

Japan-China Relations: Not The Best Of Times

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

Both Tokyo and Beijing looked for ways to advance cooperation this quarter. The ASEAN Plus Three framework provided one venue. North Korea provided another. Commercial and economic relations provided a third: two-way trade in the first six months of 2004, for the fifth consecutive year, hit a new high.

But a series of events, such as resource exploration in disputed areas in the East China Sea, Chinese maritime research activities in Japan's claimed Exclusive Economic Zone (EEZ), significant anniversaries – the Marco Polo Bridge Incident (July 7), Aug. 15 visits by Japan's political leaders to the Yasukuni Shrine, the Mukden Incident, (Sept. 18) – combined with Japan's 3-1 victory over China in the China-hosted Asia Cup soccer tournament to keep nationalist emotions at a high state in both countries. Other issues of history, munitions abandoned by the Imperial Army in China, court decisions on compensation claims for wartime forced labor, and Taiwan also played into the relationship. It was not the best of times.

Exploration in the East China Sea

At the end of May, the Japanese press reported that China had started exploration in the Chunxiao natural gas field, an area of the East China Sea adjacent to the mid-point maritime demarcation line between Japan and China. (Japan claims the mid-point line as the maritime boundary of its EEZ; China does not recognize the mid-point line as a maritime boundary.) Concerned that China's exploration would extend across the demarcation line and siphon resources from Japan's EEZ, Tokyo made repeated requests of Beijing for data regarding Chinese activities. Following a Cabinet meeting June 29, Economic, Trade and Industry Minister Nakagawa Shoichi told reporters that Beijing had failed to respond adequately to Japan's requests and that he was intent on Japan conducting its own survey of the area.

China's Foreign Ministry's Spokesperson Zhang Qiyue greeted Nakagawa's announcement with a call for diplomatic talks to prevent a worsening of the situation; meanwhile, China's Assistant Minister for Foreign Affairs Chen Guofang called in Japanese Ambassador Anami Koreshige to express China's "grave concern." Anami

underscored the importance of trust and confidence between the two governments and repeated Japan's request for data regarding China's exploration activities.

On July 2, Japan's Foreign Ministry Assistant Spokesperson Okuyama Jiro called for the issue to be addressed in "a quiet and peaceful manner," stating that Japan had "no intention of raising tensions" and calling on China to provide "relevant information" regarding its activities. Okuyama explained there was no need to ask prior approval from Beijing because Japan's survey activities would take place on its side of the mid-point line. Addressing the dispute over the demarcation of respective EEZs and the continental shelf, Okuyama echoed the view of China's Foreign Ministry that the issue should be resolved through "peaceful consultations."

On July 7, Japan began its survey activities. That evening, Chief Cabinet Secretary Hosoda Hiroyuki told reporters that Japan's actions, because they were taking place inside Japan's EEZ, raised "no problems whatsoever." That was not the view in Beijing. On July 8, Vice Foreign Minister Wang Yi called in the Japanese ambassador to lodge an official protest against Japan's "unilateral" action. China's *Xinhua* news service paraphrased the vice minister as saying that Japan should "immediately stop activities that infringed upon China's interests and sovereignty." Wang went on to tell Anami that China "cannot tolerate" Japan's "provocative" actions."

To address various issues related to China's maritime research activities, the demarcation of maritime boundaries, and the protection of Japan's maritime natural resources, an Inter-agency Coordinating Committee met Aug. 6 at the Prime Minister's Residence.

At the end of August, the *Sankei Shimbun* reported that the electronic version of Nanjing's *Yangtze Evening News* had carried a story that China had started to lay a 470 km seabed pipeline linking the mainland to the undersea gas fields in the East China Sea. On Aug. 27, Chief Cabinet Secretary Hosoda said that the story, if true, could only cause Japan again to express its grave concern.

The issue heated up again on Sept. 7. During a regularly scheduled press conference Kong Quan was asked to comment on Japan's repeated representations requiring China to provide data on its offshore activities. Kong made clear that the dispute over Japan's proposal for "medium line" demarcation has "long been in existence" and that the proposal itself was "no more than a unilateral action by Japan" which China has "never accepted and will never accept it." China's activities, Kong explained, were being conducted "in the offshore area, near to our coastline." Accordingly, China regarded Japan's demand for data on "the basis of its unilaterally proposed medium line" as "completely groundless."

During her September visit to China, Foreign Minister Kawaguchi Yoriko met with State Councilor Tang Jiaxuan on Sept. 12. The foreign minister expressed her regrets over Kong's remarks and was quoted as telling Tang that "we hope you will disclose information for the sake of establishing ties of trust between the two countries." Tang, in

reply, said that China had already put forth a “constructive proposal,” citing Beijing’s call for joint development of the natural gas field.

Back in the EEZ

Chinese maritime research ships continued to operate, without prior notification, inside Japan’s claimed EEZ. During all of 2003, Japan logged only eight such incursions; before the end of June, the number stood at 16. The issue was again raised at meeting between Foreign Ministers Kawaguchi and Li at the end of June but again left unresolved.

On July 6, the Defense Agency reported that a Japanese Coast Guard *P3C* had discovered a Chinese ship in Japan’s EEZ. The same day, the Foreign Ministry through the embassy in Beijing asked for an explanation. Beijing responded that the ship was engaged in military activities, thus obviating the need for notification. Underscoring sensitivities regarding issues of sovereignty, a Japanese patrol boat, three days later, warned a South Korean research vessel it found in Japan’s claimed EEZ off Takeshima Island.

On July 12, a Japanese Coast Guard *P3C* patrol aircraft again spotted a Chinese maritime research ship in Japan’s claimed EEZ south-southwest of Japan’s Okinotori Island. The next day, Economics Minister Nakagawa told reporters that China’s actions were in clear violation of the Japan-China Prior Notification Agreement.

One week later, July 20, the *Sankei Shimbun* reported that a PLA Navy vessel, *Dongce 226*, was taking soundings in Japan’s EEZ off Uotsuri Island in the Senkaku Islands, while the *Nihon Keizai Shimbun* reported that a JMSDF patrol boat had also discovered another Chinese maritime research ship, the *Xiangyanghong-9*, in Japan’s EEZ, near Oki-Daitojima Island. JDA officials judged that the ships were conducting oceanographic surveys, mapping the ocean floor for China’s growing submarine fleet. On July 21, Chief Cabinet Secretary Hosoda labeled the activities of the two ships “extremely regrettable” and told reporters that “strong protests” must continue to be made.

Chinese activities also drew the attention of the LDP’s Working Group on Maritime Interests, chaired by Takemi Keizo. Meeting on July 27, the Working Group called for a personnel increase for Japan’s Coast Guard in the 2005 budget in order to protect Japanese interests in the Senkakus. To maintain night-time surveillance of Chinese activities, the Working Group also called for budget increases to allow deployment of high performance intelligence assets.

On Aug. 5, The JMSDF again found the *Dongce 226* in the Senkakus, 65 kilometers northeast of Uotsuri Island. Less than a week later, a JMSDF aircraft again found the *Xiangyanghong-9* south-southwest of Okinotori Island. Also Aug. 6, 7, 9 and 11 PLA Navy’s survey ship, *Nandiao 411*, was spotted in Japan’s EEZ. A Defense Agency source speculated that China’s naval activities were aimed at constraining Japan’s efforts to carry out its own survey of maritime resources.

And on the soccer field...

In a run-up to the 2008 summer Olympics, China hosted soccer's Asia Cup tournament. Though the Japanese team played at various sites in China during the two-week July-August tournament, Chinese spectators uniformly gave the Japanese visitors a less than friendly welcome. Initial reports referred to booing that greeted the Japanese team and Japan's national anthem, attributing it to various issues of history that troubled the relationship and fostered the anti-Japanese nationalism expressed during its matches. The press also raised concerns over the implications for the 2008 Olympics. Demonstrating its political sensitivities, the Communist Party's *Youth Daily* on July 29 took anti-Japanese fans to task for their lack of good sportsmanship.

When asked about the team's reception, Prime Minister Koizumi Junichiro on Aug. 3 told reporters that he viewed sports as "a festival of friendship" and hoped to see all players "warmly" welcomed. Asked if the booing had any connection to his visits to Yasukuni, Koizumi replied that he did not think "that is the only reason" and that it would be "better not to give political implications to sports."

On Aug. 4, Abe Masatoshi, senior vice minister for foreign affairs, told the press that Japan on three occasions – July 26 in Chongqing; July 28 through the Japanese Embassy in Beijing, and Aug. 3 through the Chinese Embassy in Tokyo – had asked China to protect members of the Japanese soccer team and their fans during the tournament. Abe acknowledged the China had taken steps to improve security during the semi-final match between Japan and Bahrain in Jinan, but, looking toward the looming championship contest between Japan and China, Abe said that the government was considering another appeal for security in advance of the match.

On Aug. 5, Foreign Ministry Spokesperson Kong Quan addressed the issue of anti-Japanese behavior. From the facts gathered by the Foreign Ministry, Kong judged that the matches "on the whole" had been conducted in "an orderly and lively atmosphere, while recognizing that "overreactions of a handful of fans" are "from time to time" part of major international soccer contests. China, he made clear, does not support such actions. Kong hoped that all fans would watch the match respectfully as true sportsmen. At the same time, he regretted that "the Japanese media exaggerated and made an issue of the acts of a few people."

Playing under significantly reinforced security but with some Chinese fans sporting t-shirts with political messages on the Senkakus and Yasukuni and expressing anti-Japanese sentiments such as "kill our enemy" as well as booing Japan's national anthem, Japan won the match 3-1. Afterward, at least some of the Chinese spectators proved not to be good losers, burning Japanese paper flags, throwing bottles at the team's bus, clashing with police, and breaking the rear window of an embassy vehicle belonging to the Japanese minister. Chinese police kept Japanese fans inside the stadium for two hours after the game while they restored order outside.

Foreign Ministry Spokesperson Kong returned to the actions of a “handful of spectators,” which China “did not want to see.” Kong asserted that the world recognized that China had made “great efforts to ensure a smooth and successful game.”

An *Asahi Shimbun* public opinion poll, taken Aug. 28-29, found, in response to the question whether Chinese conduct during the tournament had worsened or not changed attitudes toward China, 61 percent of respondents said their attitudes had had been negatively affected, while 34 percent said they remained unchanged. Presented with the reasons for Chinese behavior, either the excesses of a handful of fans or a reflection of overall anti-Japanese attitudes, 49 percent chose the former and 42 percent the latter. As for the influence of the prime minister’s and Cabinet officials’ visits to the Yasukuni Shrine, 21 percent thought the influence was significant; 61 percent thought they had some influence, while 14 percent thought there was no influence.

Back to Yasukuni

Aug.15 marked the 59th anniversary of Japan’s defeat in World War II. Speaking at the annual national ceremony commemorating the end of the war, Prime Minister Koizumi repeated Japan’s pledge never to resort to war again. The prime minister did not visit the Yasukuni Shrine but offered flowers at the Chidorigafuchi Cemetery for the war dead. Koizumi, however, reiterated his intention to visit the shrine again next year. Meanwhile, four members of his Cabinet – Economics Minister Nakagawa, Agriculture Minister Kamei Yoshiyuki, Environment Minister Koike Yuriko and Chairman of the National Public Safety Commission Ono Kiyoko – did. Asked if she thought the anti-Japanese sentiment expressed at the Asian Cup Games was in any related Cabinet members’ visit to Yasukuni, Ono replied that she saw no connection “at all.”

Fifty-eight members of the Diet visited the shrine as did LDP Secretary General Abe Shinzo and former Prime Minister Mori Yoshiro, and 99 Diet members arranged for staff members to visit the shrine. At the same time, Tokyo Gov. Ishihara Shintaro suggested the emperor visit the shrine next year on the 60th anniversary of Japan’s surrender, “fulfilling a great responsibility to the nation that only the Emperor can fulfill.” The emperor has not visited the shrine since the spirits of Class-A war criminals were enshrined in 1978. The last visit to the shrine by an emperor took place in 1975.

Suggesting fading memories over the meaning of Aug. 15, a poll taken by the *Tokyo Shimbun* of 50 teenagers in Tokyo’s hip Shibuya district found only half could explain its significance. Memories, however, are not fading in China. Reacting to the prime minister’s expressed intention to visit Yasukuni next year, Foreign Ministry Spokesperson Kong expressed China’s regrets over “Japanese leaders constantly making provocative remarks, ignoring the voices of people who were victims crying out for justice.” Kong went on to reiterate, “the political basis for China-Japan relations is for both nations to have a correct understanding of the history of that previous time.”

Lower House Speaker Kono Yohei met with President Hu Jintao on Sept. 22 in the Great Hall of the People, his first meeting with a senior Japanese leader since assuming the

chairmanship of the Central Military Commission on the Sept. 19. Hu underscored the importance attached by China to the Yasukuni issue, telling Kono that it was “imperative now to resolve the shrine visit issue in an appropriate way.” At the same time, Hu emphasized that China regarded relations with Japan as the “most important bilateral relationship in the world.” He went on to point out that China was not responsible for the problem and that as long as the issue was not reconsidered, there could be no hope for an improvement in the bilateral relationship. The *Mainichi Shimbun* report of the meeting pointed out that Hu’s direct reference to the issue was “extremely rare” and was viewed as a message to Koizumi to find a way out.

History

In addition to Yasukuni, other issues related to the past resurfaced during the quarter.

- On July 9, the Hiroshima High Court reversed a 2002 lower court ruling and awarded full damages of ¥5.5 million to a group of Chinese wartime forced laborers. The Hiroshima decision marked the first time that compensation had been awarded in such cases. The High Court rejected a defense based on the expiration of the statute of limitations and found for the plaintiffs on the basis of serious human right violations.
- On July 27, the Chinese Foreign Ministry informed the Japanese Embassy that on July 23 four children had discovered an artillery shell and that chemicals leaking from the shell had injured two in Jilin Province. On Aug. 1, Tokyo dispatched a seven-member investigation team to the site and Aug. 3, the Foreign Ministry confirmed the shell belonged to the Imperial Army. The Foreign Ministry expressed Japan’s regrets. Later, Japan and China announced that a chemical weapons excavation and recovery program would take place in Northeast China, starting on Sept. 6. The recovery operation is the sixth in a program dating from September 2000.
- On Aug. 26, the Tokyo Metropolitan Board of Education approved for use in junior high school a history text written by the nationalist Japanese Society for History Textbook Reform. The Chinese Foreign Ministry quickly responded, defining the issue as one of Japan’s ability to deal accurately with “that period of history of aggression and urging Japan to “educate the younger generation with an accurate view of history.”
- On Sept. 29, Japanese company Nippon Yakin Kogyo agreed to a ¥21 million settlement with Chinese wartime forced laborers in Osaka High Court. Plaintiffs filed suit in 1998 and in January 2003 the Kyoto District Court ruled that the then Japanese government and Yakin Kogyo had acted illegally in abducting and forcing plaintiffs to work. In December 2003, the Osaka court recommended a settlement. Plaintiffs will continue suit against the Japanese government that did not join the settlement.

Taiwan

On Aug. 17, the *Nihon Keizai Shimbun* reported that the LDP planned to send close to 100 junior Diet members and representatives from prefectural governments to Taiwan to meet with Taiwanese officials, including President Chen Shui-bian and former President Lee Teng-hui. Later, the *Sankei Shimbun* reported that Beijing through its embassy in Tokyo had asked the Foreign Ministry and Diet members to cancel the trip.

The next week, Foreign Ministry spokesperson Takashima Hatsuhiza was asked about reports that former Taiwanese President Lee Teng-hui planned to visit Japan in September. The spokesperson retreated to “case-by-case” as the standard that the Foreign Ministry would use to evaluate any visa request from Lee. The Foreign Ministry’s caution reflected concerns that a Lee visit could come at the same time that China’s new Ambassador Wang Yi is scheduled to arrive in Japan and just before the next scheduled round of six-party talks.

On Sept. 4, the *Mainichi Shimbun* reported that Lee would be allowed to visit Japan after Taiwan’s Dec. 11 parliamentary election. However, on Sept. 17, the *Asahi Shimbun* reported that the government had decided against a Lee visit before the end of the year Lee last visited Japan in 2001, when Prime Minister Mori Yoshiro approved the visit on “humanitarian” grounds allowing Lee to receive treatment for a heart ailment.

Security

On July 6, the Cabinet approved the Defense Agency’s annual White Paper, *The Defense of Japan*. The document focused on the new challenges to Japan’s security posed by the proliferation of weapons of mass destruction and international terrorism. With respect to military developments in East Asia, the White Paper focused on China and observed that it is essential to pay attention to the own-going modernization of the PLA.

At the end of July, LDP Secretary General Abe Shinzo was interviewed by *Aera* magazine, published by the *Asahi Shimbun*. During the interview, Abe touched on relations with China and underscored the need to maintain the current friendly relations. However, Abe also went on to observe “it is conventional wisdom to regard China as a threat on the military front.”

Business/economy

At the end of August, Japan’s External Trade Organization (JETRO) released trade statistics for the first six months of 2004. For the fifth consecutive year, two-way trade with China set another record, growing 30.2 percent over the first six months of 2003 to a total of \$78.72 billion. For the first time since 1992, imports from China, including Hong Kong, produced a surplus of \$1.135 billion.

The JETRO report reflected the changing nature of trade, with China moving from its traditional role as supplier of clothing and foodstuffs toward a major importer of Japanese

parts and finished products. This change is a result of Japanese companies moving production facilities to the mainland and importing high-end parts from Japan not currently available in China. It is also attributable to China's booming economy and the rising demand for steel, plastics, and construction equipment, which has boosted the bottom lines of many Japanese companies.

Another JETRO survey revealed that 81.5 percent of China-based Japanese manufacturing companies intend to expand operations in China over the next year or two. Of those operating in China in 2003, 74 percent were profitable.

Japanese private sector interests are expanding in China. Of particular note are the six Japanese companies, including Kawasaki Heavy Industries and Mitsubishi Trading Company, in conjunction with Chinese partners that have submitted bids to bring high-speed rail transport to China. On Aug. 29, *Xinhua New Agency* reported that contracts amounting to ¥1.34 trillion were awarded to three consortia in which Japanese firms participated. The award produced an anti-Japanese reaction on the website of China's Patriot Alliance, which the government shut down Aug. 30.

Odds & ends

Other issues re-surfaced during the quarter.

- Chinese authorities released from prison Japanese national Noguchi Takayuki. Noguchi, detained in December 2003, near the China-Vietnam border, was charged with aiding North Korean citizens to transit China for refuge in third countries; on June 28, he was sentenced to eight months in prison. Credited with time already served in custody, Noguchi was deported Aug. 9. Following his return, Noguchi, speaking at the Tokyo Foreign Correspondents Club on Aug. 19, criticized China for its treatment of North Korean refugees.
- The Tokyo Municipal Government granted recognition as a nonprofit organization to the Japanese branch of China's Falun Gong. Earlier, in 1999 and 2001, the Japanese branch had applied for nonprofit status, but the Tokyo government denied previous petitions on the grounds that the organization was involved in religious activities. Following the denials, the Japanese organization changed its institutional programs, leading the Tokyo government to reverse its decision. On Aug. 10, Chinese Falun Gong adherents, with relatives in Japan, appealed to the Japanese government to be allowed to remain in Japan, citing fear of persecution if returned to China.

Economic engagement promises to continue in a positive and upward direction, the exact opposite of political relations that continue to be beset by history, a rising nationalism in both countries, and real issues related to territorial claims and sovereignty.

Chronology of Japan-China Relations July-September 2004

July 1, 2004: Japanese, Chinese, ROK foreign ministers meet in “Plus Three” format at ASEAN meeting in Jakarta.

July 1, 2004: China’s Wang Yi, vice minister for foreign affairs, announced as next ambassador to Japan.

July 6, 2004: Japanese aircraft finds Chinese maritime research ship, operating without prior notification, in Japan’s EEZ. Japanese Embassy in Beijing asks for explanation.

July 6, 2004: Japanese Defense Agency Defense White Paper, *Defense of Japan 2004*, approved by Cabinet.

July 7, 2004: Japanese survey activities begin in Japan’s EEZ.

July 7, 2004: The 67th anniversary of Marco Polo Bridge Incident.

July 8, 2004: Vice FM Wang Yi calls in Japanese ambassador to protest Japanese exploration in East China Sea.

July 9, 2004: Hiroshima High Court awards damages for wartime forced labor to Chinese petitioners.

July 12, 2004: Chinese ships again sighted in Japan’s EEZ.

July 13, 2004: Economics Minister Nakagawa finds Chinese ship in violation of Japan-China prior notification agreement.

July 20, 2004: Two Chinese ships found in Japan’s EEZ.

July 21, 2004: Chief Cabinet Secretary Hosoda calls for government to lodge strong protest over Chinese ships operating in Japan’s EEZ.

July 23, 2004: Two Chinese children in Dunhua city, Jilin Province injured by chemicals leaking from abandoned artillery shell.

July 23, 2004: Japan approves expansion of Chinese eligibility for 15-day tourist visa.

July 26, 28 & Aug. 3, 2004: Tokyo asks Beijing to take steps to protect Japanese soccer team and fans during Asia Cup tournament in China.

July 27, 2004: LDP Working Group on Maritime Interests calls for increase in Coast Guard personnel to protect Japan’s interests.

Aug. 1-3, 2004: Cyber attacks launched against Japanese government websites.

Aug. 1, 2004: Japan sends investigation team to China to identify artillery shell. It is identified as belonging to the Imperial Army.

Aug. 3, 2004: Chief Cabinet Secretary addresses Asia Cup issues.

Aug. 4, 2004: In press conference, Senior Vice Minister for Foreign Affairs Abe Masatoshi addresses Asia Cup security issues; Vice Minister Takeuchi does too with the Chinese ambassador as does FM Kawaguchi at Foreign Ministry Guest House with visiting Ka Yun of CCP Secretariat.

Aug. 5, 6, 7, 9 & 11, 2004: Chinese ships found operating without prior notification in Japan's EEZ.

Aug. 6, 2004: Japanese Interagency Coordinating Committee meets at Prime Minister's Residence to discuss EEZ-related issues.

Aug. 7, 2004: Japan defeats China 3-1 in Asia Cup Final; anti-Japanese disorder breaks out, including damage to Japanese Embassy vehicle.

Aug. 9, 2004: Departing Chinese ambassador Wu Dawei calls at Foreign Ministry; Foreign Minister Kawaguchi raises Asia Cup disorder.

Aug. 11, 2004: Thirteen Chinese plaintiffs bring suit against Japanese government and Mitsubishi Material Corporation for compensation for wartime forced labor.

Aug. 13, 2004: Chairman of Japan-China Friendship Society expresses dissatisfaction with Chinese behavior during Asia Cup.

Aug. 15, 2004: Four Cabinet-level officials and 58 Diet members visit Yasukuni Shrine to mark 59th anniversary of Japan's surrender; Chinese Foreign Ministry Spokesperson Kong calls on Japanese leaders to accurately reflect on history.

Aug. 20, 2004: Taiwanese Premier Yu hi-kun, traveling from the U.S. to Taiwan, lands in Okinawa to avoid typhoon # 17; meets with local officials while in Okinawa. China's Foreign Ministry (Aug. 25) blasts Taiwanese authorities for using weather as cover for political activities and expresses "grave concern" to Japan.

Aug. 24, 2004: JETRO releases trade statistics for January-June 2004; Japan's two-way trade with China grows by 30 percent over first half of 2003.

Aug. 25, 2004: News reports of possible Lee Teng-hui visa application and visit to Japan.

Aug. 26, 2004: Tokyo Metropolitan Board of Education approves high school text written by Japanese Society for History Textbook Reform; Chinese Foreign Ministry calls on Japan to educate youth with accurate understanding of history.

Aug. 27, 2004: Tokyo Metropolitan Government approves nonprofit status for Japanese branch of Falun Gong.

Aug. 29, 2004: China awards contracts for high-speed rail modernization to consortia of Japanese, European, and Chinese companies, introduction of Japanese shinkansen technology sparks anti-Japanese protest on website of China's Patriot Alliance.

Sept. 1, 2004: Some 29 North Korean refugees, seeking asylum, storm into Japanese high school in Beijing. Japanese Embassy assumes protective custody of the group; Prime Minister Koizumi says that Japan will deal with the issue in a "humanitarian way."

Sept. 2, 2004: Yabunaka Mitoji, director general for Asian and Oceanic Affairs, meets with China's Wu Dawei to discuss North Korea issues, including up-coming six-party talks and handling of believed North Korean defectors.

Sept. 6, 2004: During ASEAN Plus Three meeting of economic ministers, Japan's Nakagawa meets with Chinese counterpart; views are exchanged on East China Sea natural gas exploration.

Sept. 11-13, 2004: FM Kawaguchi visits China.

Sept. 17, 2004: Japanese press reports that Tokyo will not issue visa to Lee Teng-Hui to visit Japan this year.

Sept. 18, 2004: Democratic Party leader Ozawa Ichiro announces visit to China as honorary head of the Japan-China Business Exchange; Ozawa is accompanied by 17 young leaders of the Democratic Party; young leaders meet with Vice Premier Dai Bingguo on Sept. 20.

Sept. 21, 2004: Chinese Foreign Ministry spokesperson Kong Quan reacts negatively to PM Koizumi's speech at the UN seeking UN reform and a permanent seat for Japan on the Security Council.

Sept. 21-25, 2004: Lower House Speaker Kono in Beijing; meets with Wu Bangguo, head of China's National People's Congress, Vice President Zeng Qinghong; and President Hu Jintao.

Sept. 24, 2004: Japanese Embassy sources report that five of 29 North Koreans who sought refuge in Japanese school on Sept. 1, left China Sept. 24 for a third country.

Sept. 29, 2004: Nippon Yakin Kogyo agrees to ¥21 million settlement with Chinese wartime forced laborers in Osaka High Court.