

# Comparative Connections

A Quarterly E-Journal on East Asian Bilateral Relations



## Japan-China Relations: Gathering Momentum

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A flurry of high-level political and diplomatic contacts marked the quarter. The engagement culminated in the December visit of DPJ Secretary General Ozawa Ichiro to China and his meeting with President Hu Jintao followed by the visit of Vice President Xi Jinping to Japan and his audience with Emperor Akihito. Both Japanese and Chinese political leaders repeatedly made clear their intentions to advance the bilateral relationship. While progress on issues related to joint development of resources in the East China Sea and resolution of the adulterated *gyoza* case remained noticeably lacking, public opinion polls suggested an upward trend in the way both Japanese and Chinese viewed each other and the bilateral relationship.

### Run-up to Beijing summit

Less than a week before the trilateral China, Japan, ROK summit in Beijing, Foreign Minister Okada Katsuya, speaking on Oct. 4 in Mie Prefecture, addressed the significance of Premier Wen Jiabao's visit to Pyongyang. Citing the North Korean nuclear and missile issues as well as the Japanese abductee issue, Okada said he expected to see progress and that China would use its significant influence to persuade North Korea to return to the Six-Party Talks.

On Oct. 9, Okada traveled to Beijing where he received a read-out on the visit from China's Foreign Minister Yang Jiechi, who accompanied Wen to Pyongyang. Yang told Okada that if there was progress and a certain degree of results in the DPRK-US dialogue, he was confident that North Korea would return to the Six-Party Talks. Yang reported that Kim Jong-il had expressed hopes for DPRK-Japan discussions as well. The two ministers agreed to strengthen cooperation in seeking a breakthrough in resolving the North Korean nuclear issue. They also agreed to work toward the realization of Prime Minister Hatoyama Yukio's vision of an East Asian Community. Yang stressed the importance of economic cooperation, remarking that "cooperation between China and Japan is imperative in East Asia."

### Beijing summitry

The next day, Hatoyama met in Beijing with Premier Wen and South Korean President Lee Myung-bak. At the summit, Hatoyama expressed strong interest in concluding a trilateral free trade agreement (FTA) as well as a trilateral investment agreement. The three leaders also agreed to strengthen macroeconomic policy cooperation in ways that would contribute to a

global economic recovery. The joint statement issued at the conclusion of the summit expressed support for Hatoyama's concept of an East Asia Community.

Prime Minister Hatoyama also met separately with Premier Wen. In welcoming remarks, Wen noted that since he had taken office, the China-Japan relationship had experienced a number of difficulties, but, as a result of various efforts, the relationship had entered a new stage of development, and he welcomed the inauguration of the Hatoyama government. They agreed to cooperate in addressing the issue of global warming at the upcoming 15<sup>th</sup> Conference of the Parties (COP 15) to the United Nations Framework Convention on Climate Change in Copenhagen, but failed to make progress on outstanding bilateral issues.

When Hatoyama urged cooperation in joint development in the East China Sea, expressing his vision of turning the area into a "Yuai (Fraternal) Sea," Wen noted that basic progress had been made and cautioned that the issue remained sensitive to the Chinese people. On the long-standing matter of adulterated *gyoza* imported from China, Hatoyama called for a sincere response and early resolution of the issue. The two leaders agreed to set up a high-level, bilateral consultation mechanism on food safety. Wen also, expressed his appreciation for Hatoyama's support for the 1995 Murayama Statement as reflecting a "correct understanding of the importance of history." Finally, Hatoyama invited Wen to visit Japan next year.

### **East Asian Community**

On Sept. 28, as the foreign ministers of Japan, China, and South Korea met in Shanghai to finalize preparations for the Oct. 10 trilateral summit, they took time to discuss Prime Minister Hatoyama's proposal for an East Asia Community. Afterward, Foreign Minister Okada told reporters that, setting aside a decision on whether to use the words "East Asian Community," he had received fundamental support for the concept from China and South Korea, although details were not discussed.

Prior to the trilateral meeting, Okada and Foreign Minister Yang again met to discuss Hatoyama's vision of an East Asian Community and to review the bilateral relationship. When Okada raised the issue, Yang replied that China had long favored the idea and, in fact, "was the first to support" the concept and they agreed to cooperate in building an East Asia Community. Accordingly, Yang called for cooperation on finance, energy, and the environment, while Okada emphasized cooperation in the areas of public health, energy, and the environment, leaving political issues for future discussion.

On Oct. 7, Okada addressed the Foreign Correspondents Club in Tokyo where his remarks revolved around the building of an East Asian Community. In this context, Okada took up the 1995 Murayama Statement, noting "that it is true that a definite range of people are not convinced by the statement. Actions speak louder than words." To address history-related issues, Okada set out the development of common Japanese, Chinese, and Korean history textbooks as an ideal, while recognizing the degree of difficulty in achieving this goal. As an interim objective, he advocated joint history studies. Turning to the structure of the East Asia Community, Okada saw its membership as including Japan, China, South Korea, the ASEAN states, India, Australia, and New Zealand. Cooperation in the fields of energy, the environment,

and health care would serve to build the East Asian Community. Notably missing in his East Asian vision was the United States.

The next day, Chief Cabinet Secretary Hirano Hirofumi, in response to questions, told reporters that he had not heard from Okada whether the US was in or out of the East Asian Community, but he volunteered that he thought Okada's real intention was not to sideline the US – the Japan-US relationship was a natural axis and that, Hirano thought, was the foreign minister's starting point in the building of an East Asian Community.

Prime Minister Hatoyama raised the issue again at the trilateral summit in Beijing. He opened the meeting by observing that Japan has tended to be “somewhat overly dependent on the United States” and that “Japan, as a member of Asia, would like to develop policies that attach greater importance to Asia.” He went on to define Japan, China, and South Korea as key members of his East Asian Community. In the Joint Statement on Trilateral Cooperation, the three leaders endorsed the concept as a long-term goal to be developed on the principles of “openness, transparency, and comprehensiveness.”

### **Economic exclusive zone**

On Nov. 6, the Japanese government announced that it would construct a port facility on Okinotorishima, an uninhabited island in Japan's southernmost Ogasawara Island chain. The 2010 budget for the Ministry of Land, Infrastructure, Transport, and Tourism (MLIT) will include funds for an initial survey and port design. The appropriation reflects Japan's determination to support its claim to Okinotori's Island status and thus an Exclusive Economic Zone of 400,000 sq. km extending out from the island. The current MLIT Minister Maehara Seiji has consistently warned of the possibility Chinese efforts to “exercise effective control on Okinotori and the adjacent EEZ.”

Maehara announced on Nov. 27 that the government would submit legislation to support conservation measures on Japan's outlying islands aimed at dealing with shore erosion and rising sea levels, which threaten the island status of Okinotorishima and Minamitorishima. China contends that Okinotori is a “rock,” which is unable to support human life or economic activity, and that Japan's is not able to assert EEZ rights from Okinotorishima. In August, China asked the UN Commission on the Limits of the Continental Shelf to declare Okinotori a “rock.”

### **Foreign Minister Yang in Tokyo**

At a Nov. 17 press conference, Foreign Minister Okada announced that his Chinese counterpart would visit Japan, Nov. 19-22. Okada also said that the two ministers would discuss a visit to Japan by China's Vice President Xi Jinping. In a meeting at the Foreign Ministry's Iikura Guest House, North Korea again served as an issue on which both ministers reaffirmed cooperation in efforts to resume the Six-Party Talks. The two ministers exchanged lists of new members of the advisory Japan-China Friendship Committee for the 21<sup>st</sup> Century and discussed preparations for COP 15 in Copenhagen.

Turning to the East China Sea, Okada urged an early conclusion to negotiations aimed at implementing the agreement on joint development, but Yang only committed China to the early development of a specific timeframe. On the issue of food safety and the early start of the high-level consultation mechanism agreed to in Beijing by Hatoyama and Wen, Yang said that he wanted to start “as soon as possible.”

The next day Yang met Prime Minister Hatoyama, who focused the discussion on his political philosophy of “*Yuai* (Fraternity)” and the building of an East Asian Community. He told Yang that he wanted “to build win-win relationships based on a spirit of fraternity” and “to expand them from Japan and China to the Asian region.” Yang replied that he agreed with the idea of “pushing diplomacy based on a spirit of fraternity.” He thought it was important for both countries “to move proposals forward if they are good, while remaining unconcerned about which side has proposed first.” Yang said that China wanted to advance regional cooperation and was studying a possible China, Japan, South Korea FTA.

Afterward, Yang met with DPJ Secretary General Ozawa. According to DPJ officials, Yang told Ozawa that Vice President Xi Jinping was planning to visit Japan in mid-December and asked Ozawa to help make Xi’s visit a success. Yang said that China was making “maximum efforts” to strengthen relations with Japan

## **Security**

China’s Defense Minister Liang Guanglie visited Japan at the end of November and met Prime Minister Hatoyama and Minister of Defense Kitazawa Toshimi. Hatoyama asked for China’s support in dealing with North Korea and Kitazawa, after his separate meeting with Liang, told reporters that Liang was confident that Pyongyang would return to the Six-Party Talks after US-North Korean talks were held. Liang and Kitazawa also agreed to strengthen defense exchanges by conducting joint Peoples Liberation Army Navy and Maritime Self-Defense Force search and rescue exercises. Both agreed to enhance mutual understanding through reciprocal chief of staff and regularized vice minister conferences as well as reciprocal ship visits. Kitazawa agreed to visit China in 2010 and also asked that China increase transparency in its defense budget.

On Nov. 30, Liang inspected Japan’s *Aegis* cruiser, *Chokai*, in Sasebo. The *Sankei Shimbun* reported that the Chinese delegation had requested the *Aegis* inspection and that Japan’s Ministry of Defense had agreed to the request to demonstrate Japanese transparency with the aim of strengthening its call for greater Chinese transparency. Liang’s inspection, however, was limited to non-sensitive areas of the ship.

## **High-level political visits: Ozawa in Beijing**

On Dec. 10, DPJ Secretary General Ozawa, leading an entourage of 143 DPJ Diet members, including DPJ Upper House Diet Affairs Committee Chairman Yamaoka Kenji, and close to 470 secretaries and political supporters, arrived in China to resume the ongoing DPJ-Chinese Communist Party (CCP) “Great Wall” exchange program. Five airplanes were used to transport the delegation and a Japanese Foreign Ministry official described the size of the delegation as

“unprecedented” The ministry had never seen so many Diet members visit a foreign country, even China, at the same time.

Ozawa met President Hu in the Great Hall of the People for 30 minutes. They agreed to strengthen Japan-China relations and accelerate the pace of DPJ-CCP exchange programs. Bilateral issues, including the East China Sea, adulterated *gyoza*, and China’s lack of transparency in its defense budgeting, while recognized, were not discussed in any depth. After the meeting, Ozawa told reporters that he saw the meeting as contributing to “the development of friendly relations between the two countries.” Ozawa also told reporters that, looking toward the July Upper House elections, he had introduced himself to Hu as the director of field operations for Japan’s Liberation Army. The meeting was the fourth between Ozawa and Hu and the first since the advent of the DPJ government.

On Dec. 11, Ozawa met with Defense Minister Liang Guanglie and expressed his concern over China’s continuing military buildup. Ozawa said that he told Liang that “there is sentiment in Japan that sees China’s modernization as a threat.” Ozawa quoted Liang as saying that China’s military “serves to protect a large territory and border and definitely does not seek hegemony.” Liang did not see the increase in China’s military budget as significant when viewed against the spending of other countries.

### **High-level political visits: Xi in Tokyo**

On Dec. 12, China’s Vice President Xi Jinping, previewing his upcoming three-day visit to Japan, told reporters that he hoped his visit would advance the development of “friendly, neighborly” relations between the two countries. Xi said that the present state of the relationship holds “good momentum for development.” Xi, however, did not touch on his planned meeting with Japan’s emperor. Underscoring the importance of the visit, the Japanese media incessantly referred to Xi as the front-runner to succeed Hu as China’s president. “Likely successor” became an appositive to Xi’s name.

On Dec. 14, Xi met Prime Minister Hatoyama for approximately 50 minutes at his official residence. The prime minister welcomed Xi, remarking that “it is wonderful for the future of Japan and China that we are having Vice President Xi here as a leader of the next generation.” Hatoyama regarded the visit as “extremely significant for the development of Japan-China relations.” During the meeting, Hatoyama expressed his government’s intention to strengthen relations with both the US and China, noting that “because Japan-U.S. relations remain favorable we can maintain a favorable Japan-China relationship.” Xi replied that Japan-US relations were off to a “good start” under the Hatoyama government and that China-Japan relations “occupy a very important position in China’s diplomacy.” Speaking with apparent reference to his next-day audience with the emperor, Xi expressed his “sincere gratitude” for the “thorough-going preparations and careful arrangements” made for his visit.

Hatoyama later hosted a welcoming banquet. Commenting on the guest list, a senior Foreign Ministry official observed that the 80 banquet guests were “several times as many as the number at the banquet held when Vice President Hu Jintao visited Japan in 1998.” Speaking with reference to the Chinese flags displayed in the vicinity of the Diet building, the diplomat

observed that “it is unprecedented for national flags to be displayed in this way for visiting foreign government officials other than chiefs of state.”

Earlier, Chief Cabinet Secretary Hirano told reporters that the Hatoyama government had asked the emperor to meet with Xi because “bilateral relations ... are of high importance.” That afternoon, the Imperial Household Agency announced plans for a Dec. 15 audience. Hirano denied that making an exception for a meeting with the emperor had violated constitutional prohibitions against involving the emperor in political matters of the state, however, there were other opinions. In response to a request for the audience, the head of the Imperial Household Agency Haketa Shingo told Hirano that granting the audience will “generate considerable concern about the role of his majesty.” Haketa went on to say that “the logic of calling for the audience because China is politically important is painful.” It was his “sincere wish” that “this kind of thing will never happen again.”

The fact that the meeting with the emperor was arranged without China observing customary protocol practice of filing an official request for an audience one month in advance with the Imperial Household Agency generated front-page political controversy in Tokyo. On *TV Asahi*, Senior Vice Minister of Internal Affairs and Communications Watanabe Shu criticized the meeting for having been arranged at variance with customary protocol. Watanabe went on to say that “there are many people, even within the Democratic Party of Japan, who regard it as a poor decision.” On the same television program Social Democratic Party Diet member Abe Tomoko cautioned against granting the audience “even as an exception,” while People’s New Party member Kamie Akiko said she shared concerns of the Imperial Household Agency with regard to the politicization of the emperor. Meanwhile, former LDP Cabinet Chief Secretary Machimura Nobutaku said that he had denied similar requests that did not conform to protocol practice.

On Dec. 15 Xi met the emperor at the Imperial Palace.

### **History: comfort women and forced labor**

Prime Minister Hatoyama, while speaking on Oct. 28 about his concept of an East Asian Community, said that if his government is to succeed in building this Community, it would have to pass legislation recognizing that women had been forced into sexual slavery by the former Imperial Army. Speaking to a meeting of former comfort women, DPJ member, Tsuji Megumu observed “If we don’t solve this problem, it would be impossible for Japan to speak out to East Asia on an equal footing.”

Earlier, on Oct. 26, Nishimatsu Construction Company reached agreement on a compensation settlement with two former wartime forced-laborers and three relatives of now deceased forced-laborers. Under the terms of the agreement, a ¥250 million trust fund would be set up to compensate the five as well as 360 others forced to work at a hydroelectric plant in Hiroshima Prefecture. Nishimatsu is also expected to offer a public apology. The settlement brings to an end a series of court cases brought by Chinese plaintiffs since 2002. The last one was a 2007 decision by Japan’s Supreme Court denying the plaintiffs standing under the 1972 Japan-China normalization agreement, under which China agreed to waive the rights of individuals seeking reparations from the government of Japan.

## **History: joint study**

At a Dec. 24 joint press conference, Japanese and Chinese historians announced the conclusion of a three-year joint study of history. During the press conference, continuing differences were evident. In particular, there was disagreement over the number of deaths at the Nanjing Massacre, although Japanese scholars did agree that Japan was “basically” responsible for the incident, the Cold War era, and the Tiananmen crackdown. Nevertheless, the team leaders, University of Tokyo Professor Kitaoka Shinichi and Bu Ping, director of the Institute of Modern History at the Chinese Academy of Social Sciences, favored a second round of studies. The public document is expected to be released in January 2010.

## **Public opinion: trending upward**

On Dec. 8, the *Yomiuri Shimbun* reported the results of a joint public opinion survey on Japan-China relation conducted by *Yomiuri* and China’s *Oriental Outlook Weekly*. In Japan, 45 percent of the respondents thought relations were “good”, an increase of 9 percent over 2008. The 45 percent favorable rating marked the highest percentage since 2006. Meanwhile, 47 percent found relations “bad.” In China, 50 percent of respondents found relations to be “good” and 43 percent found relations “bad.”

On the issue of trust, 28 percent of Japanese respondents found Chinese to be “trustworthy,” an increase of 9 percent over 2008. Sixty-nine percent of Japanese found Chinese “not to be trustworthy,” a decrease of 9 percent over 2008. In China, 34 percent thought Japanese to be “trustworthy” and 63 percent found them “not to be trustworthy.”

Also, 34 percent of Japanese respondents saw relations “improving,” 50 percent saw “no change,” and 12 percent anticipated “deterioration.” In China, 53 percent saw relations “improving,” 31 percent saw “no change,” and 11 percent anticipated “deterioration.” As for the future, 46 percent of Japanese respondents found China to be more important to Japan than the US, which was viewed as more important by 28 percent of the respondents.

## **Outlook**

Over the first quarter of 2010, the test of the developing relationship will be the extent to which good feelings at the macro-level will be translated into progress on more politically sensitive micro issues such as the East China Sea, the longstanding dispute over responsibility for the poisoned *gyoza* case, and China’s ongoing military buildup.

## **Chronology of Japan-China Relations October - December 2009**

**Oct. 2, 2009:** Nippon Steel announces plans to provide China’s Maanshan Iron Company with advanced technologies to reduce greenhouse gas emissions.

**Oct. 4, 2009:** Foreign Minister Okada Katsuyo expresses hope that Premier Wen Jiabao's visit to Pyongyang will result in progress on North Korean issues.

**Oct. 7, 2009:** Democratic Party Japan (DPJ) President Ozawa Ichiro meets China's Ambassador Cui Tiankai at DPJ headquarters in Tokyo.

**Oct. 8, 2009:** Prime Minister Hatoyama Yukio announces his commitment to follow the 1995 Murayama Statement on history.

**Oct. 9, 2009:** Foreign Minister Okada travels to Beijing and meets Foreign Minister Yang Jiechi.

**Oct. 10, 2009:** Prime Minister Hatoyama meets Premier Wen and ROK President Lee Myung-bak in Beijing for a trilateral summit.

**Oct. 16, 2009:** Hatoyama government postpones decision to fund feasibility study on construction of non-sectarian war memorial.

**Oct. 17, 2009:** Former Prime Minister Aso Taro visits Yasukuni Shrine.

**Oct. 18, 2009:** Minister of Land, Infrastructure, Transport, and Tourism Maehara Seiji tells visiting Chinese counterpart Shao Qiwei of Japan's intention to ease visa requirements for Chinese tourists.

**Oct. 19, 2009:** Liberal Democratic Party President Tanigaki Sadakazu visits Yasukuni Shrine.

**Oct. 19, 2009:** Chinese Foreign Ministry protests to Japanese Embassy over Japan's issuing of a visa to Uighur activist Rebiya Kadeer.

**Oct. 21, 2009:** Prime Minister Hatoyama meets former Chinese Foreign Minister Li Zhaoxing at official residence in Tokyo.

**Oct. 25, 2009:** Economic ministers of Japan, China, and South Korea launch joint FTA study.

**Oct. 25, 2009:** Direct Haneda-Beijing air route opens.

**Oct. 26, 2009:** Nishimatsu Construction Company reaches agreement on compensation claims with wartime forced-laborers and family representatives.

**Oct. 31, 2009:** Japanese Consulate in Qingdao formally opens.

**Oct. 31, 2009:** Japan, China, South Korea agree to cooperate on disaster relief and preparedness.

**Nov. 5, 2009:** Maritime Self-Defense Force (MSDF) aircraft finds Taiwanese operating within Japan's Exclusive Economic Zone in the Senkaku Island chain.

**Nov. 5, 2009:** PLA Navy officer candidates call at MSDF Etajima port near Hiroshima.



**Nov. 6, 2009:** Japan announces plans to construct a port facility on Okinotorishima.

**Nov. 8, 2009:** DPJ President Ozawa hosts Wang Jiarui, director of the Chinese Communist Party's (CCP) International Department, for a Sumida River dinner cruise.

**Nov. 11, 2009:** DPJ-CCP Council for Consultation on Exchanges meets in Tokyo.

**Nov. 11, 2009:** Delegation of Japan's wartime orphans abandoned in China visits China and meets Premier Wen.

**Nov. 16, 2009:** Home electronics retailer Laox announces plans to open 110 stores in China.

**Nov. 19, 2009:** Foreign Minister Yang meets Upper House President Eda Satsuki and makes known China's interest in having Vice President Xi Jinping visit Japan in mid-December.

**Nov. 19, 2009:** Foreign Ministers Okada and Yang meet in Tokyo.

**Nov. 20, 2009:** Toshiba announces plans to transfer semiconductor assembly operations to a new joint venture company in China.

**Nov. 20, 2009:** Foreign Minister Yang meets Prime Minister Hatoyama.

**Nov. 23, 2009:** Japan, China, South Korea health ministers meet in Tokyo and agree to develop framework for cooperation on food safety issues. Separately, Japan's Health Minister Nagatsuma Akira calls on Chinese counterpart to resolve frozen *gyoza* issue.

**Nov. 27, 2009:** China's Defense Minister Liang Guangli visits Japan; meets Prime Minister Hatoyama and Minister of Defense Kitazawa Toshimi.

**Nov. 28, 2009:** Japan's Environment Ministry sends 10 crested ibises to China.

**Nov. 30, 2009:** Defense Minister Liang inspects Japan's *Aegis* cruiser *Chokai* in Sasebo.

**Nov. 30, 2009:** Saito Masaki, the head of the Japan Interchange Association (Japan's de facto representative office in Taiwan) resigns for "personal reasons" after a series of contretemps over remarks he made regarding the status of Taiwan.

**Dec. 1, 2009:** Japan finalizes decision to construct port facilities on Okinotorishima and Minamitorishima.

**Dec. 8, 2009:** *Yomiuri Shimbun* releases results of public opinion poll on Japan-China relations.

**Dec. 9, 2009:** Japanese government initially denies Chinese request for meeting between Vice President Xi Jinping and Emperor Akihito.

**Dec. 10, 2009:** DPJ President Ozawa visit China and meets President Hu Jintao.

**Dec. 11, 2009:** DPJ President Ozawa meets Defense Minister Liang.

**Dec. 11, 2009:** Chief Cabinet Secretary Hirano Hirofumi announces that Hatoyama government has asked the emperor to meet with Vice President Xi.

**Dec. 11, 2009:** Imperial Household Agency announces emperor will meet China's Vice President Xi Jinping on Dec. 15.

**Dec. 14, 2009:** Prime Minister Hatoyama meets Vice President Xi.

**Dec. 14, 2009:** DPJ Diet Affairs Committee Chairman Yamaoka Kenji addresses Shanghai Institute for International Studies.

**Dec. 15, 2009:** Emperor Akihito meets Vice President Xi.

**Dec. 18, 2009:** Fuji Heavy Industries, Subaru, announces plans to begin production in China and to seek joint venture partner.

**Dec. 19, 2009:** *Kyodo News* reports China has decided to appoint Cheng Yonghua, currently Chinese ambassador to the ROK, to succeed Cui Tiankai as ambassador to Japan.

**Dec. 24, 2009:** Conclusion of a joint Japan-China three-year history study is announced.