

COMPARATIVE

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JAPAN-CHINA RELATIONS

THE SPARRING CONTINUES

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Several senior-level contacts failed to narrow the gap between Japan and China. Xi Jinping and Kishida Fumio [met](#) at APEC for 65 minutes in November to discuss topics including a buoy placed in what Japan regards as its territorial waters, China's lack of cooperation on North Korea's nuclear program, Beijing's resumption of drilling in a disputed section of the East China Sea, and the detention of Japanese nationals on vaguely worded charges. China complained about Japan's enhanced defense relationship with the US and other countries, its chip alliance with the US aimed at excluding China, the continued release of allegedly contaminated water from the disabled Fukushima plant, as well as Japan's support for Taiwan. There was no resolution of any of these issues. Komeito leader Yamauchi Natsuo [visited](#) Beijing with a letter from Kishida; its contents have not been publicly disclosed but it had had no discernible results. Foreign Minister Kamikawa Yoko's meeting with counterpart Wang Yi at a trilateral meeting of foreign ministers in South Korea, also in November, was similarly unproductive. With Kishida seemingly losing support of his own party and likely to be replaced soon, Japan has little leverage in negotiations.

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Political

In October, the two sides [exchanged](#) polite congratulations on the 45th anniversary of the signing of the Treaty of Peace and Friendship, though Chinese sources acknowledged the existence of tensions that they attributed to “geopolitical security, including the dispute over the Diaoyu [Senkaku] Islands, in addition to Japan's revised national security strategy that refers to China as a threat, along with its growing defense and security cooperation with the US in order to deter China, particularly on the Taiwan question.” Unnamed experts, they continued, had warned that if not solved they could deliver “a heavy blow to bilateral relations.” Premier Li Qiang said that China was willing to work with Japan to revive the spirit of the treaty with Foreign Minister Wang Yi putting forward a [five-point proposal](#), but it is unlikely that the Chinese government expected that Japan would act on any of these to the extent that would satisfy Beijing.



Figure 1 In Busan, South Korea, Japanese Foreign Minister Yoko Kamikawa, on the left, shakes hands with Chinese counterpart, Wang Yi. Photo: Japanese Foreign Ministry

Prime Minister Kishida Fumio [met](#) Chinese Communist Party General Secretary Xi Jinping at the Asia Pacific Economic Cooperation (APEC) forum in San Francisco in November, their first face-to-face meeting in a year. As Chinese and Japanese leaders have done many times, they agreed to pursue mutually beneficial relations. Among the issues discussed were Japanese dissatisfaction with a buoy placed in what Japan regards as its territorial waters, the presence of Chinese coast guard vessels and fishing boats in those waters, the resumption of drilling in a disputed section of the East China Sea, a Chinese ban on imports of Japanese seafood, China's detention of Japanese nationals on vaguely

defined charges of spying, insufficient efforts to curb North Korea missile testing, and an increasingly restricted business climate. China voiced dissatisfaction with Japan's discharge of water that Beijing claims is radioactive from the closed Fukushima reactor, Tokyo's chip alliance with the United States and the Netherlands (which excludes the PRC), and Japan's support for Taiwan. Kishida [told](#) Xi that Japan wanted to promote the revitalization of China-Japan economic exchanges, but only in an environment that protects legitimate business activities.

A week later, a delegation from Komeito, the junior partner in Japan's coalition government, [visited](#) Beijing with party head Yamaguchi Natsuo bearing a letter from Kishida to Xi, whose contents have yet to be publicly disclosed. In what Japanese critics considered a snub, Yamaguchi was unable to meet Xi, and was received instead by Cai Qi, who holds a position equivalent to Japan's chief Cabinet secretary. Japanese opponents of the trip [argued](#) that if Komeito gets too close to China, it could be considered a Chinese propaganda tool. A trilateral meeting of the foreign ministers of China, Japan, and South Korea was similarly unproductive. Kamikawa Yoko urged Wang Yi to take note of the International Atomic Energy Agency (IAEA) certification of the safety of the water and [asked](#) for China's help in curbing North Korea's nuclear and missile development program, with Wang [responding](#) that China is against Japan's “irresponsible action” of releasing the wastewater (although China took part in the IAEA certification). The Chinese position is that the country should be allowed to take samples on its own, including during treatment of the water before its discharge, which would delay a decision for months. Also, at the end of November a third tranche of treated radioactive water was [released](#) into the Pacific; the process is expected to take decades. As the year closed, Japanese sources disclosed that the two governments had [agreed](#) to hold talks on the water issue at an expert level early next year, despite expressing doubts they would lead to Beijing lifting its blanket import ban on Japanese seafood.

Japanese support for Taiwan, though always couched in the language of Japan's interpretation of the “one China” policy, continued to irk China. In September, Tokyo [appointed](#) a serving Self-Defense Force (SDF) officer to serve as its de facto defense attaché in

Taiwan and an additional official to enhance information gathering and communicate with Taiwan's military. Taiwan had earlier asked for an active SDF officer, as opposed to the past practice of appointing retired SDF officers, with Tokyo reportedly on the verge of doing so but then delaying after a leak from Japanese media. Taiwan's foreign ministry declined to comment on the new defense attaché, saying only that it "would continue to deepen cooperation with similar-minded partners such as Japan." Two days later, a Cabinet revamp [named](#) Kihara Minoru, who has visited Taiwan and belongs to a Japan-Taiwan inter-parliamentary group, as defense minister. Kihara subsequently [said](#) he was "very concerned" about China's rapid military buildup and moves in the East and South China seas, calling trilateral security cooperation among Japan, South Korea, and the US the "cornerstone" of Tokyo's response to an increasingly tense regional environment that also includes Russia and North Korea.

Japan-Taiwan political ties are also warm. In his first [interview](#) with the Japanese press since being chosen the governing DPP's candidate for president, current vice-president William Lai Ching-te—referred to as vice-president rather than, as Beijing would prefer, a representative of the Taiwan authorities—stated that Taiwan and Japan are like a family and expressed his belief that Taiwan and Japan need to cooperate in every field including security, since both face direct threats from China. Though this interview was virtual, Lai had visited Japan last year to attend former Prime Minister Abe's funeral; his opponents in the January election have visited Japan more recently.



Figure 2 Taiwan Vice President William Lai Ching-te delivers remarks during an interview with *The Yomiuri Shimbun* in Taipei. Photo: Ichiro Ohara

Commercial ties have been enhanced as well. Taiwan Semiconductor Manufacturing Co.

(TSMC) [plans](#) to produce 6-nanometer chips at its second plant in Japan, with the chips to be manufactured in a new facility TSMC is planning at its Kumamoto site in the southwest of the country. They will be the most advanced semiconductor products made in the country. Total investment is estimated at 2 trillion yen (\$13.3 billion), with Japan's Ministry of Economy, Trade and Industry (METI) considering providing up to around 900 billion yen. The Kumamoto fab aims to start operations next year. A second Taiwanese semiconductor manufacturer, Powerchip Semiconductor Manufacturing Corp. (PSMC) is [building](#) a plant in Japan's northern prefecture of Miyagi, to begin operations as early as 2026. METI will subsidize the project. Collectively, they will further free Japan from dependence on chips from China. And Taiwan's budget carrier Tigerair [began](#) direct flights from Taipei to Kochi in Shikoku on Nov. 1.

Beijing has also been irritated by Japanese efforts to reach out to other countries who have grievances with China. In general, Chinese media have described these as instigated by Washington with the aim of oppressing Beijing. Beijing's *Global Times* [characterized](#) Kishida's trip to the Philippines and Malaysia as "troublemaking" since, unlike previous prime ministers' visits focused solely on economic diplomacy, Kishida's "gift packs" allegedly contained lethal weapons. Under Japan's new Official Security Assistance (OSA) framework, the Philippines, Bangladesh, Fiji, and Malaysia have been [selected](#) as recipient countries for patrol boats and joint training exercises. Also in November, a reception for the Japanese, South Korea, and Chinese foreign ministers was abruptly [canceled](#), ostensibly because Wang Yi's schedule was too tight to attend. Unnamed observers speculated that China's action was motivated by dissatisfaction with historic antagonists Japan and South Korea continuing to strengthen ties with the United States. In December, South Korean tech giant Samsung announced it will [invest](#) about \$280 million over five years in a facility for research into advanced chip packaging in Yokohama. Advanced packaging techniques involve combining components in a single package to improve overall chip performance. Also in December, Kishida and French President Emmanuel Macron [agreed](#) on a road map to update a 2019 agreement prompted by growing French concern with China's behavior in the Indo-Pacific. It includes a policy of cooperation

between the SDF and the French military in the areas of space, cyberspace, and electromagnetic waves as well as the creation of a Japan-French working group on economic security to strengthen supply chains.

Another expression of Chinese dissatisfaction with Japan has been increased surveillance of Japanese nationals, including arrests and sometimes long prison terms in [accordance](#) with its revised counterespionage act, which went into effect in July. In November, the 12-year prison term of a Japanese national in his 50s accused of espionage in China was [finalized](#) after a high court dismissed his appeal. Since 2014 China has detained 17 Japanese citizens, of whom 10 have been sentenced to jail terms of up to 15 years.

The Yasukuni issue has lost salience, at least temporarily. Abe's 2013 visit was the last time a sitting prime minister paid his respects there, though he did [attend](#) after leaving office. Since then, prime ministers have limited themselves to ritual *masakaki* donations that, they carefully point out, have been paid for out of their own pockets. Chinese media continue to pay close attention to these visits and also which ministers participate but in this reporting period, as has become common in recent years, the [protests](#) have been subdued.



Figure 3 Japan's Prime Minister Shinzo Abe visits Yasukuni Shrine on December 26, 2013. Photo: Toru Hanai

The occasional bright spot notwithstanding, there is general agreement that China-Japan ties are poor. Tarumi Hideo, Japan's ambassador to the PRC from September 20 to October 2023, has [stated](#) that during his time in Beijing, Chinese public security authorities many times pressured Chinese officials to refrain from attending event hosted by the embassy in

Beijing. The annual Genron NPO-China International Communications Group joint survey [showed](#) that 92.2% of Japanese and 62.9% of Chinese feel relations with the other country are "poor" or "rather poor." Although the survey was conducted following Japan's release of water from the Fukushima nuclear plant, the percentage for Chinese was about the same as last year, while the percentage for Japan was up 4.9%. 68.4% of Japanese and 41.2% of Chinese saw relations as in a bad state. Reporting on the same poll, Beijing's *Global Times* chose to emphasize the positive, saying that 60.1% of Chinese and 65.1% of Japanese respondents had acknowledged the importance of the relationship between the two countries—the major reasons given including China and Japan "being important neighbors and major trading partners," "playing a crucial role in regional peace and development," and their "highly interdependent economies and industries." According to a Pew [poll](#) released in December, 76% of Japanese consider China a major threat, compared with 66% in Taiwan and 64% in South Korea.

Economic

Both countries struggled to get their economies back onto stronger growth trajectories. China [grew](#) over 5% in 2023, well above the world average owing in part because of a low base in the previous year due to the COVID-19 pandemic. Moreover, a significant portion of the increase was unproductive, meaning that many Chinese have not benefited by it. Reform efforts have stalled, with a plan to increase welfare benefits to hundreds of millions of rural migrant workers who could, according to some estimates, add as much as 1.7% of GDP if they had access to public services comparable to those available in urban areas, put on hold. In December, credit rating agency Moody [cut](#) its outlook for Chinese sovereign bonds to negative in light of the PRC's slowing economy and the ongoing crisis in the PRC's property sector. And, as the year closed the *Financial Times* reported that nearly 9/10ths of the foreign money invested in the Chinese stock market during the year had left. Analysts interviewed cited loss of consumer, business, and investor confidence from both domestic and foreign sources. Manufacturers [face](#) less demand from abroad, and local government finances continue to be precarious.

In Japan economic output fell to \$4.2 trillion in 2022, accounting for 4.2% of global GDP. This was down 0.9% from the previous year and the lowest share since comparable data became available in 1980. The yen remains worryingly weak. Japan remains the world's third largest economy, though its GDP is dwarfed by those of the US and China. China-Japan political and security tensions notwithstanding, the problems of the Chinese economy are not good news for Japan. In September newly appointed economy minister Yoshitaka Shindo [warned](#) that because China accounts for nearly a fifth of Japanese exports, its economic problems could potentially have “a really big impact” on his country's economy. A brighter spot for Japan was that there had been a reversal of chronically insufficient demand, with inflation running above the Bank of Japan's 2% target. And the *Nikkei* [ended](#) trading in 2023 with its key index up more than 28% over a year earlier.

The Japanese business community [mourned](#) the death of former Chinese Premier Li Keqiang in October whom, they believed, championed improved economic ties between Japan and China even when other issues such as the territorial dispute over the Senkaku Islands in the East China Sea threatened to derail friendly relations. *Asahi* cited an unnamed high-ranking LDP official as lamenting “now we see almost no one in either Japan or China with the willingness to serve as a conduit between the two nations. As the thinking about economic security spreads, it will become increasingly difficult to build a bilateral relationship based on the economy as in the past.”

Japanese companies struggled to find the sweet spot between reducing their dependence on Chinese supply chains and their reliance on both a market for goods and a supplier of needed commodities. Many companies pulled their investments out or scaled them down. Fifty fewer Japanese companies attended the China International Import Expo in November, partly due to issues surrounding the release of treated water from the Fukushima No. 1 nuclear power plant, though 350 did. The Chinese government hosted the event to show its willingness to open markets in the face of a slumping economy and decreased interest by foreign investors. Also in November, Sato Yasuhiro, chairman of the Japan-China Investment Promotion Organization, and senior executives of a number of Japanese companies including Mizuho Bank,

Panasonic, and Toyota [visited](#) Beijing, with Chinese sources quoting Sato as saying that the vast majority of its member companies were willing to expand and continue to invest in China.

As losses mounted, top Japanese investment bank Nomura [reassessed](#) its mainland China business. Contributing factors included delays in securing an investment banking license in China by the end of 2023 that would have allowed Nomura to directly compete with local banks offering lucrative services such as a mergers and acquisition, as well as an exit ban imposed on one of its most senior executives. Japanese companies were not alone: Credit Suisse, Deutsche Bank, and HKBC also reported losses in their China-based units in 2022. However, some Japanese companies continued to bet on the China market. In November, the China Securities Regulatory Commission [received](#) Mizuho Securities' application to establish a securities company in China. Mizuho's action is not just a Japanese phenomenon, since New York-based Citigroup and London's Standard Chartered are also establishing securities units in the PRC.



Figure 4 Mizuho Financial Group is looking to establish a securities company in China. Photo: Kiyoshi Ota

Other Japanese companies have either elected to stay or planned to enhance their dealings in China. Chip gear-maker Kokusai Electric Corporation is [expanding](#) its staff in China in anticipation of an increase in demand from the PRC as the world's largest semiconductor market in 2024. Kokusai CEO Kanai Fumiyuki describes small-scale fabrication plants as “springing up like mushrooms in China” driven in part by efforts to localize chip production in response to the US erecting higher barriers on the export of advanced chips and chip gear.

Nissan, hoping to regain market share in China, will [launch](#) a joint research project next year with Tsinghua University on reaching Generation Z—those born between 1995 and 2009—and on the social responsibility of automakers in battery recycling, charging stations and other electric vehicle-related issues. It plans to develop 10 new-energy vehicles for the Chinese market, four under its own brand by 2026 with the other six for Chinese joint venture partners. It aims to launch the first Nissan-branded model in the second half of next year. This venture marks an expansion of an existing relationship: Nissan and Tsinghua have been research partners since they established a joint center in 2016 to study electric vehicles and autonomous driving for the Chinese market.

Efforts at official cooperation continue. Discussions on a new [framework](#) on systems and practices for export is underway with bureau chief-level and section chief-level officials in charge of export controls in the two countries holding talks. The bureau chief-level officials expect to meet at least once a year with the aim of making it a regular event. The first meeting is being arranged for the first half of 2024. The United States and European Union have created similar frameworks with China.

Japan continued to lose ground to China in the auto industry. At year's end, China [became](#) the world's top automobile exporter on an annual basis for the first time, thanks to bigger footholds in Russia and Mexico and a growing global electric vehicle industry. Chinese automotive companies have plans to move up the value chain. [Tracing](#) the trajectory of Japan in the past, China, having shaped the market with its cheap cars, is now developing luxury sports cars. BYD, for example, is [using](#) a Western-style mansion in Shanghai to introduce its SUV Yangwang U8, with a price tag of \$153,000. Still, there are [problems](#): Chinese EV company Nio has missed production targets, has yet to turn a profit and has had to be bailed out by a state-owned enterprise. Domestic EV companies compete fiercely with each other and more established manufacturers like Tesla, VW, and Ford. And despite losing first place, Japan saw a double-digit rise in worldwide auto exports.

China's ban on the import of Japanese fish, imposed in late August in retaliation for Japan's release of allegedly radioactive water into the

ocean continued to hurt the Japanese fishing industry, with Japan's finance ministry [announcing](#) that exports of fishery products to mainland China in September had fallen 99.3% year on year, to ¥58.68 million. Exports of fishery products to Hong Kong, which has imposed partial restrictions on imports from Japan, went down 8.6% to ¥3.717 billion. Although demand for Japanese food in Hong Kong remains strong despite Chinese restrictions on sales on the mainland, customs inspections now [take](#) around three hours compared with about 30 minutes in the past. Importers have requested that the Hong Kong government increase the number of inspectors to speed up customs clearance. In some cases, fresh fish and shellfish that arrive in the afternoon do not clear customs until the following morning, jeopardizing the practice of upscale Hong Kong Japanese-style restaurants' Day Zero system, under which seafood purchased at an early morning auction at a Japanese wholesale market is airlifted and served in the evening on the same day. Japan has sought alternative outlets for its fish production.

Defense

Defense issues during the reporting period fell into three broad categories: Chinese complaints about Japan increasing its defense budget; Japanese government efforts to increase military preparedness in the face of domestic opposition; and increased incursions of China coast guard vessels into waters that Japan regards as its contiguous zone.

On the first issue, September saw a spate of Chinese articles criticizing Japan's increased defense budget as reflecting an increasingly offensive military strategy as well as a whole-of-government approach to rapidly increasing military spending, accompanied by warnings that such actions will worsen arms races and undermine peace and stability in the region. China Defense News [singled](#) out Japan's intent to purchase Joint Air-to-Surface Standoff Missile Extended Range (JASSM-ER)s from the US as evidence that Tokyo seeks to develop increasingly offensive capabilities. Although Japan's annual defense increases are a fraction of those of the PRC, Beijing media point out that the acquisition of new weapons and progressive loosening of restrictions on providing them to third parties are violations of the country's peace constitution.

Domestic opposition to Japanese government efforts to enhance deterrence against Chinese antagonism centers around cost and the alternative use of the funds for social welfare projects; the feeling that the public has been insufficiently consulted on the preparations; and a “not in my backyard” reaction from citizens who object to changes in their areas. *Asahi*, Japan’s second largest circulation daily, [editorialized](#) that though it is vital for Japan and the United States to make concerted responses to China’s military buildup, it is unacceptable for the operational range and facility usage of the US military and for the SDF to be expanded limitlessly without efforts to win the support and understanding of local communities. The Japanese government, bent on strengthening the alliance, bears responsibility for providing clear explanations about these questions to the public, it said.

Okinawa was the most salient example of opposition to defense installations in its territory. Prefectural Gov. Denny Tamaki has been a vocal opponent of bases, both US and Japanese, on the island and has aroused concern in Tokyo by seemingly flirting with China, which has from time to time questioned whether Okinawa is truly part of Japan. In October Tamaki [met](#) Chinese ambassador to Japan Wu Jianguo in Naha and expressed willingness to bolster ties between the prefecture and China.



Figure 5 Okinawa Governor Denny Tamaki, on the right, engages in discussions with Chinese Ambassador to Japan Wu Jianguo at the Okinawa Prefectural Government office. Photo: The Yomiuri Shimbun

Wu replied that he hoped Okinawa will play a special role in improving China–Japan relations “that only it can,” without providing details. A day before, Okinawa Prefectural Assembly Speaker Noboru Akamine met Wu and handed him a written request expressing concern and

asking, among other things, that Chinese vessels refrain from intruding into Japanese territorial waters near the Senkaku Islands. It was noted that Tamaki did not make a similar request of the Chinese ambassador. Tamaki repeatedly refused to approve a design change for the new area Henoko in Nago, where the functions of the US Futenma Air Station in Ginowan will be relocated, resulting in the central government for the first time [resorting](#) to execution by proxy under which it can act in place of a local government, based on the Local Autonomy Law. At the end of November, an estimated 10,000 Okinawans demonstrated in [protest](#) of the Japanese government’s decision to bolster Japan’s military presence in the prefecture.

Those who live on the small southwestern islands where the central government has placed defenses are not pleased with the disruptions to their lives brought about by the stationing of SDF personnel and their weapons. This is particularly the case where tourism and fisheries are important [sources](#) of revenue. Residents of Yonaguni, one of the areas targeted for defense upgrades, [criticized](#) the government’s lack of a plan to cope with the anticipated influx of refugees from Taiwan in the event of a war with China saying they are simply unequipped to deal with it.

Defense-related liaisons with foreign governments proved less controversial domestically and are being actively pursued. Reflecting common concern over China’s continued military buildup, Japan and Australia have continued to deepen security cooperation. This has been an ongoing process. In January 2022, Tokyo and Canberra signed a Reciprocal Access Agreement that simplified entry procedures for joint exercises, exercises conducted under a scenario of Japan exercising the right to collective self-defense with the SDF counter-attacking a military assault against Australian forces. *Asahi* has [reported](#) on constitutional law experts’ doubts about the legality of the SDF’s de facto overseas deployment. October 2023 was the first time a Japanese company entered a defense contract with a foreign government without going through Japan’s defense ministry. Mitsubishi Electric [signed](#) an agreement with the Australian Defence Department for joint equipment development. Japan’s defense ministry praised Mitsubishi Electric’s contract as a symbol of defense and technology cooperation

between the countries and called for continued public-private defense cooperation. Australia, it observed, is trying to improve its defense capabilities with an eye on China, but there are limits to what it can do on its own. Japan's defense ministry will begin [deploying](#) fighter jets to Australia on a rotational basis during fiscal year 2024 for joint exercises designed to counter a possible attack there.

In November the Japanese government [agreed](#) to supply defense-related equipment to the Philippines under what will be the first instance of the country's new official security assistance (OSA) framework. Items to be included are small patrol vessels, radars, drones, and a coastal surveillance radar. Negotiations are to begin on a reciprocal access agreement (RAA) to facilitate joint training by the SDF and the Philippine military. The Manila government has been receptive to these initiatives in light of China's aggressive maritime expansion in the South China Sea. The Japanese government is aware that Southeast Asian countries are not all of the same mind on China, and that it must tread warily. In November, China [held](#) a joint military exercise with five Southeast Asian states—Cambodia, Laos, Malaysia, Thailand, and Vietnam, citing unnamed local experts' views that the exercises would be conducive to the safeguarding of regional peace and stability amid repeated provocations by the Philippines.

In November, the US, Canadian, and Australian navies [staged](#) a joint exercise in the Pacific Ocean with the Philippine Navy participating as an observer for the first time. Leaving no doubt that the exercises are meant as a signal to China, V.Adm. Saito Akira, commander in chief of the MSDF Fleet, told a joint press conference held on the aircraft carrier *USS Carl Vinson* that strong cooperation with navies of other countries is necessary as threats to maritime security, such as attempts to unilaterally change the status quo by force, are increasing. About 30 vessels and 40 aircraft from the four countries participated.



Figure 6 Ships from the Japan Maritime Self-Defense Force, Royal Australian Navy, Royal Canadian Navy, and United States Navy sail in formation during Annual Exercise (ANNUALEX) 2023. Photo: Isaiah Goessl

Regarding increased Chinese incursions, on Dec. 31 the Japan Coast Guard [reported](#) four China Coast Guard vessels sailing in the contiguous zone off the coast of Minami-Kojima Island and Taishojima Island in the Diaoyu/Senkaku Islands. This is the 352nd day this year that CCG vessels have been spotted in the contiguous zone, a new record for annual incursions and an increase from the previous record of 336 days, set in 2022. A day before, citing unnamed sources “familiar with the matter” *The Japan Times* [stated](#) that China plans to keep its ships near the Diaoyu/Senkaku Islands every day in 2024. Its coast guard will, they say, conduct inspections of Japanese fishing boats in the area, if necessary, to boost Beijing's sovereignty claim. With this, and the continued presence of the buoy despite Tokyo's objections, it is difficult to avoid the conclusion that Japan's claimed sovereignty over the area has gradually deteriorated.

The Future

Economically, while trade ties are strong, the arrest of Japanese nationals, often on vaguely worded charges of spying, has made businesspeople fearful of being posted to China and, although Xi Jinping has expressed hope for more Japanese investment, totals are down. Experts [expect](#) China's economic growth will slow in the coming year to 4.6%, following a predicted 5.2% expansion this year, amid a slump in the real estate market and stagnant consumption. Predictions are that the correction in the real estate sector is likely to continue in 2024 and weigh on investment, household confidence, and local government finances. In the longer term, the “three Ds”—demographics, deleveraging, and

de-risking are [likely](#) to cause real GDP growth to slow to 3% by 2034, This will have knock-on effect on Japanese economic growth. Japanese economic growth in 2023 [was](#) 1.3%, and predicted to decline to 1.1% in 2024.

One bright spot has been the rebound in Chinese tourism to Japan. In the face of a Chinese ban on seafood imports from Japan, Tokyo will continue efforts to find alternate markets and will likely continue to release water from the Fukushima reactor into the ocean, with China continuing to complain. Each side continues to build its defenses, and though pressure from Chinese militia and coast guard vessels in the area of the disputed Diaoyu/Senkaku Islands may decrease for short periods, it is likely to resume again. Politically, there are no hopeful signs on the horizon. A state visit for the Japanese prime minister has quietly disappeared from mention, with terse conversations on differences of opinion on the sidelines of multinational meetings. Prime Minister Kishida, whose approval ratings continue to be dismal, will in all likelihood be replaced before long, adding another element of uncertainty to future interactions.

CHRONOLOGY OF JAPAN-CHINA RELATIONS

SEPTEMBER–DECEMBER 2023

Sept. 2, 2023: International media [report](#) that Chinese-language posts about Japan's release of treated radioactive water into the ocean appear designed to instill fear and inflame anti-Japanese sentiment.

Sept. 2, 2023: Japan foreign ministry [rebutts](#) Chinese claims that the monitoring system at Fukushima lacked transparency and could not be described as international monitoring since the International Atomic Energy Agency's assessment affirming the safety of the discharged water included participants from research institutions in the United States, France, Switzerland and South Korea.

Sept. 3, 2023: China [marks](#) the 78th anniversary of the end of World War II, described as the first complete victory won by the Chinese people in their struggle for national liberation.

Sept. 4, 2023: Fukushima Yasuhito, a specialist in space security at the defense ministry's National Institute for Defense Studies, [admonishes](#) the government to pay close attention to Chinese military advances fueled by the PRC's civil-military fusion.

Sept. 6, 2023: Japan's defense ministry will [establish](#) a unified command for all Self-Defense Forces at the end of fiscal 2024, changing the current practice of setting up temporary task forces. In addition to enabling more efficient responses, the unified command, to be headquartered in Ichigaya, will be able to better deal with new domains such as cyber and space.

Sept. 6, 2023: China Defense News [singles](#) out Japan's intent to purchase Joint Air-to-Surface Standoff Missile Extended Range (JASSM-ER) capability from the US as evidence that Tokyo seeks to develop increasingly offensive capabilities.

Sept. 8, 2023: Chinese Premier Li Qiang and Japanese Prime Minister Kishida [have](#) a 15-minute standing conversation at the ASEAN leaders' meeting in Jakarta, at which there was a spate of protests against China's continued behavior in the South China Sea.

Sept. 9, 2023: Japanese government [says](#) it will work with other countries and industries to counter economic coercion from China.

Sept. 10, 2023: Panasonic Software Development Center Dalian is now the Japanese electronics company's biggest overseas software development hub in terms of head count, having [grown](#) from about 700 to 1,000, including outside contractors, in 2022, with plans to add more staff in the future.

Sept. 11, 2023: Japanese government says it will [strengthen](#) its efforts to inform the international community that the Senkakus, Takeshima, and territories are inherent parts of Japan.

Sept. 11, 2023: Assessing Xi Jinping's Belt and Road Initiative a decade after its inception, *Yomiuri* [editorializes](#) that China should treat headwinds from Italy and the Baltic states as an opportunity to rethink its approach.

Sept. 11, 2023: *Voice of America* [reports](#) that public sentiment toward US military bases on Okinawa appears to be changing, amid growing tensions with China and the shock of Russia's 2022 invasion of Ukraine, with younger people feeling that the bases are necessary for the defense of Japan.

Sept. 12, 2023: Symbolic of Japan's growing support of Taiwan, the government has [appointed](#) a serving SDF office to serve as its de facto defense attaché in Taiwan and an additional official to enhance information

gathering and communicate with Taiwan's military. Taiwan had asked for an active SDF officer, as opposed to past practice of appointing retired SDF officers, with Tokyo reportedly on the verge of doing so but chose not to do so after a leak from the Japanese media.

Sept. 14, 2023: Kishida's Cabinet revamp [names](#) Kihara Minoru, who has visited Taiwan and belongs to a Japan-Taiwan inter-parliamentary group, as defense minister.

Sept. 17, 2023: Newly appointed defense minister Kihara [says](#) he is "very concerned" about China's rapid military buildup and moves in the East and South China seas, calling trilateral security cooperation among Japan, South Korea, and the US the "cornerstone" of Tokyo's response to an increasingly tense regional environment.

Sept. 17, 2023: *Kyodo* [reports](#) that China has been increasing its surveillance of Japanese nationals following Tokyo's release of treated radioactive water from the disabled Fukushima No. 1 nuclear power plant. More than 100,000 Japanese nationals currently live in China and, with a revised counterespionage law in effect since July, the scope of what constitutes spying under Chinese law has broadened.

Sept. 18, 2023: Japanese government [protests](#) to China after it deployed another oceanographic buoy in Japan's exclusive economic zone near the Diaoyu/Senkaku Islands.

Sept. 24, 2023: Japan Coast Guard [discloses](#) that two China Coast Guard vessels that had intruded into territorial waters off the Senkaku Islands, left on the afternoon of Sept. 24 after arriving on Saturday morning.

Sept. 24, 2023: [Demand](#) for Japanese food in Hong Kong has not fallen despite Chinese restrictions on sales on the mainland. Customs inspections now take around three hours compared with about 30 minutes in the past.

Sept. 25, 2023: According to Global Fishing Watch and an investigation by *Asahi*, Chinese boats are [catching](#) fish in what Beijing calls "Fukushima nuclear-contaminated water" for distribution in China, while the same marine products caught in the same area by Japanese vessels remain banned in that country.

Sept. 25, 2023: In a break from tradition blamed on his tight schedule, Defense Minister Kihara doesn't [meet](#) Okinawa Gov. Tamaki during his first visit to Okinawa after assuming office. Tamaki, with other Okinawa residents, opposes Tokyo's efforts to shore up defenses in the prefecture against China in the area.

Sept. 28, 2023: Japanese and US authorities jointly [announce](#) that cyberattacks have been carried out by BlackTech, officially acknowledging for the first time that the group is backed by the Chinese government.

Sept. 28, 2023: According to Japan's Ministry of Foreign Affairs, the Japanese population in China is on the [verge](#) of falling below 100,000 to a 20-year low as an expat exodus continues amid bilateral tensions.

Sept. 28, 2023: Mitsubishi Motors [plans](#) to withdraw from production in China due to sluggish sales of gasoline-powered vehicles in the country.

Sept. 29, 2023: Newly appointed Economics Minister Shindo Yoshitaka [warns](#) that because China accounts for nearly a fifth of Japanese exports, its economic problems could have "a really big impact" on Japan's economy.

Sept. 30, 2023: Despite Chinese government [concerns](#) with allegedly contaminated water from the disabled Fukushima nuclear reactor, flights to Japan for the National Day holiday were filled to near-capacity.

Oct. 1, 2023: According to an unofficial policy document, the Japanese government has [designated](#) 14 airports and 19 ports for improvement with an emphasis on preparing for a Taiwan contingency.

Oct. 3, 2023: Chinese sources [dispute](#) Japanese claims of large numbers of Chinese tourists visiting Japan for Golden Week as part of their pretenses to mislead the public.

Oct. 4, 2023: Indicative of closer commercial ties, Taiwan's budget Tigerair carrier will [begin](#) direct flights from Taipei to Kochi in Shikoku on Nov. 1.

Oct. 5, 2023: After [meeting](#) US counterpart Lloyd Austin, Defense Minister Kihara announces that Japan will start procuring *Tomahawk* cruise missiles in 2025. Japan initially planned to buy up to 400 *Block V* missiles, the latest generation of *Tomahawk*, in fiscal 2026 and 202.

Oct. 5, 2023: Agriculture and Fisheries Minister Miyashita Ichiro [says](#) Japan hopes to resolve China's ban on its seafood following the release of treated wastewater from the Fukushima No. 1 nuclear power plant within the World Trade Organization's scope short of filing a formal complaint.

Oct. 6, 2023: With an eye on China, Japan plans to [introduce](#) a security clearance system for people handling sensitive information, *Nikkei* reports, aiming to set standards compatible with the US and Europe.

Oct. 6, 2023: China's foreign ministry [states](#) that China "firmly opposes Japan's unilateral action of discharging the water into the sea." Compared with Japan's first release of treated wastewater from the crippled Fukushima Daiichi nuclear plant, the outcry from China, Hong Kong, and South Korea on the second release is [subdued](#).

Oct. 6, 2023: In response to many bothersome [calls](#) thought to be from China in the wake of Japan's initial release of treated water from Fukushima, NTT East Corporation is establishing a new service that will allow local governments beset by nuisance calls to reject all phone communications from specific countries.

Oct. 6, 2023: Okinawa Gov. Tamaki [meets](#) with Chinese Ambassador to Japan Wu Jianghao in

Naha and expresses his willingness to bolster ties between the prefecture and China.

Oct. 7, 2023: In his first [interview](#) with the Japanese press since being chosen the governing DPP's candidate for president, Vice-president William Lai Ching-te states that Taiwan and Japan are like a family and expresses his belief that they need to cooperate in every field including security, since both face threats from China.

Oct. 8, 2023: All eight US MQ-9 reconnaissance drones deployed at the MSDF's Kanoya Air Base in Kagoshima will [relocate](#) to the US's Kadena Air Base to strengthen warning and surveillance activities regarding the increasingly active Chinese military around the Nansei Islands and Taiwan.

Oct. 8, 2023: *Yomiuri* [editorializes](#) on the need for international cooperation to prevent the spread of Chinese disinformation. Disinformation efforts involving billions of dollars of expenditure per year, are particularly noticeable in Asia, Africa, and South and Central America.

Oct. 8, 2023: A video posted on X [shows](#) Chinese high-school students re-enacting and cheering the assassination of former Japanese Prime Minister Abe Shinzo, with a banner in the background criticizing Japan's release of water from Fukushima.

Oct. 9, 2023: In the first intrusion since Sept. 23-25, four Haijing coast guard vessels [enter](#) Japanese territorial waters, leaving after less than two hours.

Oct. 9, 2023: An *Asahi* editorial [terms](#) the Kishida administration's intent to quickly acquire military capabilities to strike enemy bases "unacceptable."

Oct. 10, 2023: China has [embarked](#) on production of a new generation of nuclear-armed submarines that are expected to

pose a challenge to growing US, Japanese, other allies' efforts to track them.

Oct. 10, 2023: NHK reports that the annual Genron NPO-China International Communications Group joint survey [shows](#) 92.2% of Japanese and 62.9% of Chinese felt that relations with the other country were poor or rather poor.

Oct. 11, 2023: MSDF [announces](#) that Japan, the United States, and South Korea conducted a 7-vessel joint drill in the East China Sea, where China claims islands administered by Japan, on the 9th and 10th.

Oct. 11, 2023: *Asahi*, [citing](#) the Genron-China International Communications Group poll, 26.7% of Chinese are not at all or not very worried about the water discharge from Fukushima, while 25% said it was too early to make a judgment.

Oct. 12, 2023: As concerns grow over the global reliance on China in critical materials for such items as electric vehicles and solar panels, Japan, the World Bank and other partners [launch](#) RISE, the partnership for Resilient and Inclusive Supply-chain Enhancement to diversify renewable energy supply chains.

Oct. 12, 2023: Of 502 major Japanese companies surveyed by *Reuters*, 52% say they [expect](#) the slowdown in China to continue into 2025, with 17% predicting weaker economic growth to persist until the end of 2024.

Oct. 12, 2023: Taiwan Semiconductor Manufacturing Co. is [planning](#) to produce 6-nm chips at its second plant being built in Japan with the chips to be manufactured in a new facility that TSMC is planning at its Kumamoto site in southwestern Japan.

Oct. 12, 2023: China, a harsh critic of Japan's release of water from its crippled Fukushima nuclear power plant, will [join](#) the monitoring of radioactive substances in seawater and seafood products in the area.

Oct. 17, 2023: Kishida in his official capacity as prime minister but at his own expense, [donates](#) a ritual *masakaki* sprig to the Yasukuni Shrine's 3-day autumn festival.

Oct. 17, 2023: Japanese foreign ministry [regrets](#) Russia's decision to restrict imports of Japanese seafood despite having been provided with transparent and scientific explanations about safety of the treated water release from the Fukushima plant.

Oct. 17, 2023: Japan [joins](#) a 13-nation international framework backed by cyber powers, including the US, the UK, and Israel, for software manufacturers to ensure security of products against cyber-attacks, principally from China and Russia.

Oct. 19, 2023: After being unable to keep up with the major shift to electric vehicles in China, Mitsubishi is expected to [announce](#) it will not resume production in China by the end of October.

Oct. 19, 2023: Chinese authorities announced they formally [arrested](#) a Japanese employee of drugmaker Astellas Pharma in Beijing, who has been detained since March on espionage charges.

Oct. 23, 2023: It is [revealed](#) that a Japanese trading company's Chinese employee overseeing rare metals in China was taken into custody by Chinese authorities in March.

Oct. 23, 2023: It is announced that Japan's next [minister](#) to China will be Kanasugi Kenji, 64, currently serving as ambassador to Indonesia. For the first time in about seven years, the ambassador will not be a member of the Foreign Ministry's Chinese language training group, dubbed the China School.

Oct. 23, 2023: *Asahi* [editorializes](#) that China's spy probes have unnerved Japanese and hurt economic ties.

Oct. 23, 2023: Premier Li Qiang and Prime Minister Kishida [exchange](#) polite congratulations on the 45th anniversary of the signing of the Treaty of Peace and Friendship between China and Japan.

Oct. 20, 2023: Marking the first time a Japanese company has entered a defense contract with a foreign government without going through the defense ministry, Mitsubishi Electric [signs](#) an agreement with the Australian Defence Department for joint equipment development.

Oct. 24, 2023: [Interviewed](#) by *Nikkei*, expert Yoshihara Toshi assesses that China's advantage over the US in theater-range missiles could enable it to "intimidate" frontline states like Japan during a crisis over Taiwan.

Oct. 25, 2023: As losses mount, Japanese investment bank Nomura is [reassessing](#) its mainland China business.

Oct. 27, 2023: Japan's finance ministry [announces](#) that the country's exports of fishery products to mainland China in September fell 99.3% year on year.

Oct. 27, 2023: As part of Japan's desire to free itself from chip dependence on China, a second Taiwanese semiconductor manufacturer, Powerchip Semiconductor Manufacturing Corp. (PSMC) will [build](#) a plant, this one in Japan's northern prefecture of Miyagi.

Oct. 27, 2023: An *Asahi* editorial, conceding that it is vital for Japan and the US to make concerted responses to China's military buildup, [argues](#) it is unacceptable for the operational range and facility usage of the US military and the SDF to be expanded limitlessly without efforts to win support and understanding of local communities.

Oct. 28, 2023: Members of the Japanese business community [mourn](#) the loss of former Chinese Premier Li Keqiang whom, they believe, championed improved economic ties between Japan and China even when issues such as the

territorial dispute over the Senkaku Islands threatened to derail friendly relations.

Oct. 29, 2023: Japanese Defense Ministry [confirms](#) that the China's aircraft carrier with its fighter jets and helicopter jets practicing take-offs and landings 460 km south of Miyako, Okinawa prefecture.

Oct. 30, 2023: *Yomiuri* [editorializes](#) that there is little room for optimism in the outlook for future Chinese economic growth and laments the lack of transparency in the PRC's statistics.

Oct. 30, 2023: Japan's defense ministry will begin [deploying](#) fighter jets to Australia on a rotational basis as early as next fiscal year for joint exercises designed to counter a possible attack there.

Oct. 31, 2023: New quarterly results [show](#) Chinese automaker BYD within reach of surpassing Japanese rival Nissan Motor in global sales as its electric vehicles grab market share at home and abroad.

Oct. 31, 2023: Acknowledging the G7's call for the immediate repeal of import curbs on Japanese food products, Chinese media [ridicules](#) the US decision to bulk-buy Japanese seafood to supply its military there.

Nov. 1, 2023: Aiming to [strengthen](#) security ties with the Philippines in light of China's maritime expansion in the East and South China Seas, the Japanese government will supply defense-related equipment to Manila under what will be the first instance of the country's new official security assistance (OSA) framework.

Nov. 2, 2023: Chinese government [protests](#) Japan's third round of dumping allegedly nuclear-contaminated water into the sea.

Nov. 3, 2023: *Global Times* [characterizes](#) Kishida's trip to the Philippines and Malaysia as "troublemaking" since, unlike previous prime ministers' visits that focused on economic

diplomacy, Kishida's "gift packs" contain lethal weapons.

Nov. 3, 2023: Nikkei Asia's editor-in-chief Nakayama Shin [describes](#) Sino-Japanese relations as showing no sign of improvement. China's ban on fish imports continues, and Japanese officials have grown less optimistic about a sit-down between Prime Minister Kishida and Xi during APEC.

Nov. 4, 2023: *Yomiuri* [interprets](#) Kishida's move to deepen security cooperation with the Philippines as indicative of a strong sense of urgency over China's aggressive maritime expansion.

Nov. 6, 2023: Fifty fewer Japanese companies are [expected](#) to join the China International Import Expo, partly due to issues surrounding the release of water from the Fukushima nuclear power plant though 350 apparently will.

Nov. 7, 2023: Japan's defense ministry [discloses](#) that the Chinese aircraft carrier *Shandong* conducted about 570 aircraft takeoffs and landings in international waters off Japan over the nine days ending on Nov. 5.

Nov. 7, 2023: *Asahi* [reacts](#) to the Manila-Tokyo agreements by editorializing that "instead of contributing to a hostile encirclement of China that would undermine regional stability, Japan and the Philippines, which have deep historical and economic ties with China, should play key roles in building an inclusive international order encompassing China as well."

Nov. 7, 2023: Liu Shijin, a member of the People's Bank of China's monetary policy committee, [disputes](#) comparisons between Japan's stagnation decades ago and the PRC's current situation, saying that Japan's recession was a result of a lack of new sources of growth, but China still has potential that can be realized by lifting the consumption of low-income groups and promoting emerging industries, without specifying which.

Nov. 8, 2023: In what *Nikkei* calls a [milestone](#) for Washington-Tokyo efforts to deepen defense industry cooperation amid growing challenges from China, US defense contractor RTX is finalizing a deal to procure a major component for an advanced missile defense radar system from Mitsubishi Electric.

Nov. 10, 2023: Japan's finance ministry [announces](#) that in September the country had its largest current account surplus in 18 months and eighth straight month of surplus due to hefty gains from overseas investments boosting the balance of payments.

Nov. 11, 2023: China [declines](#) to renew agreement for the import of Japanese koi, of which it is the world's largest customer.

Nov. 11, 2023: 12-year prison term of a Japanese national in his 50s accused of espionage in China has been [finalized](#) after a high court dismissed his appeal earlier this month.

Nov. 12, 2023: China [announces](#) that it will hold a joint military exercise with five Southeast Asian countries this month, citing local experts' opinion that the exercises conducive to the safeguarding of regional peace and stability amid repeated provocations by the Philippines.

Nov. 12, 2023: Japan's Maritime Self-Defense Force [begins](#) a joint exercise with the US, Canadian and Australian navies in the Pacific Ocean with the Philippine navy participating as an observer for the first time.

Nov. 12, 2023: Japan, the United States, and South Korea on Sunday [agree](#) to start operating a mechanism to share information on North Korean missile launches in real time and affirmed the importance of having full respect for international law, including freedom of navigation, and maintaining peace and stability in the Taiwan Strait, with press agency *Jiji* commenting "apparently bearing China's maritime expansion in mind."

Nov. 12, 2023: US military unit operating MQ-9 spy drones [completes](#) withdrawal from the MSDF Kanoya air base for relocation to Okinawa Prefecture.

Nov. 13, 2023: A *Yomiuri* editorial [urges](#) the Japanese government to do more than protest China's intrusions, since inaction will simply encourage Beijing to further encroach on Japanese territory.

Nov. 13, 2023: *Global Times* [describes](#) the Japanese Defense Ministry's decision to fast-track the deployment of an upgraded version of its GSDF anti-ship missile as an expansion of Japan's military ambitions that will undermine peace and stability in the region, plunging it into a major crisis and a vicious arms race.

Nov. 14, 2023: *Kaga*, a MSDF destroyer, [begins](#) sea trials following changes to the ship's bow, which was made square, had heat resistance reinforced, and the addition of markings for F-35B aircraft to conduct takeoffs and landings on the vessel.

Nov. 15, 2023: Under a [framework](#) for a framework on systems and practices for export controls now being discussed between China and Japan, the bureau chief-level and section chief-level officials in charge of export controls in the two countries will hold talks.

Nov. 15, 2023: Japan's economy [contracts](#) 2.1% in July-September after an expansion of 4.5% in the previous quarter. China's economic recovery [picks](#) up slightly in October with industrial production increasing from 4.5% to 4.6% despite falling business confidence.

Nov. 17, 2023: Meeting for the first time in about a year at the APEC meeting in San Francisco, Kishida and Xi [agree](#) to communicate closely at all levels.

Nov. 17, 2023: Chinese media [praise](#) the Xi-Kishida meeting as reaffirming strategic and

mutually beneficial relations and playing a significant role in stabilizing ties.

Nov. 17, 2023: [Commenting](#) on Kishida's statement that the Japan ASDF will be renamed Japan Aerospace Self-Defense Force before 2027, *China Daily* notes that the country's security concerns have been heightened by seeing its advantage diminished by the military strength and technologies of "neighboring countries" compounded by an aging society, shrinking population, a low fertility rate and a grim fiscal situation.

Nov. 18, 2023: *Yomiuri* [cites](#) unnamed sources saying that China suddenly approached Japan about a summit immediately after foreign minister and Politburo member Wang Yi visited the US in late October.

Nov. 18, 2023: Center-right daily *Yomiuri* [editorializes](#) that results of the Xi-Kishida talk at APEC were "sorely lacking" and advises that before relations can improve Beijing must first change its coercive behavior and stop making unreasonable claims. Center-left *Asahi* [presents](#) a more favorable view, citing an unnamed official in the prime minister's office as praising the shift toward constructive discussions to deal with the water release issue.

Nov. 19, 2023: Capping an 11-day series of exercises nationwide dubbed 05JX, meant to show the readiness of ground, sea and air forces to defend Japan's territory and infrastructure, including nuclear power plants, Japanese marines in amphibious assault vehicles [storm](#) an island beach at the edge of the East China Sea in a simulated attack to dislodge invaders from territory that Tokyo worries is vulnerable to attack from China.

Nov. 20, 2023: Aiming to [enhance](#) Japan's surveillance capabilities, especially around the Senkaku Islands where Chinese vessels have repeatedly intruded into Japanese territorial waters, the government is weighing the relocation of the operational base for the coast

guard's SeaGuardian unmanned aerial vehicle to Kitakyushu Airport.

Nov. 20, 2023: Japan [releases](#) a third batch of treated radioactive wastewater from the Fukushima nuclear plant into the Pacific Ocean, as the country's seafood producers continue to suffer from a Chinese import ban imposed after the discharges began.

Nov. 22, 2023: Komeito party chief Natsuo Yamaguchi [meets](#) with Cai Qi, the fifth-ranking Communist Party leader, and hands him a personal letter from Prime Minister Fumio Kishida addressed to President Xi Jinping.

Nov. 23, 2023: China Securities Regulatory Commission [receives](#) Mizuho Securities' application to establish a securities company in China after Beijing allowed wholly-owned foreign securities companies to do so in 2019.

Nov. 23, 2023: A *Global Times* editorial on Yamaguchi's visit [terms](#) his efforts "highly commendable," but adds that the effectiveness of "personal letter diplomacy" and whether his visit to China can achieve significant outcomes largely depend on Tokyo's attitude and actions toward China.

Nov. 24, 2023: An estimated 10,000 Okinawans brought together by 65 activist groups [protest](#) the Japanese government's decision to bolster Japan's military presence in the region in response to threats from China and North Korea.

Nov. 25, 2023: Japan's National Institute for Defense Studies (NIDS) [issues](#) its *China Security Report 2024* analyzing Chinese and Russian cooperation to establish a new international order and US resistance thereto. Japan is mentioned only peripherally, as part of the alliance system Washington seeks to build.

Nov. 25-26, 2023: Meeting on the sidelines of a trilateral meeting of the foreign ministers of Japan, China and South Korea, Foreign Minister Kamikawa Yoko [urges](#) Chinese counterpart

Wang Yi to consider the scientific evidence relating to the ocean discharge of treated water from the Fukushima nuclear power plant and asks China to help deal with North Korea's nuclear and missile development program.

Nov. 26, 2023: Looking toward Taiwan's upcoming presidential election, *Yomiuri* [editorializes](#) that it is unacceptable for China to ignore the will of Taiwan's people and unilaterally set a course for unification.

Nov. 26, 2023: A reception for the Japanese, South Korea, and Chinese foreign ministers is [canceled](#), ostensibly because Wang Yi's schedule was too tight to attend. Unnamed observers speculate that China's action was motivated by dissatisfaction and Japan and South Korea for continuing to strengthen their ties with the US.

Nov. 26, 2023: Xi Jinping [sends](#) a letter of condolence Kishida on the death of Ikeda Daisaku, the late honorary president of lay Buddhist organization Soka Gakkai, with whom China has had friendly ties.

Nov. 28, 2023: With China in mind, Kishida and Vietnamese President Vo Van Thuong [agree](#) to upgrade Japan-Vietnam ties to a "comprehensive strategic partnership," prioritizing security cooperation, such as for stronger maritime security and safety; the transfer of defense equipment; and strengthening supply chains.

Nov. 29, 2023: *Kyodo*, citing an unnamed Japanese government official, [reports](#) that on the day before Japanese Ambassador to China Tarumi Hideo met for the first time with a senior Astellas Pharma employee who was arrested last month on suspicion of espionage.

Nov. 29, 2023: *Kyodo* [reports](#) that the Japan Aerospace Exploration Agency, JAXA, was hit by a cyberattack over the summer and sensitive information on space-related technologies might have been accessed.

Dec. 1, 2023: Yomiuri International Economic Society (YIES) and *Yomiuri Shimbun* [hold](#)

November symposium of the Yomiuri International Forum 2023 with Stanford University scholar Wu Guoguang, assessing that while the Chinese government's reach has increased its ability to develop, the economy has significantly declined.

Dec. 1, 2023: Japanese government [fears](#) that the crash of a US military *Osprey* will arouse public sentiment against the planned deployment of 17 Japanese *Ospreys* considered essential for the defense of the Nansei Islands.

Dec. 2, 2023: Jiji Press [reports](#) that in response to sluggish sales of gasoline-powered vehicles, which are Toyota's mainstay products, amid a rapid shift to electric vehicles in the Chinese market, Toyota is partially halting production in China.

Dec. 4, 2023: After a 10-minute telephone conversation, Kishida and French President Emanuel Macron [agree](#) on a road map that revises a 2019 agreement prompted by growing French concern with China's behavior in the Indo-Pacific.

Dec. 5, 2023: Residents of Yonaguni [criticize](#) the government's lack of a plan to cope with the influx of refugees from Taiwan in the event of a war with China.

Dec. 5, 2023: Departing Japanese ambassador to China Tarumi Hideo [calls](#) for an end to what he terms the rollercoaster cycle of ups and downs in China-Japan relations.

Dec. 5, 2023: Japanese auto parts manufacturers for gas engines find sales in China [plummeting](#). Those of Honda-affiliated Yutaka Giken, which traditionally accounted for about half its total revenue, fell 24% from April to December, year on year.

Dec. 6, 2023: METI [adds](#) the China Academy of Engineering Physics to the latest iteration of its End User List due to concerns that the entity may be involved in nuclear development.

Dec. 7, 2023: LDP and Komeito lawmakers [agree](#) to allow non-lethal exports of defense equipment to all nations being invaded in violation of international law.

Dec. 8, 2023: According to a Pew [poll](#), 76% of Japanese consider China a major threat, compared with 66% in Taiwan and 64% in South Korea.

Dec. 10, 2023: China and Japan [accuse](#) each other of maritime incursions after a confrontation between coast guards in waters around the disputed Diaoyu/Senkaku Islands. Japan's coast guard said on Dec. 9 that two Chinese maritime patrol boats left Japan's territorial waters around the islands after receiving warnings, and that its patrol vessels were protecting a Japanese fishing boat that had been approached by the Chinese ships.

Dec. 13, 2023: As much of the population [sees](#) China as a threat to Japan's security, polls show support for such measures as the acquisition of missiles capable of striking enemy territory and legal changes that would allow Japanese troops, restricted by the constitution to defense of the nation, to fight in some combat situations outside Japan.

Dec. 13, 2023: *Asahi* [criticizes](#) the Hong Kong district council elections, saying "we" must never forget that the record low turnout was an expression of protest that citizens of Hong Kong were forced into silence.

Dec. 14, 2023: Japan Coast Guard [reports](#) three China Coast Guard vessels sailing in the contiguous zone (22 km outside territorial waters) off the Senkakus, marking a record 337 days and surpassing the previous of most sightings of Chinese vessels in the area last year.

Dec. 14, 2023: Responding the Japan's National Institute for Defense Studies *China Security Report 2024*, Chinese military spokesperson Zhang Xiaogang [urges](#) Japan to "immediately stop meddling in China's internal affairs, stop spreading false narratives, and stop hyping up

the so-called 'Chinese military threat' as an excuse for its military expansion."

Dec. 14, 2023: Japan [hosts](#) the ASEAN-Japan Commemorative Summit marking the 50th anniversary of ASEAN-Japan friendship and cooperation, seeking to offset China's aggressive behavior in the region.

Dec. 15, 2023: A total of 17 military aircraft from Russia and China [conduct](#) a joint air operation over the East China Sea and the Sea of Japan.

Dec. 15, 2023: According to a [survey](#) by the Japan Bank for International Cooperation, India is the top choice of Japanese manufacturing companies among promising countries or regions for business development for the second year in a row, with China slipping to third place behind Vietnam.

Dec. 16, 2023: Japan and Malaysia [sign](#) a security assistance deal that includes a \$2.8 million grant to boost Malaysia's maritime security, as Asian nations seek to counter an increasingly assertive China.

Dec. 17, 2023: Referencing the Japan-ASEAN forum, *Global Times* [cites](#) unnamed experts warning that if defense cooperation between Japan and Southeast Asian countries is directed against a third party, it will have a very negative impact on the stability of the regional order.

Dec. 17, 2023: Japanese chip gear-maker Kokusai Electric Corp. is [expanding](#) staff in China in anticipation of an increase in demand from the world's largest semiconductor market in 2024. Kokusai CEO Kanai Fumiyuki describes small-scale fabrication plants as "springing up like mushrooms in China" driven in part by efforts to localize chip production as the US is erecting higher barriers on the export of advanced chips and chip gear.

Dec. 18, 2023: *Yomiuri* [observes](#) that Japan must take steps to resolve Beijing-related differences among ASEAN members to formulate a trustful relationship with the group.

Dec. 18, 2023: Hoping to regain market share in China, Nissan will [launch](#) a joint research next year with Tsinghua University on reaching Generation Z—those born between 1995 and 2009 — and on the social responsibility of automakers in battery recycling, charging stations and other electric vehicle-related issues.

Dec. 18, 2023: Namazu Hiroyuki, director-general of the Japanese foreign ministry's Asian and Oceanian Affairs Bureau, [lodges](#) a telephone protest with Yang Yu, deputy minister at the Chinese Embassy in Tokyo, saying that it is extremely regrettable that China has resumed development at a gas field in the East China Sea.

Dec. 19, 2023: In the 34th such [intrusion](#) by official Chinese ships this year and the first since Dec. 10, four Chinese coast guard ships enter Japanese territorial waters around the Senkaku Islands on Dec. 18. The Haijing-class vessels leave after approximately two hours.

Dec. 19, 2023: Chinese media [point](#) out that Japan's continued release of water from the Fukushima reactor undermine its claims to for cooperation and development with ASEAN and believe[s] that wise individuals within ASEAN can see through this and will remain sufficiently vigilant."

Dec. 19, 2023: On his first day in Beijing, Japanese Ambassador Kanasugi Kenji [vows](#) to "tenaciously" negotiate with Beijing to solve the row over the release of treated radioactive water from the Fukushima nuclear power plant into the sea.

Dec. 19, 2023: Japanese exports [decline](#) year on year for the first time in three months, dragged down by weak demand from China.

Dec. 20, 2023: Bearing in mind China's continued hegemonic moves in the East China Sea and the South China Sea and aiming to [ensure](#) the safety of sea lanes by tightening cooperation among coastal nations, the heads of

the Japan and Philippine coast guards sign a memorandum of understanding to improve their maritime domain awareness by pooling oceanographic data to detect suspicious ships.

Dec. 21, 2023: China's renminbi [surpasses](#) the Japanese yen's share of global payment transactions for the first time in almost two years, as low interest rates in China boost the appeal of its currency for financing trade.

Dec. 21, 2023: In a further indication of Japanese-South Korean cooperation to counter China's technological prowess, Samsung will [invest](#) about \$280 million over five years in a facility for research into advanced chip packaging in Yokohama.

Dec. 21, 2023: A Chinese year-ender review [notes](#) that signs of Japan's right-wing military ambitions that go along with the US' "Indo-Pacific Strategy," including accelerated deployment plan of missiles that can strike foreign countries, have raised vigilance among Chinese experts.

Dec. 22, 2023: Taking note of the Japanese government's approval of a record-high 7.9 trillion yen (\$56 billion) defense budget for fiscal 2024, the vice-president of the Center for China and Globalization [warns](#) that China needs to make it very clear to the Japanese government that it cannot have a free hand in increasing its military budget to develop its military capabilities to such an extent.

Dec. 25, 2023: To [counter](#) Chinese and Russian "killer satellites" capable of destroying other countries' satellites, the Japanese government is considering adding surveillance capabilities to the Self-Defense Forces' next-generation communications satellites set to be launched in the 2030s.

Dec. 25, 2023: [Tracing](#) the trajectory of Japan in the past, China, having shaped the market with its cheap cars, is now developing luxury sports cars. BYD, for example, is [using](#) a Western-style mansion in Shanghai to introduce its SUV Yangwang U8, with a price tag of \$153,000.

Dec. 26, 2023: A Chinese military source [accuses](#) Japan of attempting to leverage ASEAN to open the Pandora's Box of its arms exports under the guidance or tacit approval of the US.

Dec. 26, 2023: Writing in *South China Morning Post* former Chinese diplomat Shi Jiangtao [argues](#) that unless China moderates its stand, addresses security concerns, and works on its image, it will be hard to prevent a pivot toward Japan in the region.

Dec. 27, 2023: By the end of fiscal year 2023 in April 1 2024, the Japanese government will have [designated](#) a total of 583 sites as critical to national security.

Dec. 29, 2023: Japanese government sources say that the Japanese and Chinese governments [plan](#) to hold discussions at an expert level early next year regarding treated radioactive wastewater discharged into the ocean.

Dec. 29, 2023: China [becomes](#) the world's top automobile exporter on an annual basis for the first time, thanks to bigger footholds in Russia and Mexico and a growing global electric vehicle (EV) industry, even compared to former export leader Japan's double-digit rise.

Dec. 29, 2023: [Interviewed](#) by *Yomiuri*, Tarumi Hideo, ambassador to China from September 2020 to October 2023, says that Japan and China are ready to resolve specific issues between the two countries since Kishida and Xi confirmed their intention to promote strategic and mutually beneficial ties between the two nations in November.

Dec. 29, 2023: *Yomiuri* [editorializes](#) on the need to "devise ways to ensure that the procurement of drug substances and other materials is not biased toward certain countries, including China."

Dec. 30, 2023: Citing unnamed sources "familiar with the matter" *Japan Times* [reports](#) that China plans to keep its ships near the Diaoyu/Senkaku

Islands every day in 2024. Its coast guard will, according to the sources, conduct inspections of Japanese fishing boats in the area, if necessary, to boost Beijing's sovereignty claim.

Dec. 31, 2023: Japan coast guard [reports](#) four China coast guard vessels sailing in the contiguous zone (approximately 22 km outside territorial waters) off the coast of Minami-Kojima Island and Taisho Island in the Senkakus. This is the 352nd day this year that CCG vessels have been spotted in the contiguous zone, a new record for annual incursions and an increase of 16 days over the previous record of 336 days in 2022.

