

# Comparative Connections

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## Japan-China Relations: The *Gyoza* Caper: Part II

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The issue of contaminated frozen *gyoza* moved to the bilateral front burner during the quarter. In his meeting with President Hu Jintao on the sidelines of the G8 summit at Lake Toya, Hokkaido and again during the opening ceremonies of the Beijing Olympics, Prime Minister Fukuda Yasuo emphasized the importance of making progress on the six-month old case. Hu promised to accelerate efforts to identify the source of the problem and in mid-September, Japanese media reported that Chinese authorities had detained nine suspects at the Tianyang factory. The commemoration of the end of World War II on Aug. 15 passed quietly with only three Cabinet ministers visiting the Yasukuni Shrine. Meanwhile, joint Japanese and Chinese public opinion polling data revealed markedly different perceptions on the state and future course of the bilateral relationship. In early September, Japan's Ministry of Defense released its *Defense White Paper 2008*, which again expressed concerns about China's military modernization and its lack of transparency. Later in the month, the Maritime Self-Defense Force sighted what was believed to be an unidentified submarine in Japanese territorial waters. Reacting to Japanese media speculation, China's Foreign Ministry denied that the submarine belonged to China's Navy.

### **Fukuda-Hu meeting at the G8 summit**

On July 9, on the occasion of the G8 summit in Hokkaido, Prime Minister Fukuda Yasuo met President Hu Jintao. With the Six-Party Talks set to resume the following day in Beijing, Fukuda asked for China's assistance in resolving the abductees issue and made clear that without North Korea taking concrete steps to reopen its investigation of the abductees cases, Japan would not be able to take steps to partially remove its sanctions. Hu replied that he wanted to see Japan play a constructive role in the Six-Party Talks and realize the denuclearization of North Korea at an early date. While he understood Japan's concern with the abductees, he hoped Japan and North Korea could resolve their differences.

The two leaders also discussed other issues of mutual concern. First, they agreed to promote the signing a treaty to finalize the agreement on joint development of resources in the East China Sea (See below). Second, they agreed to cooperate in rebuilding post-earthquake Sichuan, with Hu expressing his interest in enhancing cooperation in disaster relief. The previous night Hu met separately with 16 members of the Japanese rescue team that participated in relief efforts following the Sichuan earthquake, thanking them for their efforts saying that "the Chinese people

would forever carry in their hearts their contribution.” Finally, Fukuda asked for cooperation in resolving the food safety issue related to poisoning from frozen gyoza imported from China,” a matter of high and continuing concern” in Japan. Hu replied that he had directed officials to accelerate the investigation in an effort to resolve the issue as a soon as possible.

### **Gyoza: on the front burner**

On Aug. 6, two days before Prime Minister Fukuda traveled to China to attend the opening ceremonies of the Beijing Olympics, the *Yomiuri Shimbun*, reported that a number of Chinese citizens had become ill in mid-June after eating frozen gyoza made by the Tianyang Company, the same food processor suspected of earlier causing food poisoning in Japan by exporting contaminated gyoza. The *Yomiuri* also noted that the Chinese government had reported the incident to Tokyo in early July, the week before the G8 summit.

The fact that the Fukuda government had not disclosed the incident opened the government to attack by the opposition. Ozawa Ichiro, leader of the Democratic Party of Japan (DPJ), blasted the government for inaction. Ozawa observed that while relations with China are important, like relations with the United States, “unless things that ought to be said are said precisely, the interests of the public cannot be protected.”

Foreign Minister Komura Masahiko attempted to explain the government’s inaction. He acknowledged that China had informed Japan of the incident in early July but asked Japan not to go public with the information in light of Beijing’s ongoing investigations into the matter and out of concern that doing so might compromise the investigations. In short, “they asked us not to make it public, so we didn’t ...” “Non-disclosure,” he noted, “is a general principle in the world of intelligence.” Komura said that the Prime Minister’s Office, the National Police Agency, and the Foreign Ministry were informed of the intelligence. (On Aug. 12, the Foreign Ministry acknowledged that Beijing had communicated news of the food poisoning incident to Tokyo through the Japanese Embassy on the evening of July 7 and that the Foreign Ministry had informed the prime minister the following day).

DPJ Secretary General Hatoyama Yukio challenged the government’s handling of the information, which he said was “too serious to be kept undisclosed at the request of the Chinese government.” He argued that the government “should have asserted in a stately way that it would make the information public even if asked to hush it up.” He charged the government with being “overly weak-kneed” and said that its response was “far from one taken out of consideration for the viewpoints of consumers and the people.” Before leaving for Beijing, Fukuda told reporters that he would take up the gyoza issue and ask for China’s cooperation in resolving the matter.

On Aug. 8, Fukuda met President Hu and Premier Wen Jiabao. Fukuda congratulated Hu on the opening of the Beijing Olympics and also expressed his hopes for the rapid recovery of Sichuan following the earthquake, while Hu expressed his “deep friendship for Japan” as a result of its cooperation and assistance after the earthquake.

Addressing the *gyoza* issue, Fukuda asked that China provide information on the progress of its investigation, explaining that the “Japanese people have a strong interest in the poisoned dumplings incidents.” He asked again for China’s cooperation. Hu replied that China “will investigate what really happened by accelerating investigative cooperation.” Hu emphasized that China is “consistently giving priority to this issue” and that he would like to make “every effort to resolve it as quickly as possible.” After the meeting, Fukuda told reporters that “I think this issue will make progress.”

Fukuda also raised the issue of a Chinese police assault on Japanese reporters in the Xinjiang Uighur Autonomous region (see Reporters below). Hu found the incident regrettable and said that China was giving “priority to this incident and will handle it properly.” China welcomed Japanese reporters and “will secure their safety.”

On Tibet, Fukuda urged dialogue with the Dalai Lama, and Hu responded that two meetings had already taken place and that the dialogue would continue

### ***Gyoza*: looking for answers**

On Aug. 10, Japanese media reported that Komura would visit China Aug. 16-18 and that resolution of the *gyoza* issue would be at the top of his agenda. Meanwhile the DPJ continued its assault on the government. A DPJ task force asked the Prime Minister’s Office to explain why Fukuda had followed the Foreign Ministry’s decision to honor Beijing’s request that reports of the incident not be disclosed. Meeting with the DPJ task force, the Foreign Ministry explained that it was concerned that disclosing the information could compromise China’s ongoing investigation of the incident, telling the legislators that “to secure future food safety, it is essential to learn the truth through the investigation.” DPJ member Yamanoi Kazunori asked whether the prime minister “put China’s request above Japanese citizens’ concerns about food safety?” At the same time, the DPJ pressed the Prime Minister’s Office to hold closed-door hearings to address the issue during the Diet’s recess.

Pressed to explain his decision, Fukuda told reporters “I was told that if the information was disclosed, the truth about the food poisoning incident would not be learned.” The prime minister apologized to the Japanese public.

Seeking progress on the issue, Komura traveled to Beijing on Aug. 17 where he met separately with his counterpart Yang Jeichi and State Councilor Dai Bingguo. In his meeting with Yang, Komura urged that China release information on the poisoning incident “to show the public specific cooperation ... to shed light on the truth.” It was “important to put all our efforts into resolving the poisoning cases, including a link between the *gyoza* poisonings in Japan and China.” Yang emphasized that Beijing placed “importance on food safety” and said that China wanted to resolve the matter “as quickly as possible by stepping up cooperation between the investigative authorities of the two countries.” The two ministers agreed to exchange information between the two sides.

At the conclusion of the Olympics, Japanese media reported that the Chinese investigation had moved into high gear, seemingly a reflection of President Hu’s personal interest.

On Aug. 28, the *Asahi Shimbun* reported that Chinese authorities had informed Japanese investigators of the details of their investigation, which seemed to place responsibility for the poisoning incidents in Japan and China to short-term contract workers dissatisfied with difficult working conditions, low wages, and plant management at the Tianyang plant. Chinese officials also informed their Japanese counterparts that they were undertaking a comparative analysis of the toxic substance found in the *gyoza* consumed in Japan and China. Japanese officials noted a sharp and positive turn in China's cooperation toward resolving the issue. Meanwhile, *Kyodo News* reported that the Chinese official in charge of the investigation, Yu Xinmin, who had previously dismissed the possibility of China being the source of the contaminated *gyoza* as "highly unlikely," had been replaced.

On Sept. 16, *Kyodo News* reported that Chinese investigators had identified nine employees at the Tianyang factory as suspects in the case. However, the suspects, according to Chinese public security officials who had questioned them, denied any involvement in the case.

### **High-level meetings**

On July 16, Liberal Democratic Party (LDP) Vice President Yamasaki Taku, accompanied by former Japan Defense Agency Director General Nakatani Gen, Lower House Foreign Affairs Committee Chairman Hirasawa Katsuei, and Senior Vice Finance Minister Moriyama Hiroshi, traveled to Beijing for discussions with senior Chinese leaders on North Korea. In a meeting with Vice Foreign Minister Wu Dawei on July 17, Yamasaki was told that the foreign ministers of the six parties would meet informally at the ARF meeting in Singapore scheduled for July 24. Wu was critical of Japan's position not to participate in energy assistance to North Korea pending progress on the abductee issue, telling Yamasaki that China is "resolutely against" the idea of another country taking over Japan's portion of the energy assistance package. Doing so would cast a shadow on relations between Japan and North Korea and "hurt Japan's image."

The following day, Yamasaki met with Wang Jiarui, chairman of the Chinese Communist Party's External Liaison Department, and asked for China's support in resolving the abductee issue. Wang observed that the present deadlock was the result of the two countries holding fast to their positions and that without mutual changes in positions progress would not be made. Wang added that China well understood Japan's strong concerns on the issue, but expressed the view that the Japanese government was being swayed by public opinion rather than leading it with regard to overall objectives of the Six-Party Talks process.

### **Japanese reporters in Xinjiang**

On Aug. 4, four days before the opening of the Beijing Olympics, a Japanese reporter from *Nippon Television* and a photographer from the *Chunichi Shimbun* were detained and manhandled by paramilitary police while attempting to cover a deadly attack on Chinese police in the Xinjiang region. Both suffered minor injuries. The next day, the deputy commander of the local police visited the journalists and apologized and the Foreign Ministry expressed its regrets to the Japanese Embassy in Beijing, which in reply asked that China take steps to prevent such incidents in the future. In Tokyo, Chief Cabinet Secretary Machimura told reporters that the

government intended to lodge a strong protest. Prime Minister Fukuda raised the issue during his meeting with President Hu on Aug. 8.

### **East China Sea**

On July 22, during the ASEAN meeting in Singapore, Foreign Minister Komura met with his Chinese counterpart to discuss a range of bilateral issues. On the East China Sea, the two ministers agreed to accelerate efforts aimed at concluding a treaty to finalize issues regarding joint development of oil and natural gas fields.

On July 24, the *Tokyo Shimbun* reported that several sources involved in the bilateral relationship told the paper that China intended to restrict Japanese investment in the Shirakaba field to less than a one-third share in order to demonstrate China's lead role in developing the area. The paper reported that a Chinese official had commented that a Japanese share exceeding one-third would be greater than that of the two Chinese partners and that would be "unacceptable." Vice Foreign Minister Wu Dawei made clear that Japanese participation in the Shirakaba field was to be "based on Chinese law and with the acknowledgement that China has sovereignty over that gas field." The paper also reported that nationalist opposition in China was growing to the proposed 50-50 partnership in developing the Asunaro gas field which straddled the median-line boundary in the East China Sea

### **Yasukuni**

On Aug. 5, Prime Minister Fukuda, when asked by reporters if he would pay homage at the Yasukuni Shrine on the Aug. 15 anniversary of Japan's surrender, replied that he wanted them to look at his past conduct in this regard. He would, however, attend ceremonies at the Chidorigafuchi National Cemetery. Foreign Minister Komura also made clear that he would not visit the Shrine.

On Aug. 15, Justice Minister Yasuoka Okiharu, Agriculture, Forestry and Fisheries Minister Ota Seichi, and State Minister for Consumer Administration Noda Seiko paid homage at the Shrine, as did former Prime Ministers Abe Shinzo and Koizumi Junichiro and Tokyo Gov. Ishihara Shintaro. Over 50 members of the Diet also visited at the shrine.

On Aug. 17 the LDP's Koga Makoto, chairman of the War Bereaved Families Association, told an *Asahi Television* audience that he could not accept the circumstances surrounding the enshrining in Yasukuni of Class-A war criminals that did not perish in the war without a discussion of the issue with the families of the war bereaved. Troubled feelings toward the shrine resulted from the fact that the enshrinement was accomplished without consulting the families of the war dead. Koga wanted to establish an environment in which the Japanese people including the emperor could visit the shrine without being troubled.

Meanwhile the debate over the construction of a secular national memorial facility for the war dead continued in its own desultory fashion. First proposed as a concept in 2002 when Fukuda was chief Cabinet secretary, the government has consistently refrained from appropriating funds for a feasibility study. When asked about the issue on the morning of Aug. 15, Chief Cabinet

Secretary Machimura told reporters that the present was not necessarily the time to take action in a panic – the government is not driving a discussion on the issue, rather it was essential for the government to pay close attention to how the Japanese public is addressing the issue.

### **Security: *Defense White Paper 2008***

On Sept. 5, the Japanese government released the *Defense White Paper 2008*. With respect to China, the document called attention to 20 consecutive years of double-digit defense spending and called on Beijing to assure transparency, citing the lack of transparency as inviting mistrust and misunderstanding. The paper noted the ongoing modernization of China's nuclear arsenal, in particular the construction of nuclear submarines capable of launching ballistic missiles with a range of 8,000 km. as well as the development of a cyber warfare force focused on computer attacks directed against the command and control systems of potential enemies.

Earlier, the *Nikkei Shimbun* reported that in light of the evolution of the international security environment and China's continuing military buildup, the government had decided to revise Japan's National Defense Program Outline. An experts council would be established in the Prime Minister's Office to carry out the study with a Cabinet decision anticipated by the end of 2009.

### **Submarine Chase**

On the morning of Sept. 14, an unidentified submarine was detected in the Bungo Strait between Shikoku and Kyushu, in Japanese territorial waters. The submarine soon departed the area. Two days later, in response to Japanese media reports suggesting the submarine might have been Chinese, China's Foreign Ministry rejected the stories as false and filed a protest with the Japanese Embassy in Beijing.

In Tokyo, Defense Minister Hayashi Yoshimasa explained that the Defense Ministry lacked information to identify that nationality of the submarine. The Ministry suspended search activities for the submarine on the afternoon of Sept. 16. The next day Chief Cabinet Secretary Machimura told reporters that "protest" was too strong a word to describe communications between the two governments. Machimura confirmed that the government could not establish the origin of the submarine and said that reports that some elements of the government believed the submarine to be Chinese did not reflect reality.

On Sept. 21, the *Nikkei Shimbun* and *Tokyo Shimbun* reported that the unidentified submarine may have been a whale. However, two days later Vice Minister of Defense Masuda Kohei told reporters the ministry still believed the object to have been a submarine.

### **Public opinion**

On Aug. 4, the *Yomiuri Shimbun* released the findings of a joint *Yomiuri-Xinhua* public opinion poll on the state of Japan-China relations. The poll revealed striking differences in perceptions. Asked to evaluate the current state of relations, 36 percent of Japanese respondents said that relations were "good," while 57 percent thought relations were "bad." In China, 67 percent of respondents said relations were "good," while 29 percent found them "bad."

The apparent improvement of relations over the past year as the two governments attempted to advance the “Mutually Beneficial Strategic Partnership” was not reflected in Japanese public opinion, where the percentage of those who thought of relations as “good” fell from 42 percent in 2007 to 36 percent in 2008.

When asked about “trust,” 19 percent of Japanese respondents said they could trust China while 78 percent said they could not. In contrast, 56 percent of Chinese respondents said they could “trust” Japan, while 42 percent said they could not. As for the future, 38 percent of Japanese respondents thought relations would “improve” and 51 percent saw “no change,” while 8 percent thought relations would be “worse.” Among Chinese respondents, 75 percent believed relations would “improve,” 21 percent foresaw “no change,” while only 3 percent thought relations would be “worse.”

A second joint survey, the 2008 Japan-China Public Opinion, conducted by the Japan’s Genron NPO and the *China Daily*, revealed similar differences in perceptions. 54.3 percent of Chinese respondents said relations were “good,” an increase of 24.9 percent over the previous poll. Among Japanese respondents only 13 percent thought relations to be “good,” while 46.1 percent considered relations “bad.” As for the future, 81 percent of Chinese respondents believed relations would “improve.” In contrast, the 35 percent of Japanese respondents who saw “no change” exceeded the 32.2 percent who thought relations would “improve.”

## **Prospects**

Following Prime Minister Fukuda’s resignation announcement, Beijing expressed its appreciation for his efforts to advance the China-Japan relationship. *Xinhua* welcomed his successor, emphasizing Aso Taro’s expected domestic policy initiatives without touching on his foreign policy views. With Diet elections pending in Japan and the duration of the Aso government a matter of daily speculation, foreign policy issues, including the Japan-China relationship, are likely to be second order issues during the October-December quarter.

## **Chronology of Japan-China Relations July-September 2008**

**July 4, 2008:** Japanese Supreme Court upholds lower court decision dismissing claims for compensation raised by wartime Chinese forced laborers in port of Niigata. The court, while acknowledging abuse occurred, cited expiration of statute of limitation.

**July 4, 2008:** Taiwan National University Maritime Research ship intrudes into Japanese territorial waters in the vicinity of the Senkaku Islands. Ignoring warning of Japanese Coast Guard ship, the Taiwanese ship remains in the area for three hours.

**July 8, 2008:** Foreign Minister Komura Masahiko meets President Hu Jintao in Sapporo and asks for China’s assistance in resolving the Japanese abductee issue with North Korea.

**July 8, 2008:** President Hu meets in Sapporo with members of Japanese search and rescue and medical teams who participated in Sichuan earthquake relief operations.

**July 8, 2008:** Japanese Supreme Court rejects compensation suit filed by Chinese who were forced laborers in World War II, stating that plaintiff's rights to seek compensation were forfeited in 1972 Japan-China Joint Statement.

**July 8, 2008:** Japanese government informs LDP and Komeito that Prime Minister Fukuda will attend opening ceremony at Beijing Olympics.

**July 9, 2008:** Prime Minister Fukuda and President Hu meet on sidelines of the G8 summit.

**July 16-18, 2008:** LDP Vice President Yamasaki Taku leads delegation to China and meets Vice Minister of Foreign Affairs Wu Dawei and Chairman of the CCP External Liaison Department Wang Jiarui.

**July 21, 2008:** Taiwan President Ma Ying-jeou meets delegation of Japanese lawmakers.

**July 22, 2008:** Kuomintang Chairman Wu Po-hsiung meets delegation of Japanese lawmakers.

**July 22, 2008:** Foreign Ministers Komura and Yang Jiechi meet on the sidelines of ASEAN meeting in Singapore. Japan, China, and South Korea agree to set up ASEAN assistance fund to support agriculture and information technology development.

**July 30, 2008:** Japanese government announces that Prime Minister Fukuda will travel to the Beijing Olympics in Air Self Defense Force *U4* multipurpose aircraft.

**Aug. 4, 2008:** Japanese reporters, while covering unrest in Xinjiang are roughed up and detained by Chinese police.

**Aug. 5, 2008:** Prime Minister Fukuda indicates that he does not intend to visit Yasukuni Shrine on Aug. 15.

**Aug. 5, 2008:** Foreign Correspondents Club of Japan calls on Beijing to lift restrictions on Internet access for correspondents covering the Olympics.

**Aug. 7, 2008:** Shanghai court hears opening argument in a suit brought by Japanese author Watanabe Junichi against Beijing Publishing Company alleging violations of author's rights.

**Aug. 8, 2008:** Fukuda meets President Hu and Premier Wen Jiabao at the opening of Beijing Olympics.

**Aug. 12, 2008:** Thirtieth anniversary of Japan-China Treaty of Peace and Friendship is celebrated at Chinese Embassy in Tokyo.

**Aug. 15, 2008:** Three Cabinet ministers visit Yasukuni Shrine along with former Prime Ministers Koizumi and Abe.

**Aug. 17, 2008:** Foreign Ministers Komura and Yang meet in Beijing. Komura also meets State Councilor Dai Bingguo.

**Aug. 17, 2008:** Chairman of the War Bereaved Families Association expresses concerns over Class-A war criminals continuing enshrinement at Yasukuni Shrine.

**Aug. 19, 2008:** Taiwan announces appointment of Feng-Ji-tai as envoy to Japan.

**Aug. 21, 2008:** Japanese Foreign Ministry announces Kobe as the site of Japan-China-ROK heads of government meeting scheduled for Sept. 21.

**Aug. 21, 2008:** Japan's Finance Ministry reports July 2008 exports to China climbing to ¥1.29 trillion, a 16.8 percent increase, exceeding for the first time value of exports to the U.S. since government began recording monthly figures.

**Aug. 28, 2008:** ASEAN Plus 3 Economic Ministerial is held in Singapore.

**Aug. 29-31, 2008:** Taiwan and Japan hold compensation negotiations for June incident involving Taiwanese vessel and Japanese Coast Guard ship. Talks end without agreement on sum while lawyers for both sides to continue negotiations.

**Sept. 1, 2008:** Prime Minister Fukuda announces his resignation

**Sept. 2, 2008:** Chinese Foreign Ministry praises Fukuda for significant contributions to the development of bilateral relations.

**Sept 2, 2008:** Japanese Foreign Ministry announces postponement of Sept. 21 Japan-China-ROK summit as a result of Fukuda resignation.

**Sept. 2, 2008:** Japan and Macau reach a customs agreement.

**Sept. 5, 2008:** Japanese *Defense White Paper 2008* is released.

**Sept. 6, 2008:** Director General for Asian and Oceanic Affairs Saiki Akitaka meets Vice Foreign Minister Wu Dawei in Beijing to discuss Six-Party Talks.

**Sept. 7, 2008:** President Hu meets with Kato Koichi, chairman of the Japan-China Friendship Association and former LDP secretary general.

**Sept. 14, 2008:** Japan Defense Ministry reports sighting of an unidentified submarine in Bungo Strait between Shikoku and Kyushu.

**Sept. 16, 2008:** China's Foreign Ministry objects to Japanese media reports suggesting submarine sighted in Bungo Strait is Chinese.

**Sept. 16, 2008:** Minister of Defense Hayashi Yoshimasa tells reporters that government has no information as to the nationality of the submarine and calls off a search for the submarine.

**Sept. 16, 2008:** *Kyodo News* reports that Chinese investigators have identified nine suspects in frozen *gyoza* case.

**Sept. 16-17, 2008:** Fourth meeting of the Tokyo-Beijing Forum is held in Tokyo. Approximately 100 leading political, economic, academic, and journalist leaders participate in the conference aimed at enhancing Japan-China cooperation.

**Sept. 17, 2008:** Chief Cabinet Secretary Machimura denies reports that elements of the government believed the submarine to be Chinese. He also tells reporters that Chinese authorities have assured the government that poisoned milk products were not exported to Japan.

**Sept. 18, 2008:** President Hu meets visiting Keidanren delegation and calls for strengthening exchanges on macroeconomic policy and the international environment.

**Sept. 20, 2008:** Japanese food company Maudai recalls imported Chinese milk products suspected of contamination.

**Sept. 22, 2008:** Aso Taro elected LDP president. China's *Xinhua News Agency* expects Aso to focus on economic recovery initiatives and does not mention foreign policy.

**Sept. 22-25, 2008:** Former Taiwan President Lee Teng-hui visits Okinawa. He tells a dinner audience that Senkaku Islands are Japanese territory.

**Sept. 24, 2008:** The Diet elects Aso to be prime minister.

**Sept. 24, 2008:** Members of Japan-China Economic Association visit China and meet senior Chinese officials to express concerns with about Chinese plan to initiate in 2009 a new system that would force disclosure of proprietary information in IT equipment.

**Sept. 25, 2008:** *Kyodo News* reports that Japanese food makers Ezaki Gilco and Nissin Foods have suspended imports of Chinese milk products.

**Sept. 25, 2008:** Prime Minister Aso addresses UN General Assembly and cites China and South Korea as important partners.