

## Japan-China Relations: Cross Currents

James J. Przystup  
Institute for National and Strategic Studies, The National Defense University

In October, Japanese Prime Minister Koizumi Junichiro met with China's Premier Wen Jiabao and President Hu Jintao. On each occasion, the leaders renewed commitments to enhance cooperation in the bilateral relationship, and, at the leadership level, cooperation – on North Korea, energy, banking and finance, and conservation – defined the relationship over the final quarter of the year. China's leaders, however, made clear that a proper understanding of history is central to the development of bilateral relations

Economic and financial relations continued to expand and diversify, almost on a daily basis. But Japan's rapidly expanding private sector presence on the mainland had to deal with Chinese national sensitivities and the burdens of history. In one instance, Toyota had to pull an advertisement for its SUV in response to a groundswell of Chinese protests and internet threats of a boycott.

Meanwhile, the repercussions of a Fukuoka murder committed by Chinese students; of the September Zhuhai sex orgy involving a Japanese business tour group; and of a Chinese rampage at Xian's Northwest China University following a dance performed by Japanese students resurfaced nationalist sentiments in both countries. At the same time, the August Qiqihar chemical weapons incident and a series of compensation cases brought in Japanese courts by Chinese survivors of wartime forced labor kept history in the forefront of the relationship.

### **Japanese Behaving Badly: Zhuhai**

At the end of September, Chinese media reported that authorities in Zhuhai were investigating allegations of a three-day sex orgy, Sept. 15-18, involving 300 to 400 touring Japanese businessmen and 300 local prostitutes and nightclub hostesses at the five-star International Conference Center Hotel and the three-star Yuehai Hotel. On Sept. 30, China's *Xinhua* news service quoted local authorities to the effect that the "difficult case" required careful investigation; details were not made available at the time. Chinese media, however, noted that the sex spree took place on the eve of the 72nd anniversary of Japan's invasion of Manchuria in 1931, and China's active internet gave the story heavy and lurid anti-Japanese play.

A month later, Japan's *Kyodo* news service identified the Japanese businessmen as employees of the Osaka-based Kooki construction company. *Kyodo* also reported that the firm had failed to report over ¥400 million in taxable income over the past four years

and had been hit with a tax penalty surcharge of approximately ¥75 million. For its part Kooki declined to comment on the tax case but denied any involvement in “systematic prostitute buying.” Kooki maintained that the trip had been organized “to commend employees as part of a company campaign.”

On Oct. 9, Zhang Qiyue, the Chinese Foreign Ministry’s spokesperson, told reporters that the incident had “aroused the great indignation of the Chinese people” and expressed the hope that Japan would “educate its citizens to be more law abiding abroad so as to safeguard the image of Japan.”

On Dec. 12-13, a closed-door trial, involving 14 Chinese defendants, was conducted before the Zhuhai Intermediate Court; two defendants received life sentences, while others received terms from 2 to 15 years. At the same time, *Xinhua* reported that Beijing had asked Interpol to circulate warrants for the arrest of three Japanese citizens involved in the affair. In Tokyo, Chief Cabinet Secretary Fukuda Yasuo acknowledged that the government had received a request for cooperation from Beijing but made clear that Japan would deal with the matter “in line with domestic law” and that the government cannot detain individuals solely on a request from Interpol. Police authorities made clear that they are unable even to investigate unless a Japanese law is broken. The *Asahi Shimbun* speculated that Beijing well understood that, as a matter of principle, Japan does not extradite its citizens but raised the issue purely for domestic political purposes.

### **Chinese Behaving Badly:**

#### **Xian ...**

On Oct. 29, three Japanese exchange students and a professor, wearing fake genitalia, red brassieres, and t-shirts that proclaimed that Japan loves China, performed a dance routine during a cultural affairs festival at Xian’s Northwest China University. The performance set off two days of protest and unrest. *Reuters* reported that over 1,000 Chinese students participated in anti-Japanese demonstrations. At the university, Chinese students entered the foreign students dormitory, attacked two Japanese students, and demanded an apology. The police later transferred all foreign students from the dormitory to a local hotel. The following day, although expressing remorse in a written statement, the three students were expelled from the university and the professor suspended.

The unrest soon spread from the campus and involved the local citizenry. Japanese shops in Xian were set upon, and the arrest of Chinese demonstrators only added fuel to the fire. On Oct. 31, the director general for Consular Affairs in China’s Foreign Ministry called in Minister Takahashi Kunio from the Japanese Embassy. Takahashi was told that the students’ action ran against Japanese government policy, which called on its citizens to respect Chinese customs and sensitivities. Takahashi was also informed that demonstrations were spreading beyond the university. That evening, the remaining Japanese students explained to university authorities that they had no intention of having their skit insult their fellow Chinese students.

As negotiations between the Japanese students and university authorities continued over the wording of an apology, reports of spreading unrest reached Tokyo. The *Asahi Shimbun* reported that the Foreign Ministry and the embassy in Beijing had discussed the issuing of travel warnings for Xian, if demonstrations did not subside by Nov. 2. However, the students' statement of reflection and remorse, issued Nov. 1, and steps taken by local Chinese authorities shortly restored order.

### **Fukuoka...**

Two Chinese exchange students suspected of involvement in a June 20 Fukuoka robbery and murder case were arrested in China; Fukuoka law enforcement authorities traveled to China to attend the interrogation of the two Chinese suspects. A third Chinese suspect is under arrest in Japan. According to the Oct. 3 affidavit, the students targeted the victim and his family for their money, clothes, and foreign car. The former Japanese language students confessed to the crime and to disposing the bodies by driving the car into the ocean.

The Fukuoka case soon surfaced anti-Chinese sentiment in Japan, with Kanagawa Gov. Matsuzawa Shigefumi observing that all Chinese on student visas were "sneak thieves." The governor later amended his remarks to not "all." In December, in part prompted by the Fukuoka incident, the government announced a tightening of visa requirements for foreign students. A *Japan Times* report on the decision noted that "applicants from China, in particular, will be targeted, as 80 percent of students who overstay their visas are Chinese."

### **Chemical Weapons: Qiqihar**

On Aug. 4, at a construction site in Qiqihar city in Helionjiang Province, 36 workers were exposed to poison gas leaking from canisters abandoned by the Imperial Japanese Army. One worker died and 30 were hospitalized as a result of the exposure. Beijing demanded that Tokyo take "appropriate" actions, and discussion between the two governments soon turned to finding a mutually agreeable sum. In early September, initial press reports from Tokyo cited a Japanese figure of ¥100 million.

As the talks between Beijing and Tokyo continued, the families of the construction workers engaged legal representation to negotiate compensation with the Japanese government, with a view to taking the issue to court should discussions prove unavailing. (The families may have been encouraged by a Sept. 29 Tokyo District Court ruling on similar poison gas cases. See below: Japanese Courts and Chemical Weapons.) On Oct. 3, the lawyers addressed a petition asking for an apology and compensation to Prime Minister Koizumi, while making known to the press that the workers and their families were suffering "economic and emotional" harm as a result of the incident.

Taking his turn with the media, Chief Cabinet Secretary Fukuda told reporters that China, in the Normalization Communiqué of 1972, had waived claims to future compensation resulting from the war and that the Chinese government also bore some responsibility.

Fukuda questioned whether or not it could be said that China was completely in the dark with respect to Japan's chemical weapons. Before resolving the issue, he wanted to hear from the experts, whom the government had dispatched to the Qiqihar site. Fukuda also told reporters that, because the incident was a matter between the two governments, he saw no need for the lawyers of the Qiqihar victims to meet with the prime minister. Meanwhile, on Oct. 3, Foreign Minister Li Zhaoxing called in Japanese Ambassador Anami Koreshige, to express China's dissatisfaction with the speed of Tokyo's response.

On Oct. 13-15, the director of the China Office in the Ministry of Foreign Affairs traveled to Beijing for meetings on the issue. On Oct. 19, hours before a scheduled meeting between Prime Minister Koizumi and China's President Hu at the APEC conference in Bangkok, the two governments reached agreement. Japan upped the sum to ¥300 million, while China agreed to accept money as "cooperation" funds rather than "compensation." A final letter of agreement was exchanged in Beijing between Masatsugu Sumimaru, minister to the Japanese Embassy and the director of the Chinese Foreign Ministry's Office for Abandoned Chemical Weapons, Ge Guangbiao. The cooperation funds are to serve as sympathy money for the victims' families and to promote steps to prevent future incidents.

A national public opinion poll, conducted by *China Youth Daily* from Sept. 7 through Oct. 5 and published on Nov. 9, reported that 83 percent of the respondents (average age of 28, with 70 percent between 19-35) held that the Qiqihar incident had damaged the image of Japan; only 8 percent said that it had not. As for the then unresolved compensation issues, 86 percent saw it as evidence of Japan trying to escape its war-related responsibilities.

### **Japanese Courts and Chemical Weapons**

On Sept. 29 a Tokyo District Court, ruling in favor of 13 Chinese plaintiffs who represented victims and family members who had died or suffered injury as a result of exposure to Japan's chemical weapons abandoned in China, ordered the Japanese government to pay ¥190 million in compensation. The court was acting on cases brought from incidents that had occurred in 1972, 1982, and 1995. Judge Katayama Yoshiro ruled that the Japanese government had failed to provide China with information regarding the abandoned chemical weapons and thus had failed to take steps necessary to prevent injury. Katayama rejected the government's claim that China had waived all claims to future compensation with respect to war damage at the time of normalization of relations.

Katayama's decision contrasted with the ruling in a similar case, adjudicated in May, which held that because Japanese sovereignty did not extend to China and the recovery of weapons there, it was difficult to find that the government was avoiding damages. While Katayama accepted that Japan's sovereignty did not extend to China, he reasoned that had the government provided China with information on the weapons, the incident could have been avoided. Katayama also rejected the government's argument with respect to the 1974 case that the 20-year statutory limit for the filing of a suit had expired, ruling that the government's position went against the principles of justice.

Two days later, on Oct. 2, two of the Chinese plaintiffs met with Foreign Minister Kawaguchi Yoriko in the Diet building and asked her not to appeal the decision. The previous day, in a letter delivered to Koizumi's official residence, two plaintiffs made a similar request to the prime minister. On Oct. 1, as the prime minister was passing through the Diet building, they called after him asking for a meeting; Koizumi, however, did not stop and was hustled away by his security detail. Later, Koizumi told reporters that he would wait to hear the results of discussions between the Justice and Foreign Ministries before making a decision on an appeal.

In November, the *Asahi* reported that 10 residents of Chongqing who had suffered from Japanese bombing during the war had expressed the intention to seek compensation against the Japanese government in the Tokyo District Court. The Chinese press reported that as many as 309 Chinese may join the lawsuit, which seeks a total of approximately ¥400 million in compensation.

### **Japanese Courts and Wartime Forced Labor**

On Dec. 8, previously classified Foreign Ministry documents detailing the use of forced labor during the war were submitted to the Fukuoka High Court as evidence in a suit brought by survivors of forced labor in Fukuoka Prefecture.

Last year, the Fukuoka District Court ordered Mitsui Mining Company to pay damages of ¥165 million to 15 Chinese survivors of forced labor. The court, however, rejected their demands for compensation from the Japanese government, upholding the government's position that the claims fell under the Meiji Constitution, which was in effect from 1890 to 1947. In bringing suit, the plaintiffs seek to overturn the District Court judgment on the grounds that "the government's illicit activities have continued into the postwar era." (The Foreign Ministry's report was compiled in 1946 and the government acted in 1960 to keep the report secret.) The pending appeal challenges both the 20-year statute of limitations and previous court rulings that postwar governments cannot be held responsible for wartime actions.

### **The Courts and Japanese War Orphans**

Also bringing suit for compensation, this time in a Sapporo District Court, were 80 Japanese orphans who had been abandoned in China at the end of the war. Following repatriation, the orphans, lacking adequate Japanese language skills, have been hard pressed to make a living in Japan. The suit asked for an apology from the government and individual compensation of ¥330,000, yielding a total of ¥26.4 million. Japan's Welfare Ministry determined that the total number of such orphans in country at the end of October stood at 2,470, of whom 65 percent had been on welfare in a 1999 survey.

On Nov. 26, the Welfare Ministry confirmed the identity of an additional 10 war orphans of Japanese ancestry in China; the orphans are scheduled to return temporarily to Japan next February to conduct interviews in a search for relatives.

## High-Level Contacts

On Oct. 7, Prime Minister Koizumi met with China's Premier Wen Jiabao on the island of Bali on the occasion of the ASEAN Plus Three meeting. Wen told the prime minister that the development of China-Japan relations served the interests of both peoples; for that reason reciprocal high-level visits are essential. Thus, he looked forward to a visit by Koizumi at an appropriate time. However, Wen also told Koizumi that for that visit to take place it was essential to create a good atmosphere and, in this regard, it was important to deal correctly with history. Speaking indirectly to Koizumi's visits to the Yasukuni Shrine, Wen told the prime minister that he wished to benefit from his wisdom in this matter. History, the premier noted, was a "sensitive" issue between the two countries, but placed responsibility "upon the militarists of the past," while recognizing that the Japanese people too were "its victims."

Koizumi told Wen that he wanted to expand cooperation with China in all fields and that he looked forward to a visit by Wen to Japan. Koizumi also appreciated the role played by China in the search for a comprehensive resolution of the nuclear, missile, and abduction issues posed by North Korea and asked China to continue to exert its influence with Pyongyang. Wen expressed China's commitment to a peaceful resolution of the nuclear issue, but, while expressing his understanding of the abduction issue, told Koizumi that China thought the issue best resolved by bilateral discussions between Tokyo and Pyongyang.

Koizumi also expressed his sincere determination to resolve the Qiqihar incident in a mutually satisfactory way and his appreciation for China's cooperation in the arrest of the Chinese students involved in the Fukuoka murders.

Later, when asked by reporters whether he would continue to visit Yasukuni, Koizumi responded that he thought he would; moreover, he did not think the visits would prove to be an "obstacle" to improving Japan-China relations, asserting that he and the Chinese understood that paying respect at the shrine did not signify a revival of militarism. China's Foreign Ministry Spokesperson Zhang Qiyue had a different take on the issue. Commenting on the Wen-Koizumi meeting, Zhang told reporters that Wen had "stressed that to understand and treat history correctly is the key to the development of bilateral relations." China hoped that "the Japanese side will treat the question of the Yasukuni Shrine in such a spirit."

Two weeks later, on Oct. 20, Koizumi met with China's President Hu Jintao during the APEC meeting in Bangkok. Koizumi again expressed his regard for China's role in evolving the six-party talks with respect to North Korea and asked for China's cooperation in resolving the abductee issue. In reply, Hu echoed Wen, expressing sympathy but advising resolution on a bilateral Japan-North Korea basis. Addressing China-Japan relations, Hu again echoed Wen (and former President Jiang Zemin), advising that the two countries "face the future using history as a mirror." The president told Koizumi that "the issue of history should be handled carefully, and that things that

would harm the feelings of war-victim countries should never be done again.” Looking to the future, Koizumi and Hu agreed to the formation of a “Japan-China Friendship Committee of the 21<sup>st</sup> Century” to promote the development of friendly relations.

At the end of December, *The Japan Times* reported that Koizumi is considering an Aug. 15 visit to Yasukuni in accordance with his 2001 campaign promise to visit the shrine on Aug. 15. The report quoted one of the prime minister’s aides as saying “If he is criticized no matter when he visits, it would be more upright to visit as pledged.” Earlier, on Dec. 25, *Kyodo* reported from Beijing that Kono Yohei, speaker of the House of Representatives, had accepted an invitation to visit China in April. Chinese sources were reported as saying that China wanted more contact with Japan but has not welcomed Koizumi “due to his repeated visits to Tokyo’s Yasukuni Shrine.” On Dec. 23, in an online forum, China’s Foreign Minister Li addressed the issue and noted that individual Japanese political figures “lack correct understanding of history” with respect to Yasukuni.

### **Cooperation...**

The commitment of the political leadership in both countries to expand cooperation across the board was evidenced in a number of areas:

On Oct. 7, on the occasion of the ASEAN Plus Three meeting in Bali, China and Japan joined with the Republic of Korea to issue the first ever Joint Declaration on the Promotion of Tripartite Cooperation. The Joint Declaration focused on cooperation on the promotion of peace and stability in the region, including the denuclearization of the Korean Peninsula and antiproliferation measures, as well as cooperation in the fields of trade, investment, health (SARS research), the environment, information, and communication technologies.

On Oct. 23, working-level discussions on energy cooperation were held in Beijing. Agenda items included Japanese support for China’s efforts to develop a petroleum reserve, measures to deal with electrical shortages, and technological cooperation in the utilization of natural gas. The meeting was the seventh in a series dating from 1996, but the first to focus on comprehensive energy cooperation, including electricity.

On Oct. 24, the governor of the Bank of Japan, Fukui Toshihiko, met in Beijing with his Chinese counterpart. Discussions focused on common problems such as the clean up of bad loans and the potentially deflationary impact of international price competition. Neither side spoke to the exchange rate issue. Three days earlier, however, Finance Minister Tanigaki Sadakazu and China’s Ambassador to Japan Wu Dawei agreed to exchange information on China’s currency. Both officials saw the exchange as the start of a dialogue through existing government channels.

On Oct. 27, the two governments agreed on a long-term conservation program for the crested ibis. The program will run through 2010, with China providing assistance in the

breeding of the birds, which today are found only in the wild in China, and Japan extending financial and technical support.

On Nov. 24, telecommunication authorities announced that the two countries would launch a three-year project aimed at joint experimentation on the use of next-generation, internet-capable phones for high-speed data transmission between Japan and China. The project will involve several universities and companies, including Kyoto University, Beijing University, and Fujitsu Ltd.

### **And Competition in Southeast Asia**

Prior to the ASEAN Plus Three meeting in Bali, it was reported that ASEAN leaders had expressed concern with Tokyo's policy toward the region, comparing Japan's seeming lethargy to China's active courting of ASEAN as underscored by Beijing's proposal for a China-ASEAN Free-Trade Area by the year 2010. During the meetings, ASEAN leaders had invited Japan to accede to the Treaty of Amity and Cooperation (TAC), ASEAN's founding document. (Both China and India signed the document during the Bali Summit.)

Koizumi initially declined, explaining that the Treaty might not be compatible with Japan's obligations under the U.S.-Japan Security Treaty. Three weeks later on Nov. 4, following criticism that Japan was losing out to China in Southeast Asia, Chief Cabinet Secretary Fukuda told reporters that the government was studying the downside of TAC accession. On Nov. 18, Japan announced its intention to sign the treaty during the December Japan-ASEAN Summit in Tokyo.

While Foreign Minister Kawaguchi dismissed concerns about China's growing influence in Southeast Asia, a Foreign Ministry official was quoted in the *Sankei Shimbun* to the effect that "we want to strengthen ties with ASEAN nations to counter China." During the ASEAN summit, however, Koizumi told reporters that he saw China's growth "not as a threat, but rather an opportunity," benefiting both Japan and ASEAN countries.

### **ODA**

From an allocation of ¥134.2 billion in 2002, ODA for China had fallen to ¥120 billion in 2003, and the political incentive for further reductions in FY 2004 was only increased by China's successful October launch of a manned space vehicle as the ODA budget was being formulated. At the political level, the chief Cabinet secretary told reporters that China "has now gained economic strength" and that the time had come "from the perspective of overall Japan-China relations" to take "a second look at the current way we provide economic assistance to it."

In the face of building political pressures, China's ambassador on Oct. 21 called on Finance Minister Tanigaki to request continuation of the ODA program in 2004 and beyond. Tanigaki less than reassuringly replied that he would "like to discuss the matter based on the new ODA charter." In early November, the *Nihon Keizai Shimbun* reported that the Ministry of Finance would cut the 2004 ODA budget for the fifth consecutive

year; the ODA allocation for China again was earmarked for reduction. On Dec. 16, the Ministry of Finance and the Foreign Ministry reached basic agreement on an overall 4.8 percent reduction in Japan's ODA budget for 2004.

### **SDF Deployment to Iraq**

The Koizumi government's Dec. 9 announcement of the decision to deploy Japan's Self Defense Force to Iraq was quick to draw comment from Beijing. The Foreign Ministry's Deputy Spokesperson Liu Jianchao told reporters that China hoped that Japan would "protect its policy of self-defense only" and "hold fast to the path of peaceful development." Doing so would "benefit Japan's own self-interest and contribute to both regional as well as global peace and stability." *Xinhua* was less diplomatic, asserting that the deployment testified to Japan's interest in again becoming a military power and securing oil interests in the Middle East.

### **Business and Economics**

Commercial and financial relations continued to broaden and deepen – almost on a daily basis. All was not completely smooth sailing, however. In mid-November, it was reported that Kumamoto Prefecture was considering submitting a petition to Japanese customs authorities to suspend importation of Chinese tatami, suspected of being grown from illegally obtained or pirated seeds. Kumamoto producers had registered the brand name "hinomidori" in 2001 and are looking to profit from the high-quality mats produced from the "hinomidori" plants. Also, in November, Honda sued two Chinese motorcycle companies for trademark infringement, claiming that the Chinese trademark "Hongda" is easily mistaken for its own; in a similar case brought by Toyota, a Chinese court on Nov. 24 ruled that the Japanese and Chinese trademarks were "clearly distinct."

Toyota also found itself apologizing over an advertisement for its Prado GX SUV run in Chinese magazines. The advertisement showed a Prado driving past two Chinese stone lions, one portrayed as bowing and the other as saluting; the copy read "You cannot but respect the Prado." China's internet response was nationalistic and anti-Japanese, finding the lions similar to those at the Marco Polo Bridge. A second advertisement showed a Toyota Land Cruiser towing a broken-down military vehicle across a frozen Tibetan landscape, which Chinese critics saw as disrespecting the People's Liberation Army. Bombarded by criticism and with threats of a boycott moving across the internet, Toyota on Dec. 5 announced that it was pulling the controversial ads.

Economic relations will continue to flourish and serve as an anchor for the historically troubled Japan-China political relationship. Prime Minister Koizumi's continued visits to the Yasukuni Shrine – and Beijing's response – make it difficult to be optimistic about the bilateral political relationship in the months ahead. Adding stress to the relationship will be Japan's deployment of the SDF to Iraq, the coming presidential election in Taiwan, and the North Korean nuclear issue, where cooperation may be affected as a result of political strains at the leadership level.

## **Chronology of Japan-China Relations October-December 2003**

**Sept. 29, 2003:** Tokyo District Court rules in favor of Chinese seeking compensation for exposure to poison gas incidents in 1972, 1982, 1995.

**Oct. 2, 2003:** Chinese plaintiffs meet with FM Kawaguchi and ask that government not to appeal decision.

**Oct. 3, 2003:** Affidavit filed on Chinese students involved in June 20 Fukuoka murders.

**Oct. 3, 2003:** Lawyers for Chinese injured in August Qiqihar poison gas incident petition PM Koizumi for compensation and apology; China's foreign minister calls in Japanese ambassador to protest lack of resolution of Qiqihar claims.

**Oct. 7, 2003:** Japan-China-ROK working level discussions on North Korea at director-general level during ASEAN Plus Three meeting in Bali.

**Oct. 7, 2003:** PM Koizumi meets Premier Wen Jiabao at ASEAN Plus Three in Bali; Japan, China, and South Korea issue Joint Declaration on the Promotion of Tripartite Cooperation.

**Oct. 9, 2003:** Itochu Shoji, together with Chinese joint venture partner Ting Hsin, announce that Family Mart convenience store will open its first store in Shanghai by the end of 2003. Family Mart rival Lawson's, which opened in Shanghai in 1996, had 129 stores in operation as of Sept. 30. Seven-Eleven is planning to open its first store in Beijing.

**Oct. 9, 2003:** Boats carrying Chinese activists enter Japanese territorial waters and approach Senkaku Islands.

**Oct. 9-11, 2003:** Shenyang authorities arrest Chinese citizens involved in kidnapping former Japanese businessman.

**Oct. 10, 2003:** The official *China Daily* reports that Minolta will transfer all digital camera production to China.

**Oct. 13-15, 2003:** Japanese Foreign Ministry officials travel to Beijing to discuss Qiqihar compensation.

**Oct. 17, 2003:** Suntory announces construction of a second soft-drink plant in Shanghai to be completed by 2005.

**Oct. 19, 2003:** Settlement is made on Qiqihar incident.

**Oct. 20, 2003:** PM Koizumi meets with President Hu during APEC meeting in Bangkok.

**Oct. 21, 2003:** Japanese male citizen and woman claiming to be his sister seek asylum in Japanese Consulate General in Shenyang. Consultations between Tokyo and Beijing initiated.

**Oct. 21, 2003:** China's Ambassador Wu Dawei to Japan calls on Finance Minister Tanigaki to request continuation of Japan's ODA program for China.

**Oct. 23, 2003:** Working-level discussions on energy cooperation held in Beijing.

**Oct. 24, 2003:** Bank of Japan Gov. Fukui meets with Chinese counterpart in Beijing.

**Oct. 27, 2003:** Bilateral agreement on crested ibis conservation program is announced.

**Oct. 29, 2003:** Japanese students performance at Xian Northwest China University sets off Chinese protests.

**Oct. 30, 2003:** Japanese students involved in performance are expelled from Xian Northwest China University.

**Oct. 31, 2003:** Chinese Foreign Ministry calls in Japanese Minister on Xian Northwest China University incident.

**Oct. 31, 2003:** Tibet's Dalai Lama arrives in Japan at the invitation of a supra-party parliamentary league; China protests visit as aimed "at splitting China."

**Nov. 3, 2003:** Fujitsu announces opening of a chip design center in Shanghai.

**Nov. 6-7, 2003:** Japanese and Chinese business leaders meet in Osaka to discuss bilateral and Asian economic issues.

**Nov. 7, 2003:** Japanese citizenship established, female asylum seeker in Shenyang Consulate is repatriated to Japan.

**Nov. 12, 2003:** JMSDF P-3C finds Chinese Ming-class attack submarine on surface in international waters off the coast Satamisaki.

**Nov. 12-16, 2003:** China's Vice Foreign Minister Dai Bingguo begins five-day visit to Japan for consultations on North Korea; meets with Vice Minister Takeuchi Yukio, former LDP Secretary General Nonaka Hiromu; FM Kawaguchi, PM Koizumi, and LDP Secretary General Abe Shinzo.

**Nov. 12, 2003:** Mitsubishi Rayon announces plans for a new plant in Guangzhou and its intention to join Royal Dutch Shell in the first petroleum-chemical combine in China.

**Nov. 14, 2003:** Presidents of 16 Japanese, Chinese, and Korean electronic and software companies meet in Osaka to discuss cooperation in the development of a common operating system for computer and family electronic products.

**Nov. 18, 2003:** Japan announces intention to sign ASEAN Treaty of Amity and Cooperation, signed by China during ASEAN Plus Three Bali Summit.

**Nov. 20, 2003:** Nissan and its Chinese joint venture partner Dong Fang announce plans to produce medium and heavy trucks in China.

**Nov. 23-25, 2003:** Keidanren Chairman Okuda Hiroshi leads Japanese delegation to China to lobby for China's adoption of Shinkansen technology in the Beijing-Shanghai high-speed railway to be built for the 2008 Beijing Olympics. The delegation met with Premier Wen Jiabao in the Great Hall of the People.

**Nov. 23, 2003:** Chinese authorities release Chinese resident of Japan, Luo Rong (Kaneko Yoko) detained in May 2002 for Falun Gong activities.

**Nov. 24, 2003:** Toyota President Nakamura Kotsuki announces that the Toyota joint venture with China's FAW is aiming to produce 620,000 automobiles in China by 2007, a doubling of 2003 production.

**Nov. 25, 2003:** Japan's Sumo Association announces plans for June 2004 goodwill visit and exhibitions in Beijing and Shanghai.

**Nov. 27, 2003:** Foreign Ministry Director General for Asia and Oceanic Affairs Yabunaka Mitoji travels to Beijing to meet with Chinese counterpart Fu Ying on North Korea-related issues.

**Dec. 1, 2003:** Hitachi Home and Life Solutions announces it will purchase Chinese-manufactured refrigerators for sale in Japan under the Hitachi brand name.

**Dec. 2, 2003:** Japan's Democratic Party announces that Secretary General Okada Tetsuya will lead a parliamentary delegation to Beijing Dec. 23-26.

**Dec. 2, 2003:** Mizuho Bank President Saito Hiroshi announces plans for a significant expansion of banking operations in China, seeking to double the number of Mizuho branches there. Mizuho is already operating in Shanghai, Dalian, Beijing, and Shenzhen. Future activities are focused in Taijin, Guangzhou, Wuxi, Qingdao, and Chongqing.

**Dec. 3, 2003:** Japan's Tore announces plans to transfer elements of its research facilities to China as part of its overall strategy to expand its presence in the China market.

**Dec. 4, 2003:** Beijing protests Japanese plans to celebrate the emperor's birthday at Japan's unofficial Interchange Association on Taiwan scheduled for Dec. 12. The Foreign Ministry argued that private organizations should not hold celebrations usually

conducted by embassies. Over 600 of Taiwan's leading political and business leaders, including cabinet officials are expected to attend.

**Dec. 5, 2003:** Japan defeats China in the opening day soccer match of the East Asian Football Championship in Tokyo.

**Dec. 5-7, 2003:** First meeting of Japan-China Friendship Commission held in Dalian.

**Dec. 8, 2003:** Previously classified Foreign Ministry documents submitted by Chinese plaintiffs to Fukuoka District Court in suit against government involving compensation for wartime forced labor.

**Dec. 9, 2003:** Koizumi government announces Cabinet decision to deploy Self-Defense Forces to Iraq; China expresses concerns.

**Dec. 12-13, 2003:** Zhuhai Intermediate Court hears case relating to Zhuhai sex scandal; fourteen Chinese citizens sentenced.

**Dec. 18, 2003:** *Xinhua* posts pictures of Japanese involved in planning of Zhuhai orgy.

**Dec. 18, 2003:** Bank of Japan office opens in Beijing.

**Dec. 18, 2003:** The Bank of Japan announces the opening of a Beijing office, the seventh overseas office, established since the opening of the Washington office in March 1991.

**Dec. 21-22, 2003:** Democratic Party of Japan Secretary Okada Tetsuya leads party delegation to Beijing; meets with CCP and government officials.

**Dec. 24, 2003:** Nippon Steel joins Baoshan Iron and Steel and Arcelor S.A. of Luxembourg to set up a joint venture in Shanghai to produce high quality sheet steel.

**Dec. 25, 2003:** Former Japanese PM Mori Yoshiro visits Taiwan; meets with President Chen Shui-bian and former President Lee Teng-hui.

**Dec. 26, 2003:** China protests Mori visit to Taiwan.