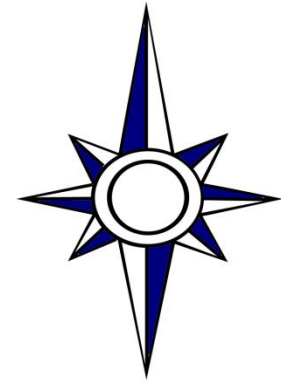


Comparative Connections

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Japan-China Relations: To August 15 – Toward September 3*

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The summer months witnessed a parade of senior Liberal Democratic Party figures traveling to Beijing including Vice President Komura Masahiko, former Minister of Finance Nukaga Fukushima, and General Council Chairman Nikai Toshihiro. Nikai led a 3,000-person business delegation, met President Xi Jinping privately and gave him a personal note from Prime Minister Abe Shinzo. In July, National Security Council Secretary General Yachi Shotaro met State Councilor Yang Jiechi and Premier Li Keqiang. The visits were aimed at sustaining positive political trends, securing an invitation for Abe to visit China, and anticipating issues related to Abe's August statement commemorating the end of the war. Elsewhere, security concerns over the East China Sea and South China Sea continued to beset relations. Meanwhile, China prepared to celebrate the 70th anniversary of the Chinese People's War of Resistance against Japanese Aggression and the World Anti-Fascist War with a victory parade on Sept. 3.

High-level political engagement

The engagement by senior Liberal Democratic Party (LDP) leaders began in early May. On May 4, a supra-party delegation of the Japan-China Parliamentarians Friendship Union, led by LDP Vice President Komura Masahiko and Komeito deputy leader Kitagawa Kazuo, visited Beijing. They met Tang Jiaxuan, former state councilor and head of the China-Japan Parliamentarians Friendship Union. Referencing Prime Minister Abe's remarks to the US Congress, Tang noted the absence of the words "*shinryaku*" ("aggression") and "*owabi*" ("heartfelt apology") that former Prime Minister Murayama used in his statement marking the 50th anniversary of the end of the war. Anticipating Abe's Aug. 15 statement, Tang emphasized the importance of appropriately managing the issues of history. Komura replied that Abe's remarks would be based on acute reflection and would underscore Japan's unchanging path as a peaceful country and its contributions to world peace. Tang also expressed concern with security legislation pending in the Diet. Komura replied that the legislation is not aimed at any particular country. Komura also called for greater transparency with regard to the Asian Infrastructure Investment Bank (AIIB).

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On May 5, the Japanese delegation met Zhang Dejiang, the third-ranking member of the Politburo in the Great Hall of the People. Zhang welcomed the Japanese parliamentarians by observing that relations had taken “an initial step toward improving” and that their visit would enable relations to continue to make progress. At the same time, Zhang expressed the hope that Abe’s Aug. 15 statement would find acceptance among the Chinese people and the world. Komura repeated his talking points that Abe’s remarks would be based on acute reflection and Japan’s unchanging path as a peaceful country and its contributions to world peace. The discussion also touched on China’s AIIB, with Zhang expressing his hope for Japan’s cooperation and Komura pointing to the need for greater transparency in the bank’s organization and management structures. The delegation met individuals from People’s Liberation Army’s Academy of Military Science on May 5 and returned to Tokyo on May 6.

Former Minister of Finance Nukaga Fukushima met Zhu Zhensheng, the fourth-ranking member of the Politburo and Chairman of the Chinese People’s Political Consultative Conference, in the Great Hall of the People on May 8. Zhu focused on history and Abe’s Aug. 15 statement. Nukaga afterward told reporters that Zhu had expressed dissatisfaction with Abe’s remarks in Jakarta and in Washington because he had failed to touch on Japan’s wartime aggression. He quoted Zhu as saying “If Japan does not feel sorry for having caused tremendous misfortune to other countries, we have no choice but to show concern that it may repeat the same mistakes.” Nukaga noted that Abe had repeatedly stated that he would uphold the positions on history that had been articulated by previous governments. Japanese sources reported that the one-hour meeting was conducted in a “calm atmosphere” despite the discussion of sensitive history issues, with Zhu praising recent progress in improving relations. Earlier, on May 6, Nukaga met with Tang Jiaxuan, who praised Nukaga for working tirelessly since normalization to improve China-Japan relations.

At the end of May, LDP heavyweight Nikai Toshihiro led a 3,000-member delegation of Japanese business leaders and Japan-China Friendship organizations to Beijing. On May 23, during an exchange ceremony in the Great Hall of the People, President Xi Jinping made what was characterized as an unscheduled appearance. Xi praised the Japanese delegation as representing “Japanese with a sense of justice and reason” and called on its members “to jointly oppose attempts to distort history.” While denouncing Japan’s past militarism and the suffering inflicted on the Chinese people – “it is not forgivable to conceal the past crime of aggression by militarist Japan and distort historical truth” – Xi noted that “the Japanese people were also victims.” He pointed to the long history of China-Japan exchanges and called for continuing efforts to strengthen people-to-people exchanges, especially when “the two countries’ relations are not working favorably.” He said, “China places great importance to developing Sino-Japanese relations. China has not changed this basic policy and will not change it in the future.”

At the gathering, Nikai met privately with Xi for 10 minutes and handed over a personal letter from Prime Minister Abe. Afterward, Nikai quoted Xi as saying “I have met Abe twice and am expecting that it will bring about positive results ... please send my best regards to Prime Minister Abe.” The following day, Nikai told a press conference that he had talked with the prime minister by telephone and that Abe was “paying attention to our meeting, he was very pleased.” Xi’s remarks to the Japanese delegation were carried as front page news by the *People’s Daily* and other Chinese media sources, including the PLA’s *Liberation Daily*. Chief

Cabinet Secretary Suga Yoshihide, commenting on Xi's remarks, told reporters that "Bilateral relations will improve if we steadily promote the mutually beneficial strategic relationship." Nikai also spoke at Tsinghua University and traveled to Guangdong and Darien.

On May 27, Nikai met Abe at the Kantei and reported on his trip. Later, on May 30, Nikai told a television audience that during his meeting with Xi, the president had observed that he had met with Abe twice and "wants to do so again" and that it was important for both sides to work toward the realization of a third meeting.

Advancing an Abe-Xi meeting

Yachi Shotaro, secretary general of the National Security Secretariat visited Beijing in mid-July. On July 16, he met for five and a half hours with State Councilor Yang Jiechi at the Diaoyutai State Guesthouse. According to media reports, Yang told Yachi that "China attaches great importance to your trip and is preparing for high-level political dialogue between the two countries." Yang proposed promoting "exchanges in all aspects," but also criticized Japan's security legislation as fueling "doubts and questions among neighboring countries and the international community." Yachi replied that bilateral relations are improving and that their meeting would set up an important channel for communication. Media speculated that Yachi also briefed Yang on Abe's Aug. 15 statement and that the two diplomats explored the timing of an Abe visit to China in early September. On July 17, Yachi met Prime Minister Li Keqiang in the Chinese Communist Party (CCP) headquarters in Zhongnanhai. Yachi asked Li for China's cooperation in arranging a trilateral China, Japan, ROK summit. According to Chinese Foreign Ministry sources, Li defined 2015 as a year of "both challenges and chances" in the bilateral relationship. He emphasized the importance China attaches to strengthening ties and the mutually beneficial strategic partnership with Japan. Yachi also met Defense Minister Chang Wanquan. Both agreed on the earliest possible implementation of the bilateral liaison mechanism aimed at preventing accidental incidents at sea and in the air. Yachi briefed Abe on his visit at the Kantei on July 21.

Later, the *Mainichi Shimbun*, in a July 23 story attributed to "diplomatic sources in Beijing," reported that Yang had set three conditions for an Abe visit to China when he met Yachi: adherence to the four key political documents that frame the bilateral relationship, adherence to the Murayama statement, and an indication Abe will not visit the Yasukuni Shrine.

Preparations for the 70th anniversary: China

On June 23, the People's Liberation Army (PLA) announced plans for the 70th anniversary victory parade on Sept. 3, marking the Chinese People's War of Resistance against Japanese Aggression and the World Anti-Fascist War. Also, to celebrate the historic victory under the leadership of the CCP, the government's propaganda campaign featured the release of television documentaries, plays, motion pictures, and collections of historical documents and letters. At the Museum of Chinese People's Resistance against Japanese Aggression, a special exhibit of captured Japanese war artifacts went on display beneath a glass floor, a 21st century version of the Shogunate *fumie* practice.

Commenting on the much-anticipated Aug. 15 statement to be released by Japan, Foreign Ministry spokesperson Lu Kang, told reporters “Not just Japan’s Asian neighbors, including China, are highly concerned about Japan’s remarks and attitude on the history issue ... We hope that the Japanese leader can adopt a correct attitude, deeply reflect on its history of aggression, honor previous Japanese Cabinets’ statements and commitments to history, stick to the path of peaceful development and take concrete actions to win the trust of China and other Asian neighbors and the international community.”

In its July edition, the Japanese magazine *Facta* reported that prior to his May visit to China, Nikai had been asked by Chief Cabinet Secretary Suga to convey to President Xi that Prime Minister Abe’s Aug. 15 statement would contain no expression of apology and be issued as a personal statement, not a Cabinet document. *Facta* also reported that a Chinese diplomatic source related that “The Xi regime is no longer insisting on an apology in the statement. President Xi has succeeded in purging his political foes through the anti-corruption campaign, so it is becoming unnecessary to provoke anti-Japanese sentiments....”

July 7 marked the 78th anniversary of the Marco Polo Bridge Incident and the beginning of ceremonies marking the 70th anniversary of Chinese People’s War of Resistance against Japanese Aggression and the World Anti-Fascist War. Unlike last year, President Xi did not attend. Three days later, Vice Foreign Minister Cheng Guoping told a press conference that Xi had invited Abe to attend the Sept. 3 ceremonies marking the end of the war. Asked about the invitation, Chief Cabinet Secretary Suga replied that the invitation had not arrived. As for the content of the ceremonies, he said various explanations had been received from the Chinese government, and, as a diplomatic matter, he would refrain from comment. At the end of August, Abe, citing urgent Diet affairs requiring his attention, told the Upper House Budget Committee that he would not travel to China on Sept. 3.

On Aug. 25, *Xinhua News Agency* released an article calling on Japan’s emperor to apologize for the war. The article drew a diplomatic protest from Japan, while Chief Cabinet Secretary Suga found the article “extremely disrespectful toward the emperor and absolutely undesirable,” telling reporters that it had the effect of pouring water on the recent improvement in Japan-China relations brought about by the two summit meetings.

Preparations for the 70th anniversary: Japan

In a *Kyodo News-Tokyo Shimbun* poll released on May 1 respondents were asked if Prime Minister Abe in his Aug. 15 statement should express “remorse and apology” for Japan’s colonial rule and aggression; 50.4 percent answered “Yes,” down from 54.6 percent in an end of March poll; 36.1 percent answered “No,” up from 30.5 percent in the March poll. (In an Aug. 14 *Mainichi Shimbun* poll, 47 percent of respondents said the war was a “mistake.” At the same time, 55 percent approved of visits by the prime minister to Yasukuni Shrine.)

The Abe government released a summary of the April 22 meeting of the Advisory Panel on the History of the 20th Century and on Japan’s Role in the World Order of the 21st Century on May 12. The panel, chaired by Nishimura Taizo, president of Japan Holdings, met at the Kantei. Two outside experts, Kubo Fumiaki of Tokyo University and Hosoya Yuichi of Keio University

addressed issues related to Japan's post war diplomacy, focusing on successful efforts at reconciliation with the US, the UK, and Australia. The panel met for the fifth time on May 26, again at the Kantei. Afterward, Nishimura told reporters that, rather than making needless apologies, the keynote of the Aug. 15 statement should focus on the future and that the future should never be lost sight of.

On June 8, Kitaoka Shinichi, acting chair of the Advisory Panel, addressed the Aug. 15 statement in a *Yomiuri Shimbun* exclusive story, focusing on four words: aggression, colonial rule, reflection and apology. Kitaoka found that in the 1930s and 1940s, "Clearly Japan committed an act that falls under any those definitions [of invasion.]; that its colonial rule was harsh; that its treatment of "ordinary citizens in the occupied areas and prisoners of war was terrible." In contrast, Japan's postwar peaceful economic development represented an acknowledgement of the wrongs of the past – invasion and colonial rule – and feeling proud of its postwar peaceful development cannot be separated.

Turning to the issue of responsibility – reflection or apology – Kitaoka wrote,

The word 'responsibility' has two aspects. One of them is that those who actually committed the wrongdoings, or rather crimes – should be held to account....

However, it should be noted that in prewar Japan, there were people who were never involved in any important decision-making process or who were opposed to such decisions. These people should never be held responsible like those who made the decisions. In this context, Japanese born after the end of the war are innocent of any wrong committed before and during the wars.

The Japanese people of today, I think, should assume the second aspect of responsibility. It is important for them to remember the mistakes Japan made in the past, never repeat them and create a better future. This is an act of reflection, rather than an apology. By reflection, I mean an act of appealing to the Japanese people as a way of self-discipline.

What is important here is reflection, not apology. I don't personally agree that an apology should be emphasized. Japan has apologized many times ... the purpose of an apology is reconciliation, and this is possible only when both sides make efforts for such a purpose. An apology by one side will not realize reconciliation by both sides.

On June 11, Nikai Toshihiro, chairman of the LDP's General Council, anticipating the Aug. 15 statement, told an interviewer that "we have been building something and no one expects a statement that will destroy it." He went on "If you think of Japan's position in international society, Prime Minister Abe bears great responsibility. We think he will release an admirable statement." On June 15, Abe told a Hong Kong *Phoenix Television* interviewer that "Japan will never again repeat the disaster of war, going forward this will not change."

Speaking at the Japan National Press Club on July 23, Chinese Ambassador Cheng Yonghua cautioned Japan against backtracking on statements related to history made by previous governments. Cheng made it clear that "If the statement is deliberately made vague, or it lightens responsibility, it will once again rip open the wounds of China and other victims and rub salt in them."

In remarks delivered at the Kansai Press Club in Osaka on July 24, former Prime Minister Murayama called on Abe to issue the Aug. 15 statement as a Cabinet document, not a personal statement. A personal statement, he argued, would only deepen concerns and be without meaning. Murayama noted that the statement issued by the prime minister on the 60th anniversary was issued as a Cabinet document.

Niwa Uichiro, former ambassador to China, told the *Asahi Shimbun* that Abe, in the Aug. 15 statement, “must comprehensively reflect on World War II and speak about the direction he wants to lead Japan in the future. If the statement deviates from the official statements by past prime ministers and governments, it could create a diplomatic problem.” Referring to his July 19-21 visit to Beijing to meet Tang Jiaxuan, Niwa said “I was expecting a thaw to have begun to set in, but I realized that it hasn’t changed for the better. Neither side has yet to dispel their suspicion of each other.”

Toward the Abe statement

The Advisory Panel on the History of the 20th Century and on Japan’s Role in the World Order of the 21st held its sixth meeting on June 25. After the meeting, Kitaoka reiterated his view on the use and inclusion of the word “aggression” in the Aug. 15 statement. The panel met for the last time on July 21. Later, Kitaoka told a *BS Fuji* television audience that “China has called on Japan to face history squarely, not offer more expressions of remorse and apology. Only the Japanese media and Korea say Japan has not apologized enough.” At the same time, *Xinhua* took the position that failure to include the words “deep reflection” and “remorse” would represent “a significant pull back from previous statements.”

The Advisory Panel submitted its report to Prime Minister Abe on Aug. 6. The report used the word “aggression” to define Japan’s activities in the 1930s and 1940 which “caused much harm to various countries, largely, in Asia through a reckless war.” The document asserted that “based on deep remorse, Japan has been reborn as a country that is completely different from what it was in the first half of the 20th century....” A footnote stated that dissenting views had been expressed about the definition of aggression and did not address the need for another apology.

Commenting on the report, China’s Foreign Ministry spokesperson observed that China and the international community “all pay great attention to the statement made by the Japanese leader. We urge the Japanese side to squarely look at and deeply reflect upon the war launched by Japanese militarism, send a clear message on the nature of the war and responsibility for it....”

Aug. 14-15

On the evening of Aug. 14, Prime Minister Abe, delivering a prime-time televised address, presented his government’s statement by Cabinet decision on the 70th anniversary of the end of the war. Key passages in the statement:

We must learn from the lesson of history the wisdom for our future...

With the Manchurian Incident ... Japan gradually transformed itself into a challenger to the new international order ... Japan took the wrong turn and advanced along the road to war...

On the 70th anniversary of the end of the war, I bow my head deeply before the souls of all those who perished both at home and abroad. I express my feelings of profound grief and my eternal, sincere condolences...

We must never forget that there were women behind the battlefields whose honor and dignity were severely injured...

Upon the innocent people did our country inflict immeasurable damage and suffering... When I squarely contemplate this obvious fact, even, now, I find myself speechless and my heart is rent with the utmost grief...

Incident, aggression, war – we shall never again resort to any form of the threat or use of force as a means of settling international disputes. We shall abandon colonial rule forever and respect the right of self-determination...

Japan has repeatedly expressed the feelings of deep remorse and heartfelt apology for its actions during the war...

Such position articulated by previous cabinets will remain unshakeable into the future.

How much emotional struggle must have existed and what great efforts must have been necessary for the Chinese people who underwent all the sufferings of the war...

In Japan, the post-war generations now exceed eighty per cent of its population. We must not let our children, grandchildren, and even future generations to come, who had nothing to do with that war, be predestined to apologize. Still even so, We Japanese, across generations, must squarely face the history of the past ... and pass it on to the future...

We will engrave in our hearts the past, when Japan attempted to break its deadlock with force. Upon this reflection, Japan will continue to firmly uphold the principle that any disputes must be settled peacefully and diplomatically based on respect for the rule of law and not through the use of force, and reach out to other countries in the world to do the same....

On Aug. 15, in the National Memorial Service for the War Dead, the emperor expressed his “deep remorse over the last war” and his earnest hope that “the ravages of the war will never be repeated.” The words “deep remorse” were used for the first time in the emperor’s statement. Also on Aug. 15, the LDP’s policy chief, Inada Tomomi, Minister in Charge of Female Empowerment Arimura Haruko, Minister of Internal Affairs Takaichi Sanae, and Minister for Disaster Management Yamatani Eriko along with a supra-party delegation of 66 members of the Diet paid homage at the Yasukuni Shrine. Prime Minister Abe, as president of the LDP, made a private offering at the shrine.

Reaction in China and Japan

In its analysis of Abe’s statement, the *Global Times* editorial noted that the inclusion of the words “apology,” “remorse,” “colonial,” and “aggression,” only met “the minimum demands of China.” The paper found Abe’s remarks lacking the “relatively earnest attitude” of the Murayama Statement, and observed that apparently, Abe had no intent to make a “heartfelt apology.” The editorial judged that “The speech will not trigger a worsening of Sino-Japanese

ties, nor will it help to significantly improve relations. The play of words provides various interpretations. But after the contradictory interpretations offset each other, what is left is basically nothing.”

Reacting to the visits to Yasukuni Shrine, the Foreign Ministry spokesperson painted the shrine as “a spiritual tool and symbol of the wars of aggression launched by the Japanese militarism and found the visit of Japan’s political leaders as evidence of “the wrong attitude towards the history issue.” China is “firmly opposed and dissatisfied with this.” Nevertheless, the following week, Japanese media were reporting that Abe would visit China in the afternoon of Sept. 3, after the morning victory parade.

In Japan, public opinion polls indicated support for Abe’s statement. A *Kyodo News Agency* survey conducted on Aug. 15, found 44.2 percent of respondents taking a favorable view of the statement, while 37 percent did not. A *Yomiuri Shimbun* poll conducted Aug. 15-16 found 48 percent of respondents supporting the statement; 34 percent did not. Also, 72 percent supported the statement’s reference to the continuity of the Murayama and Kono statements; 20 percent did not. As for future apologies, 63 percent did not favor continuing apologies; 27 percent did. Finally, 50 percent did not believe the statement will influence relations with China or Korea. A *Sankei Shimbun* public opinion poll found 57.3 percent of respondents approving the statement; 31.1 percent did not. Also, 59.8 percent approved of the reference to the continuity of the Murayama and Kono statements. As for the future, 66.1 percent did not favor continuing apologies, and 77.6 percent did not believe that relations with China and Korea will be affected by the statement. An *Asahi Shimbun* poll conducted Aug. 22-23 found 40 percent of respondents supporting Abe’s statement; 31 percent did not; 54 percent found the use of the words “deep remorse and heartfelt apology” to be appropriate; 20 percent did not; 46 percent agreed that future generations should no longer continue to apologize; 39 percent did not; and 11 percent thought it would have a positive effect on relations with China and Korea; 17 percent did not, while 59 percent thought it would have no effect.

On Aug. 19, Nikai Toshihiro, LDP General Council chairman held a press conference at the Foreign Correspondents’ Club in Tokyo. Nikai noted a “thawing” in bilateral relations and “the great interest” in holding a summit. He went on to say that “both leaders are fully aware of this” and that “I am confident that this will happen.”

Security

Security developments in the southwest region of Japan and the East China Sea continued to contribute to tension in the relationship. For its part, Japan took several steps to bolster its security posture. On May 11, State Minister of Defense Saito Akira visited Miyakojima and Ishigakijima in Okinawa prefecture to discuss plans to deploy 700-800-man Ground Self-Defense Force units to the islands. Meanwhile, the Ministry of Defense was reported to be considering a similar deployment to Anami-Oshima and the stationing of a Ground Self-Defense Headquarters on Miyakojima. The deployment to Miyakojima will include ground-to-ship and ground-to air-missile units. The units deployed to Miyakojima will be responsible for the surveillance of PLA air and naval activities. A senior Ministry of Defense official reportedly defined the area as a “strategic zone” for Japan. On May 21, the Metropolitan Police Department

and the Japan Coast Guard announced a joint drill to take place on Chichijima in the Ogasawara Islands to deal with a scenario of illegal landings on islands in the Ogasawara chain. On June 30, the Abe government announced plans to establish a special unit dedicated to the policing of territorial waters around the Senkaku Islands. The unit will include six additional Coast Guard ships and an additional police unit with 12 patrol ships with helicopter assets. A surveillance unit of the Ground Self-Defense Force will also be deployed to Yonagumi Island, Japan's westernmost island. It is scheduled to become operational in the spring of 2016. Prime Minister Abe said these initiatives were "aimed at strengthening the administration of outlying islands."

Japan attributed the need for the strengthened security posture to ongoing Chinese activity. On June 13, the *Yomiuri Shimbun* reported that the Chinese Coast Guard was planning to build a large-scale base in Wenzhou in Zhejiang Province, in close proximity (approximately 356 km) to the Senkaku Islands. Reportedly the Wenzhou base will occupy 500,000 sq. meters with a 1.2 km pier capable of servicing coast guard ships with a displacement of 10,000 tons, and will include hangar facilities and a large training area. On July 19, PLA Navy ships were observed transiting in international waters between Okinawa's main island and Miyakojima for exercises in the western Pacific. In a *Yomiuri Shimbun* interview, Hibako Yoshifumi, former chief of the Ground Self-Defense Force, found Japan's security environment "worse than it was during the Cold War." "China," he observed "is behaving defiantly in the South China Sea. Can we rule out the possibility that China will someday declare that Okinotorishima 'belongs to us' and start reclaiming territory around the island, or occupy it on the pretense that it is rescuing shipwrecked fishermen?" Speaking in Washington, Adm. Kawano Katsuyoshi raised the possibility of Japan eventually conducting patrols and surveillance activities in the South China Sea.

Japan's latest defense budget reflects the growing concern regarding China's defense buildup. On Aug. 20, the *Asahi Shimbun* reported that Japan's Ministry of Defense will request a record ¥5,091 trillion/\$41 billion for the FY 2016 defense budget, a 2.2 percent increase over the initial 2015 budget request and the second consecutive year exceeding ¥5 trillion. Acquisition is focused on an *Aegis* class-destroyer, 12 *MV-22 Ospreys*, six *F-35A* fighters, and three *Global Hawk* drones.

Tokyo also moved ahead with legislation to bolster its security posture. On July 16, Japan's Lower House adopted the government's proposed legislation. In Beijing the Foreign Ministry spokesperson told reporters that the passage of the laws represented an "unprecedented move since the Second World War and may lead to significant changes in Japan's military and security policies. It is fully justified to ask if Japan is going to give up its exclusively defense-oriented policy or change the path of peaceful development.... We solemnly urge the Japanese to draw hard lessons from history, stick to the path of peaceful development, respect the major security concerns of its Asian neighbors, and refrain from jeopardizing China's sovereignty and security interests or crippling regional peace and stability."

Meanwhile, Japan also released its latest defense white paper. On July 16, the LDP's Defense Division approved the paper. Approval was initially withheld because the initial Ministry of Defense draft had failed to mention Chinese exploration activities in the East China Sea. The white paper, as approved by the Cabinet, was issued on July 21. The document notes that China "continues to act in an assertive manner, including coercive attempts to change the status quo,

and is poised to fulfill its unilateral demands without compromise.” In the South China Sea, the white paper notes that “China has pressed ahead with rapid and large-scale land reclamation works in seven features in the Spratly Islands, including runways and ports, which has raised concern among the international community.” In the East China Sea the document notes that “in addition to its existing platforms, China had been building new offshore platforms and other facilities on the Chinese side of Japan-China medial line ... since June 2013.” In response, the Japanese government “has repeatedly lodged protests against China’s unilateral development and demanded the termination of such works...” The document called attention to Air Self-Defense Force scrambles against Chinese aircraft, a record 464 in 2015, an increase of 49 over 2013 and to the fact that China “routinely,” deploys ships to the waters around the Senkaku Islands.

China’s Ministry of National Defense criticized the white paper as “throwing dirt on the image of the Chinese military, charging the Abe government with “trying to greatly change national security policy, even while claiming to pursue a course of an exclusively defensive posture and peaceful development.” China’s Foreign Ministry characterized the white paper as “maliciously exaggerating the ‘Chinese threat.’” Regarding the Diaoyu Islands, the ministry said that “China will continue with necessary measures, including “patrols into Chinese territorial waters.” As for the South China Sea, the statement criticized Japan for “interfering in the issue and trying to stir up tensions in the region.”

In what appears to be the one hopeful sign of defusing tension, Kuroe Tetsuro, director general of the Ministry of Defense Policy Bureau, briefed Guan Youfei, head of China’s Ministry of National Defense Foreign Affairs Office on the newly released US-Japan Defense Guidelines on May 18 in Tokyo. At the meeting, the two sides also agreed on the earliest implementation of the air-sea liaison mechanism. Both also agreed that the mechanism will cover only international waters and airspace and not apply to sovereign waters and air space. The meeting of director general-level defense officials was the first in two years.

Senkaku/Diaoyu Islands

Tensions in the Senkaku/Diaoyu Islands also continued to run high as Chinese Coast Guard ships continued to conduct patrols in the region while Japan continued to report these patrols as infringements on Japan’s contiguous zone and territorial waters.

April 21-May 10: *Haijian 2102, 2305, and 2350* operate in Japan’s contiguous zone; on May 15, the ships entered Japan’s territorial waters. When warned by Japanese Coast Guard not to enter territorial waters, the ships replied in Chinese and Japanese that they were operating under Chinese law and conducting a regular patrol.

May 13-June 1: *Haijian 2151, 2306, and 2401* operate in Japan’s contiguous zone; ships enter Japan’s territorial waters on May 28.

June 2- 24: *Haijian 2305, 2307, 2308, 2149, 2166, and 2337* operate in Japan’s contiguous zone; ships enter Japan’s territorial waters on June 3, June 17, and June 26.

June 3: LDP addresses letter to Wang Jiarui, head of the International Department of the CCP, demanding that China cease incursions into Japanese territorial waters, defining Chinese actions as “a grave threat to Japan and cause the Japanese people unbearable agony.”

June 5-7: Chinese research ship found operating without prior notification in Japan’s Exclusive Economic Zone (EEZ).

June 15: Chinese research ship found operating without prior notification in Japan’s EEZ.

July 2-6: *Haijian 2151, 2166 and 2308* ships operate in Japan’s contiguous zone; ships enter Japan’s territorial waters on July 3.

July 17-18: Chinese research ship found operating without prior notification in Japan’s EEZ.

July 17-20: *Haijian 2146, 2307 and 2308* operate in Japan’s contiguous zone.

July 23-Aug. 3: *Haijian 2307 and 2308* entered Japan’s territorial waters on July 24 and July 29. Chinese ships warned Japan Coast Guard against intruding into Chinese territorial waters and requested immediate Japanese withdrawal.

Aug. 1: Chinese research ship found operating within Japan’s EEZ.

Aug. 2: *Haijian 2151, 2337, and 2501* enter Japan’s territorial waters; the 22nd incursion in 2015.

Aug. 5-13: *Haijian 2151 and 2337* operate in Japan’s contiguous zone.

Aug. 12-17: *Haijian 2113 and 2166* operate in Japan’s contiguous zone.

Aug. 26: *Haijian 2113, 2166 and 2305* enter Japan’s territorial waters in the Senkakus; on Aug. 27, Japan lodged a diplomatic protest.

Aug. 26-31: *Haijian 2113, 2166, and 2305* operate in Japan’s contiguous zone.

East China Sea

There were also indications over the summer months that tensions over oil and gas fields in the East China Sea were re-emerging as a source of tension. On July 6, Chief Cabinet Secretary Suga announced that Japan had repeatedly protested China’s construction of a new platform for gas exploration in the East China Sea. Construction of the new platform, on the Chinese side of the mid-line boundary in the East China Sea, began in June, 2013. On July 10, Defense Minister Nakatani Gen told the Lower House Security Special Committee that the gas exploration platform could provide a site for radar and helicopter operations to monitor Japanese Self-Defense Force operations in the area. Prime Minister Abe added that Japan will continue to “protest strongly China’s ‘unilateral actions.’” On July 11, it was reported that Abe had raised the issue with Xi during his November 2014 and April 2015 meetings. On July 22, the Abe government released aerial photos of the new platforms, which drew protests from Beijing.

In Beijing, the Foreign Ministry found the release of the photos as reflecting an effort to spark confrontation rather than constructively advance bilateral relations. Explaining the release of the photos, Chief Cabinet Secretary Suga said “we made the decision after considering the various factors in light of the growing interest at home and abroad in [China’s] attempts to change the status quo unilaterally.” Rejecting Chinese criticisms, he added that Chinese efforts at land reclamation in the South China Sea and actions to strengthen its claims in the East China Sea were “extremely regrettable.”

On July 24, China’s Foreign Ministry found the Japanese request to cease exploration to be “complexly unjustified” as China’s activities were “completely appropriate and legal.” The statement went on to point out that China and Japan had not agreed to boundary delimitation in the East China Sea and that China did not recognize Japan’s claimed mid-line boundary. The Ministry expressed the hope that frictions in the East China Sea could be managed through dialogue and cooperation. In his remarks to the Japan National Press Club, Ambassador Cheng explained that exploration efforts were taking place in “indisputably” Chinese territory and that left no room for Japan’s erroneous statements.

On July 27, China’s Foreign Ministry released a five-point rejoinder to Japan’s demands to cease exploration activities in the East China Sea. The document declared that “there are no grounds whatsoever for Japan’s demand, and China’s oil and gas development in the East China Sea is fully justified and legitimate.” The document went on to point out that

- China’s oil and gas development in the East China Sea falls within China’s sovereign rights and jurisdiction and is beyond reproach....
- China and Japan have yet to reach agreement on maritime delimitation in the East China Sea. China does not recognize the so-called medial line unilaterally claimed by Japan....
- Acting in the overall interest of bilateral ties with Japan, China has long exercised restraint and refrained from conducting oil and gas exploration in the disputed areas of the East China Sea....
- For years China and Japan maintained communication over issues related to the East China Sea and the two sides reached principled consensus on the East China Sea issue in June 2008. Yet Japan’s misrepresentation of the consensus thereafter created obstacles to its implementation ... the process came to a halt because of the incidents caused by Japan in the East China Sea....
- China is ready to have dialogue and communication with Japan on issues related to the East China Sea t through various channels...

On Aug. 6, Foreign Ministers Kishida and Wang met on the sidelines of the ASEAN-led meetings in Kuala Lumpur. Kishida raised the issue of China’s “unilateral” oil and gas exploration in the East China Sea and emphasized the importance of cooperative development

based on the June 2008 Japan-China agreement. Wang replied that China's exploration activities are taking pace in an area of China's "indisputable" sovereignty.

South China Sea

Reacting to reports that the Mekong Japan Summit had adopted a statement expressing concerns about the South China Sea, China's Foreign Ministry spokesperson commented that "that Japan has been overactive on the South China Sea recently. Pursuing its own selfish interests, Japan has been heating up tensions and sowing discord among regional countries.... Japan is not a concerned country to the South China Sea issue. We urge Japan to stop hyping up this issue or launching groundless accusations against China and take concrete steps to maintain peace and stability in the region."

In remarks delivered in Washington on July 29, Adm. Takei Tomohisa, commander of the Maritime Self-Defense Force, warned that Chinese island-building efforts in the South China Sea could allow China to extend its military influence throughout the entire maritime region. The admiral linked the Indian Ocean and the western Pacific as areas that "cannot be separated both politically and economically" with "security in each of these two oceans as identical." Looking to the ARF meeting in Malaysia and addressing China's landfill activities in the South China Sea, Foreign Minister Kishida set out Japan's priorities as rule of law and freedom of navigation in the region.

During the early August meetings of the EAS foreign ministers and the ARF, Japan made clear its support for the Philippine arbitration case brought against China. On Aug. 6, Foreign Minister Wang delivered China's response, noting that "the situation in the South China Sea is stable, on the whole, and there is no possibility of major conflicts. China therefore objects to any non-constructive words or deeds that attempt to exaggerate the disagreements, hype up confrontation and heat up tensions, which do not conform to reality....China has a stake in freedom of navigation in the South China Sea.... China always maintains that countries enjoy freedom of navigation and overflight ... in accordance with international law. Up to now, there has not been a single case in which freedom of navigation in the South China Sea is impeded." The ARF Chairman's closing statement emphasized the importance of freedom of navigation and airspace and expressed concerns with China's landfill activities in the South China Sea. China's response was to take note of the concerns.

Business and Economics

Japan's direct foreign investment in China plunged 9.4 percent in the January-May period over the previous year. Economic reports suggested that Japanese companies were concerned with the potential for a recurrence of anti-Japanese demonstrations that followed nationalization of the Senkakus in 2012, rising Chinese labor costs, and difficult profit positions. On Aug. 19, China's Ministry of Commerce announced that Japanese direct investment in China had fallen 24.2 percent to \$2.14 billion in January-July from the same period in 2014.

Nevertheless, Japanese automobile makers experienced growth in new car sales, Honda in particular. From January-May, Honda experienced 31.3 percent growth in sales, amounting to

387,752 vehicles. Toyota in January-April sales reported a 20.1 percent increase to 320,300 vehicles. Nissan, however, experienced a January-April decline of 2.5 percent in sales. However, as the Chinese economy strained in July, new car sales slumped: Nissan, down 14 percent; Mitsubishi, down 14 percent; Suzuki, down 32 percent; and Fuji, down 29 percent. The exception was Toyota which experienced a 24 percent jump in new car sales.

Meanwhile during the January-April period, Chinese tourists to Japan nearly doubled over 2014 to a total of 1.33 million and in data released by the Japan National Tourism Organization, Chinese travelers to Japan in April totaled 400,000, an all-time high on a monthly basis.

On May 26, Keidanren President Sakakibara Sadayuki announced that representatives from Keidanren, Keizaidoyukai, and the Japan Chamber of Commerce and Industry would travel to China in November, to “hold various types of economic exchanges with Chinese companies of different sizes” with “an opportunity to meet with Chinese government leaders.”

On June 3, the LDP’s foreign policy and finance divisions met to discuss participation in the AIIB. The draft report presented both pro and con positions on participation but failed to reach a conclusion on a recommendation other than that the government should “carefully watch the situation.” Earlier, Prime Minister Abe had advised the group that “there is no need to rush.” According to a senior administration official, this approach reflects thinking that “China needs Japan’s participation for the sake of getting better credit ratings.”

History and the Nuclear Nonproliferation Treaty Review Conference

A Japanese draft document circulated at the Review Conference called on world leaders and youth to visit Hiroshima and Nagasaki. The Japanese draft met with opposition from China, whose ambassador took objection to Japan, as the instigator of the war, singling out Hiroshima and Nagasaki as sites for special attention. Foreign Minister Kishida replied that the Review Conference should keep its focus on advancing a world without nuclear weapons; at the same time he would strive to keep the references to Hiroshima and Nagasaki in the document. Once again, the debate devolved into issues related to Japanese and Chinese perspectives on history and the war. Addressing the issue, a Chinese Foreign Ministry spokesperson asked “if you are to inquire about the possibility of China’s leaders visiting Hiroshima and Nagasaki, when will Japanese leaders visit Nanjing Memorial Museum?” Japan’s efforts to include specific references to Hiroshima and Nagasaki proved unavailing.

At the end of July, the government announced its intention, during the autumn meeting of the UN General Assembly, to introduce a resolution on disarmament that would include a call on world leaders and youth to visit Hiroshima and Nagasaki

Outlook:

As the Sept. 3 victory celebrations fade into the autumn, odds for a third Abe-Xi Summit will firm up.

Chronology of Japan – China Relations May – August 2015

May 4, 2015: Japanese, Chinese and Korean finance ministers meet in Baku, Azerbaijan.

May 4-5, 2015: Liberal Democratic Party (LDP) Vice President Komura Masahiko and Komeito deputy leader Kitagawa Kazuo lead supra-party of Japan-China Parliamentarians Friendship Union to Beijing and meet Tang Jiaxuan, head of China-Japan Parliamentarians Friendship Union and Zhang Dejiang, third-ranking member of the Politburo Standing Committee.

May 6-8, 2015: Former Minister of Finance Nukaga Fukushiro visits Beijing and meets Tang Jiaxuan and Zhu Zhensheng, the fourth-ranking member of the Politburo and Chairman of the Chinese People’s Political Consultative Conference.

May 12, 2015: Japan-Philippines hold joint exercises in South China Sea.

May 13, 2015: China Academy of Social Sciences releases 2014 Japan Blue Book and notes opportunity to improve relations but continuing lack of trust.

May 15, 2015: China, Japan, and ROK hold third counter-terrorism consultations in Beijing.

May 21, 2015: China’s Ministry of National Defense (MND) announces People’s Liberation Air Force (PLAAF) bombers transit in international airspace between Okinawa and Miyakojima for exercises in the western Pacific.

May 23, 2015: LDP General Council Chairman Nikai Toshihiro leads 3,000-member delegation of business leaders and Japan-China Friendship organizations to Beijing.

May 26, 2015: China’s MND releases *China’s Military Strategy* report.

June 1, 2015: Chief Cabinet Secretary Suga Yoshihide assails Chinese conduct in creating artificial islands in the South China Sea emphasizing the importance of rule of law.

June 3-4, 2015: Chinese and Japanese officials meet in Beijing to discuss cooperation under extradition treaty.

June 6, 2015: Chinese and Japanese finance ministers meet in Beijing, the first meeting in three years.

June 11, 2015: China accepts November visit of Japan’s war orphans, the first visit in six years.

June 13, 2015: *Yomiuri Shimbun* reports China is building a large coast guard base in Wenzhou, 356 km from the Senkakus.

June 15, 2015: Prime Minister Abe Shinzo tells Hong Kong *Phoenix TV* that Japan will never repeat the disasters of the war.

June 15, 2015: *Global Times* announces Chinese plans to build large-scale Coast Guard base in Wenzhou.

June 23-24, 2015: Japan-Philippines conduct naval exercise off the coast of Palawan in the South China Sea.

June 25, 2015: Chinese Embassy cautions Japan against involvement in South China Sea.

June 30, 2015: Abe government announces plans to establish special unit dedicated to policing territorial waters, including the Senkakus.

July 4, 2015: Prime Minister Abe and Vietnamese Prime Minister Nguyen Tan Dung express concern over Chinese land reclamation in the South China Sea.

July 6, 2015: Chief Cabinet Secretary Suga Yoshihide announces protest of China's unilateral development of oil and gas fields in the East China Sea.

July 7, 2015: 78th anniversary of Marco Polo Bridge incident is commemorated in China.

July 10, 2015: Minister of Defense Nakatani Gen tells Lower House that China's new oil and gas platforms in East China Sea could have military uses.

July 15, 2015: Japan's Ministry of Defense announces 114 fighter scrambles against Chinese aircraft in April-June period, an increase of 21 over the January-March period.

July 16, 2015: Japan's Lower House adopts security legislation expanding the definition of the right to collective self-defense.

July 16-17, 2015: Secretary General of Japan's National Security Council Yachi visits China and meets State Councilor Yang Jiechi and Premier Li Keqiang.

July 21, 2015: Abe Cabinet approves release of Japan's *2015 Defense White Paper*.

July 22-23, 2015: Former Taiwan President Lee Teng-hui visits Japan and meets Diet members and Prime Minister Abe.

July 22, 2015: Abe government releases aerial photos of new Chinese exploration platforms in the East China Sea.

July 24, 2015: China's Foreign Ministry calls Japan's request to stop East China Sea gas exploration "unjustified" and defends China's actions as "completely appropriate and legal."

July 24, 2015: China's Foreign Ministry criticizes Japan for allowing visit of former Taiwan President Lee Teng hui.

July 29-30, 2015: Four PLA aircraft transit in international airspace between Okinawa and Miyakojima; Air Self-Defense Force aircraft scrambles in response.

July 31, 2015: Chinese boat, crew, and captain taken into custody under suspicion of coral poaching off Nagasaki prefecture; released the following day after paying fine.

Aug. 4, 2015: Foreign Minister Wang Yi cautions countries that not parties to the South China Sea dispute to refrain from meddling.

Aug. 6, 2015: Foreign Ministers Kishida and Wang meet on the sidelines of the ARF meeting.

Aug. 6, 2015: Advisory Panel on the History of the 20th Century and Japan's Role in the World Order in the 21st Century submits final report to Prime Minister Abe.

Aug. 14, 2015: Prime Minister Abe releases Cabinet statement on the war and the future.

Aug. 15, 2015: Emperor expresses “deep remorse” at the National Day of Remembrance for the War Dead at commemorative ceremonies; Prime Minister Abe attends.

Aug. 15, 2015: Anti-Japanese war memorial opens in San Francisco's Chinatown; two officials of China's State Council, a former deputy chief of mission at the Chinese embassy in Washington attend the ceremony.

Aug. 19, 2015: Japan's Ministry of Defense releases record ¥5,091 trillion/\$41 billion budget request for FY 2016.

Aug. 19, 2015: LDP General Council Chairman Nikai tells reporters that he is confident of an early Japan-China summit; supports “shelving” of Senkaku issue.

Aug. 20-28, 2015: China and Russia conduct joint exercise in the Sea of Japan.

Aug. 24, 2015: Prime Minister Abe tells Upper House Budget Committee that he will not attend Sept. 3 event in Beijing and will postpone visit to China.

Aug. 25, 2015: Abe government announces that it will not send an official representative to Sept. 3 victory parade; China announces former Prime Minister Murayama will attend.

Aug. 25, 2015: China announces representatives from 49 countries will attend Sept. 3 victory parade in Beijing.

Aug. 25, 2015: *Xinhua* releases article calling on Japan's emperor to apologize for the war; Japan lodges diplomatic protest on Aug. 27.

Aug. 26, 2015: Japanese Coast Guard request ¥4.4 billion/\$36.3 million for FY 2016 to enhance capabilities to deal with increasing Chinese Coast Guard and fishing boats in Senkaku Islands; Miyakojima Coast Guard Station upgraded to Coast Guard Office.

Aug. 27, 2015: Foreign Minister Kishida informs Upper House Diplomatic and Defense Committee that Japan has protested Chinese incursions into Japanese territorial waters in the Senkaku Islands.

Aug. 28, 2015: Chief Cabinet Secretary Suga criticizes *Xinhua* article on Aug. 25 as pouring water on recent improvement in Japan-China relations brought about by two summit meetings.