's Policy Research Council, Nakagawa Shoichi, initially described the speech as "pragmatic" akin to "a diplomatic negotiation." Later, he revised his opinion, describing the visit as "senseless." Former Foreign Minister Machimura Nobutaka emphasized that "There will be no true friendship unless the two countries move forward outstanding bilateral issues, such as the East China Sea." Niwa Yuya, chairman of the LDP's General Council, said that the speech was "dotted with warnings, while giving consideration to Japan-China friendship."

Appearing on *Fuji TV* on April 15, Nakagawa commented that, while Wen appeared satisfied with his visit, he was not. Nakagawa went on to charge that "it is not Japan, but China that should melt the ice on such disputes as exploration rights in the East China Sea gas fields..." Acting Chairman of the Democratic Party of Japan's Policy Research Council Asao Kenichiro took a "we'll see" attitude as to whether better relations will result from the visit or whether "the two countries are just putting off pending issues." The New Komeito Policy Chief Saito Tetsuo noted that Wen had given "high marks" to Japan's apologies and ODA program and thought Japan "should take seriously the change in the Chinese government's position." Meanwhile Kamei Shizuka, acting president of the People's New Party, wondered "if our just formally shouting out welcome, welcome, welcome is enough to better future bilateral relations...." He thought China needed to "change its anti-Japan education."

On April 17, the LDP's foreign affairs conference looked for specifics on the abductees issue; what actually would China do?, asked Hirasawa Katsue. Harada Yoshiaki, addressing the East China Sea issue, asked if Japan "can really afford to feel happy that the ice has melted?" He argued that Japan should conduct its own test drilling to counter China. Three days later, the Upper House approved two bills, a Maritime Basic Law and a Law to Establish Safe Water Area for Maritime Structures, aimed at protecting Japan's interests within its EEZ. The Safe Water legislation would establish a safe area within a 500 m radius of structures, such as drilling platforms, built within Japan's EEZ and prohibit entry into the safe area without authorization from the minister of infrastructure and transport. The legislation will come into force in July.

High-level visits

From April 26 through May 1, a group of LDP lawmakers headed by Kato Koichi and Yamasaki Taku visited China. The focus of their visit was North Korea. On April 28, Vice Foreign Minister Wu Dawei, China's representative to the Six-Party Talks, received Kato and Yamasaki to discuss North Korea-related issues. Also that day, they met with State Councilor Tang Jiaxuan at the official Diaoyutai Guest House. Addressing the East China Sea issue, Tang emphasized that the issue must be handled judiciously and told his guests that he hoped China would advance a new proposal during the May director general-level talks. Tang also said that the visit of President Hu to Japan in 2008 was being given appropriate consideration. On April 29, the Diet members traveled to the China-North Korea border region.

Following the trip, Yamasaki revealed that a senior Communist party official told him that China's military modernization was aimed at forestalling a move by Taiwan toward independence. In this context, Yamasaki cautioned that, in reconsidering the right of collective self defense as advocated by Abe, Japan should be sensitive to the fact that, for China, Taiwan is more important than Yasukuni. He was concerned that expanding the role of the SDF would have "a major impact on Japan-China relations."

Also during the late April-early May Golden Week period, members of the Japan-China Parliamentary Friendship Federation, led by former Foreign Ministers Komura Masahiko and Machimura Nobutaka traveled to China. On April 28, they met Premier Wen, who expressed confidence in the development of the China-Japan relationship. When Komura raised the issue of China's support for Japan's bid for a permanent seat on the UN Security Council, Wen replied that China highly valued the fact that Japan had taken the path of peaceful development following the war and hoped that Japan would play an important role in international society, beginning with the United Nations.

On June 19, in the Great Hall of the People, President Hu met with approximately 200 members and families of the Japan-China Youth Friendship Delegation who had initially visited China in 1984, and former Prime Minister Nakasone Yasuhiro, who was acting as an advisor to the group. Chinese media gave the meeting top play the following day. China Central TV's 30-minute news program opened with a 10-minute segment on the meeting and reported Hu's call for strengthened bilateral cooperation. The *People's Daily*

devoted two-thirds of its front page to the meeting. Chinese sources told the *Yomiuri* that the national coverage conveyed, in advance of the September Party Congress, Hu's determination, in a year marked by anniversaries, the Marco Polo Bridge Incident, the Nanjing Massacre as well as postwar normalization, to emphasize Sino-Japanese friendship. The sources also told the *Yomiuri* that the Communist Party's Central Propaganda Department had instructed the media not to be self-seeking in its treatment of Nanjing in light of the 70th anniversary.

East China Sea

In advance of Premier Wen's visit to Japan, Chinese and Japanese diplomats met in Beijing at the end of March to explore paths to a resolution of the exploration rights issue. China offered a new proposal, which the Japanese side found "constructive." While both sides agreed in principle on joint development, they remained apart on where it should take place. Technical experts again met in Beijing on April 6.

Meanwhile Nakagawa Shoichi, in remarks delivered in Sapporo April 4, likened China's actions in the East China Sea to those of a robber engaged in breaking and entering. Showing his impatience at the government's lack of progress on the issue, Nakagawa said that it was "common sense" to tell the thief to stop. On April 11, China's National Offshore Oil Corporation (CNOOC) released its 2006 annual report, which announced the initiation of natural gas production in the East China Sea. China's Foreign Ministry said that CNOOC's activities were in accord with Chinese sovereignty and thus proper.

Following the Wen-Abe meeting, a senior METI official called the "wide area" for joint development, agreed to at the talks, essentially meaningless. Nevertheless, it was widely expected that the two sides would discuss specific areas for joint development during the scheduled director general-level talks at the end of May. On the day of the meeting, May 25, China's Foreign Ministry spokesperson Yu Jiang told reporters that the "so-called median line is based on the Japanese side's unilateral assertion. We can't accept talks on joint development based on that median line." There was "no change in China's position."

Arriving in Beijing a day before the talks, Sasae told reporters "the important thing is for China to come up with a positive, specific idea. It was his expectation that China would do so. However, during the talks, the Chinese reiterated their long-standing position that claimed sovereignty from the coast of China to the Okinawa trough, a natural extension of the continental shelf, and rejected areas near the Japanese claimed mid-line boundary as areas for joint development. China, however, was willing to consider joint development in the area of the Senkakus, inside Japan's EEZ. For Japan, this was a non-starter. Following the meeting, Sasae told reporters that China had failed to table a new plan, although his Chinese counterpart had emphasized China's willingness "to exchange views thoroughly and work tirelessly to advance cooperation."

On June 18, the *Sankei Shimbun* reported that sources close to the issue were considering a plan to shelve disputes over the EEZ boundary line and the Senkakus in favor of joint development in both regions. Also under consideration was a plan to invite international equity and participation in the form of major European and U.S. oil companies. The *Sankei* reported that the plan resembled that advanced by China in March 2006. A week later, Japanese and Chinese diplomats met in Tokyo on June 26 for the ninth round of talks on issues related to the East China Sea. Once again, the two sides were unable to reach agreement on the areas for joint development.

In an EEZ-related matter, Japanese media in mid-June reported that the Fisheries Infrastructure Development Center in Tokyo had returned to Japan's southernmost island, Okinotorishima, coral colonies developed from eggs previously harvested from the island and matured in Okinawa. The coral transplant represents an effort by Japan to protect the islets from submersion in order to buttress its claim to the EEZ extending out from the islets. China considers the islets to be rocks and thus does not recognize Japan's EEZ claim based on the islets.

Yasukuni

At the end of March, the National Diet Library released a collection of documents, "A New Compilation of Materials on the Yasukuni Shrine Problems." The documents revealed that officials of the Ministry of Health and Welfare in 1966 had forwarded a list of Class-A war criminals to the shrine. (In the process of enshrining Class C, B, and A-war criminals, the Health and Welfare Ministry would submit names to the shrine for consideration with the shrine making the final decision on enshrinement.) On Jan. 31, 1969, officials of the shrine and from the Health and Welfare Ministry met to discuss the enshrinement of Class-A war criminals. At the meeting, it was agreed that it was "possible" to enshrine the Class-A war criminals. The officials, however, decided against public notification of the decision fearing adverse reaction. The meeting took place nine years before the actual enshrinement in 1978.

The documents called into question the constitutional principle of separation of state and religion. When asked about the issue, the prime minister noted that shrine, a private corporation, had made the actual decision on enshrinement, while the government had only provided names at the request of the shrine. He did not see any constitutional problem. Echoing the prime minister, Chief Cabinet Secretary Shiozaki observed that the "final decision was made by the shrine"; it was his understanding that "the ministry did not force it to decide." Meanwhile, Vice Minister of Health, Labor, and Welfare Tsuji Tetsuo told reporters the former ministry was "in charge of keeping the personal records of soldiers and civilian employees of the military ... and with presenting records as the need arose."

Reacting to the controversy, Koga Makoto, chairman of the War Bereaved Association, said that the release of the documents "has strengthened my feeling that the country must earnestly discuss matters, including the option of un-enshrining Class-A war criminals." Former LDP Vice President Yamasaki Taku took the position that "contrary to the

dominant view that Yasukuni Shrine independently decided to honor Class-A war criminals, the Health and Welfare Ministry actively pushed ahead with the action. The government is clearly responsible for it.”

On April 26, the *Asahi Shimbun* carried excerpts from the diary of Urabe Ryogo, grand chamberlain to the Showa Emperor. In his diary, Urabe wrote on July 31, 2001 that the reason the emperor had ceased to visit Yasukuni was his “strong displeasure at the enshrinement of the Class-A war criminals.” An earlier diary entry of April 28, 1988 on Yasukuni coincides with a memorandum of the same date written by the former Grand Steward of the Imperial Household Agency Tomita Tomohiko in which Tomita recorded the emperor’s displeasure with the enshrinement of the Class-A war criminals.

With the Wen visit and the Spring Festival at Yasukuni both fast approaching, Abe was asked if he would visit the shrine. In reply, he said that because a prime minister’s visit would become “a diplomatic issue in itself,” he would “not say whether I will pay homage at the shrine.” Later it was learned that, rather than visiting the shrine during the Spring Festival, Abe had made sent a sakaki tree valued at 50,000 yen as a private offering. When asked on May 8 about the matter, Abe said he wanted “to keep on showing respect for those who fought for the country and died, and praying for their souls.” When asked about a future visit to the shrine, he replied “I will not make any comments on whether or not I will visit Yasukuni or whether I paid for the offering or not because making any comments regarding Yasukuni would hurt diplomatic and political relations.”

The offering drew a surprisingly mild response from Beijing, where Foreign Ministry spokesperson Yu Jiang told the media that “The Yasukuni Shrine is a major political and sensitive issue in China-Japan relations. The two sides have reached consensus on overcoming the political obstacles and promoting cooperative relations.” It was China’s view that “the consensus should be strictly abided by.” However, on April 23, 39 members of the Diet visited Yasukuni, 37 from the LDP and two from the DJP. 120 Diet members were represented by proxies. No ministers or senior vice ministers attended.

Security

In advance of his visit to the United States, Prime Minister Abe met with reporters from *Newsweek* and the *Wall Street Journal* at his official residence. Turning toward China, Abe noted China’s rapidly rising military spending. Given that Japan had no intention of matching China, he asserted the need “to make the Japan-U.S. alliance even more effective and stronger.” In a speech delivered in New York City on May 17, Tokyo Gov. Ishihara Shintaro argued that “the extent to which the United States will take responsibility for the defense of Japan is questionable.” Ishihara saw economic stagnation and social unrest in China pushing the regime toward “military adventurism.” In a conflict with China, the U.S. would not be able “to counter the Communist regime,” which had demonstrated its willingness “to kill 70 million people.” While offering that Japan’s options might include nuclear weapons, the governor called for equality in the Japan-U.S. relationship.

Toward that end the Self-Defense Forces engaged with the United States in a series of multilateral exercises. In mid-April, the MSDF conducted a joint exercise with the U.S. and Indian navies off Japan's Boso Peninsula. Vice Minister of Defense Moriya Takemasa told a press conference that the exercise was aimed at "improving the maritime skills of the MSDF," and in "boosting friendly relationships" and "promoting defense exchange" among the three countries. Nevertheless, a senior defense official anonymously told the *Nihon Keizai Shimbun*, that it was "quite natural for Japan to apply pressure on China, which has frequently encroached into Japanese territory." On May 25, the *Sankei Shimbun* reported sources at the Defense Intelligence Headquarters believed it likely that China, in late April, had tested an over-the-horizon radar in Chinese waters near the mid-line boundary in the East China Sea. Vice Minister of Foreign Affairs Yachi saw it differently, defining the objective of the exercise as "boosting friendly relations and ... not linked to China."

In mid-May, the MSDF participated in a 10-country multilateral exercise, sponsored by the Singaporean Navy, held in waters near Singapore. Participating navies included those of the U.S., China, Australia, India, and France.

Reflecting the ice-melting quality of bilateral relations, the Japanese media in mid-June reported that Tokyo and Beijing were actively engaged in finalizing plans for the visit of China's Defense Minister Cao Guangchuan, with September as a target date, well as preparations for port calls by the Chinese navy.

Comfort women

The issue of comfort women continued to dog the prime minister. In the interview with *Newsweek* and the *Wall Street Journal*, Abe expressed his sympathy and regret regarding the comfort women. He reiterated his government's position to stand by the Kono Statement, which acknowledged and apologized for the Imperial Army's involvement in coercing women into sexual slavery. In mid-April, Kato Koichi met with a group of LDP lawmakers planning to visit the U.S. to head off the pending Honda resolution in the U.S. House of Representatives. The LDP lawmakers intended to explain that neither the Imperial Army nor the government was involved in the procuring of comfort women and that procurement was done on a strictly commercial basis. Kato was concerned that their visit would only "end up worsening the situation." In the end, the lawmakers decided to cancel their visit. In the June 14 edition of the *Washington Post*, in response to an advertisement "The Truth About Comfort Women," which ran in the paper at the end of April, members of the LDP, DJP, independents, professors, political commentators, and journalists joined to place a counter advertisement "The Facts." On June 26, the House of Representatives Committee on Foreign Affairs reported out the Honda Resolution by a vote of 39-2. Abe took a "no comment" stance with respect to the resolution.

Also in mid-April, a group of historians released recently re-discovered documents, submitted to the International Military Tribunal for the Far East (IMTFE) by the governments of France, China, and the Netherlands, that addressed the issue of the Imperial Army's involvement in coercing women to work as comfort women in

Indonesia, Vietnam, and China. The documents were used in evidence during the trial and contributed to the findings of the Tribunal which found the Japanese military responsible for war crimes. (The *Asahi Shimbun* had previously reported on excerpts of the documents in 1997.)

On April 20, the Abe government reversed gears on the issue. On March 16, the Cabinet, in response to a parliamentary inquiry raised by Tsujimoto Kiyomi of the Social Democratic Party, released a statement that no evidence had been found to tie the government or the military directly to the forced recruitment of comfort women. A month later, however, again in response of a Tsujimoto inquiry, the government released a second statement which said that “our country has accepted the judgment of the International Military Tribunal for the Far East and, in our country-to-country relations, we are not in a position to raise any objection to that judgment.”

Compensation claims

In April 27, Japan’s Supreme Court, in a suit seeking compensation for wartime forced labor brought by Chinese plaintiffs, ruled that postwar agreements between the Japanese and Chinese governments precluded plaintiffs from bringing suit in Japan. Presiding Judge Nakagawa Ryoji observed that “Chinese people have lost their rights to judicially claim compensation from Japan, Japanese people or its companies under the 1972 Japan-China Joint Communiqué. In signing the communiqué, China renounced “its demand for war reparations from Japan.” The court, however, did recognize the plaintiffs’ “extremely large mental and physical suffering” and left open the door to “a voluntary response to individual claims.” Later that day, the Court, again citing the 1972 Joint Communiqué, ruled against a suit brought by two Chinese women seeking compensation for damages suffered as a result of being forced to serve as comfort women.

Reacting to the decision, China’s Foreign Ministry Spokesperson Liu Jianchao argued that, in signing the Joint Communiqué, China had taken a political decision to waive claims of compensation in the interest of building friendly relations between China and Japan. China, however, expressed “strong opposition to the unbridled interpretation on this clause by the Supreme Court of Japan regardless of China’s repeated solemn representation.” Liu declared the Supreme Court’s decision “null and void.” The conscription of forced labor was “a grave crime committed by Japanese militarism against the Chinese people.” Accordingly, China requested Japan “to properly handle relevant issues in an attitude responsible for history.”

On June 15, Japan’s Supreme Court rejected an appeal filed by Chinese wartime forced laborers seeking compensation from the Japanese government and 10 private sector companies. The decision reaffirmed the June 2006 ruling of the Tokyo High Court, which found against the plaintiffs based on the expiration of the 20 year statute of limitations. Japanese Courts, however, demonstrated even-handedness in dealing with war-related compensation suits brought Japanese citizens. On June 15, Sapporo and Kochi District Courts, on June 15, ruled against war displaced Japanese citizens seeking state

compensation for delayed resettlement from China and inadequate government support after repatriation to Japan. On June 21, The Tokyo High Court rejected a similar suit.

Outlook

As this report goes to press, Japan's Upper House elections are less than a month away. A series of domestic political scandals, including the suicide of the minister of agriculture and loss of pension records, has eroded support for the Abe government. While Abe's diplomacy toward China has earned him high marks, the outcome of the Upper House election may affect his political future and the direction of policy toward China.

Chronology of Japan-China Relations April-June 2007

March 28, 2007: National Diet Library releases documents related to Yasukuni Shrine.

March 29, 2007: Chinese and Japanese diplomats meet in Beijing to discuss East China Sea issues in advance of Premier Wen Jiabao's visit to Japan.

April 3, 2007: Foreign Ministers Aso Taro and Li Zhaoxing meet in New Delhi during SAARC conference; finalize agenda for Wen visit.

April 4, 2007: Wen meets with Japanese media in Beijing; previews trip.

April 4, 2007: Nakagawa Shoichi, chairman of Policy Research Council, blasts Chinese actions in East China Sea.

April 6, 2007: Japanese and Chinese technical experts meet in Beijing to discuss East China Sea issues.

April 9, 2007: *Asahi Shimbun* reports agreement to facilitate disposal of chemical weapons abandoned in China by the Imperial Army.

April 10, 2007: *Xinhua* reports discovery of abandoned munitions in Heilongjiang Province.

April 11, 2007: China's National Offshore Oil Corporation releases 2006 annual report, announcing beginning of natural gas production in East China Sea.

April 11-13, 2007: Wen visits Japan; April 11 meets with Abe; April 12 addresses Diet; April 13 in Osaka and Kyoto.

April 12, 2007: First meeting of Japan-China High-Level Economic Dialogue.

April 13, 2007: Lower House of Diet adopts legislation establishing procedures for national referendum to revise constitution.

April 15, 2007: On Fuji television program, Nakagawa Shoichi expresses displeasure with results of summit.

April 16, 2007: Japanese government decision to build a hotline to connect Japanese and Chinese military defense officials.

April 17, 2007: Maritime Self-Defense Force conducts joint exercise with U.S. and Indian Navies off Boso Peninsula.

April 19, 2007: Upper House of Diet approves legislation aimed at protecting Japanese interests in East China Sea.

April 20, 2007: In response to documents from International Military Tribunal for the Far East (IMTFE) relating to the issue of “comfort women,” Abe government reverses March 16 statement of no direct evidence linking Imperial Army or government to coercion of “comfort women”; accepts judgment of IMTFE, which found Japanese army responsible for war crimes.

April 23, 2007: Thirty-nine Diet members visit Yasukuni Shrine for Spring Festival.

April 23, 2007: Liberal Democratic Party (LDP)’s Nakagawa Shoichi announces LDP intention to set up special committee to study right of collective self-defense; government announcement follows on April 25.

April 26, 2007: *Asahi Shimbun* publishes excerpts from diary of former Grand Chamberlain to Showa Emperor indicating emperor’s displeasure at enshrinement of Class-A war criminals at Yasukuni Shrine.

April 26, 2007: 121 Coalition, a group created to support the passage of House Resolution 121 that calls upon the Japanese government to apologize for using women and girls as sex slaves, takes a full-page ad out in the *Washington Post* calling attention to the “comfort women” issue.

April 26-May 1, 2007: LDP Diet members Yamasaki and Kato visit China; April 28 meet with Vice Foreign Minister Wu, State Councilor Tang; April 29 visit China-North Korea border.

April 27, 2007: Japan’s Supreme Court rules that postwar Japan-China agreements preclude suits against the Japanese government for wartime forced labor compensation.

April 28, 2007: Members of Japan-China parliamentary Friendship Federation, led by former Foreign Ministers Komura and Machimura, meet Premier Wen.

May 1, 2007: U.S.-Japan 2+2 statement calls on China to increase military transparency.

May 4, 2007: The 60th anniversary of the postwar constitution; Abe calls for review of constitution to allow Japan to exercise right of collective self defense.

May 5, 2007: Finance Ministers of ASEAN Plus Three meet in Kyoto to discuss financial cooperation, including currency swaps; agreement reached to establish \$2.7 trillion foreign reserve pool.

May 8, 2007: Japan War-Bereaved Association meets to discuss issues related to Yasukuni Shrine and separate enshrinement of Class-A war criminals.

May 8, 2007: Abe, when asked about private offering made to Yasukuni Shrine during Spring Festival, refuses to comment on shrine-related issues.

May 12, 2007: *Xinhua* reports extradition from Japan of former head of state-owned enterprise suspected of embezzling public funds.

May 14, 2007: Upper House of Diet adopts legislation establishing procedures for national referendum to revise constitution.

May 14, 2007: Japanese Foreign Ministry announces expansion of visa services for tour Chinese tour groups to consulates in Shenyang and Dairen beginning May 31.

May 14-20, 2007: MSDF participates, with U.S, China, Australia, France, India, in 10-country multilateral exercise off Singapore.

May 17, 2007: Nakayama Kyoko, special advisor to the prime minister on abductees issues, visits Beijing; meets Vice FM Wu; Wu pledges cooperation on the issue.

May 17, 2007: Tokyo Gov. Ishihara Shintaro, in a speech given in New York City, calls for equality in the Japan-U.S. relationship.

May 18, 2007: Yamaha Motor company prohibited from exporting to China remote-controlled helicopters and components for nine-month period effective May 18.

May 19, 2007: Senior diplomats from China, Japan, and the Republic of Korea hold first-ever trilateral consultation in Beijing.

May 25, 2007: Chinese Foreign Ministry announces no change in policy toward East China Sea.

May 25, 2007: Chinese and Japanese diplomats meet in Beijing to discuss East China Sea issues.

May 25, 2007: *Sankei Shimbun* reports Defense Intelligence Headquarters suspects China of testing over- the-horizon radar in East China Sea.

May 28, 2007: Foreign Minister Aso meets China's new Foreign Minister Yang Jiechi during Eight Asia-Europe Foreign Ministers' Meeting in Hamburg.

May 28, 2007: Remembrance ceremonies held at Chidorigafuchi National Cemetery to honor unknown military and civilian war dead and those who died in postwar internment camps.

May 30-June 9, 2007: Former Taiwan president Lee Teng-hui visits Japan; June 7, visits Yasukuni Shrine to pay homage to his brother.

June 3, 2007: Japan, China, and ROK Foreign Ministers meet in South Korea; a first time event outside an ASEAN Plus Three, ARF, or international conference context.

June 8, 2007: Abe and President Hu meet in Germany during G-8 Summit.

June 12, 2007: Yamaha Motors announces ¥100 million award in trademark infringement suit brought in Chinese courts.

June 13, 2007: *Mainichi Shimbun* reports that Ministry of Defense is considering appointment of uniformed SDF officer to Japan's Taiwan Interchange Association.

June 13, 2007: *Nihon Keizai Shimbun* reports Beijing and Tokyo in final stages of coordination for September visit of China Defense Minister Cao Gangchuan.

June 14, 2007: Members of the LDP, Democratic Japanese Party, independents, professors, political commentators, and journalists place a counter advertisement "The Facts" in the *Washington Post* in response to the advertisement "The Truth About Comfort Women" placed April 26.

June 15, 2007: District Courts in Sapporo and Koichi reject suits brought by war displaced Japanese seeking state compensation for inadequate government support/delayed resettlement from China.

June 15, 2007: Japan's Supreme Court rejects appeal filed by Chinese wartime forced laborers seeking compensation; judgment reaffirms Tokyo High Court June 2006 ruling against plaintiffs on grounds that 20 year statute of limitations had expired.

June 18, 2007: *Sankei Shimbun* reports plan to shelve boundary issues in East China Sea and focus on joint development.

June 19, 2007: President Hu meets former Prime Minister Nakasone and members and families of Japan-China Youth Friendship Delegation.

June 19, 2007: Council to Consider the Future of Japan and History Education labels Nanjing Massacre a fabrication.

June 21, 2007: Tokyo High Court rejects suit by war displaced Japanese women seeking state compensation for inadequate government support/delayed resettlement from China.

June 26, 2007: Japanese and Chinese diplomats meet in Tokyo on East China Sea issues.

June 26, 2007: The House Committee on Foreign Affairs passes the Honda Resolution (HR. 121) by a vote of 39-2.