The summer was not all about the Senkakus, but the islands did dominate developments in the bilateral relationship. The Ishihara Senkaku purchase plan went full speed ahead. By the end of August, Japanese citizens had contributed over 1.4 billion yen toward the purchase and the Tokyo Municipal Government had formally petitioned to conduct a survey of the islands prior to purchase. Meanwhile, Hong Kong activists landed on the islands, sparking diplomatic protests from Tokyo; Japanese activists followed with their own landing on the islands, sparking diplomatic protests from Beijing and anti-Japanese riots across China. Japan’s ambassador to China caused his own political storm in Tokyo when he expressed his personal view that the Ishihara plan could lead to a crisis in Japan-China relations. Relations suffered further as Tokyo hosted the convention of the World Uighur Congress and President Hu Jintao found a bilateral meeting with Prime Minister Noda inconvenient during a trilateral China-Japan-ROK meeting in Beijing. An alleged spy incident involving a Chinese diplomat served to further complicate relations. Japan’s 2012 defense white paper reiterated, long-standing, but growing concerns with China’s lack of transparency and the increasing activities of its navy in waters off Japan. Meanwhile public opinion on mutual perceptions continued a downward trend in both countries.

**Summitry**

Premier Wen Jiabao, Prime Minister Noda Yoshihiko, and President Lee Myung-bak met in the Great Hall of the People on May 13. The three leaders agreed to begin negotiations on a free trade agreement (FTA) within the year and strengthen the three countries’ comprehensive cooperative partnership. They also agreed to work to prevent North Korea from taking provocative actions and escalating tensions on the Korean Peninsula. Deputy Chief Cabinet Secretary Saito Tsuyoshi told reporters that China said it would do its best to persuade North Korea “not to act against the interests of regional stability.”

Noda also met Wen separately. Taking up the issue of the Xinjiang Uighur Autonomous Republic and the Senkaku Islands, Wen said “it is important to respect China’s core interests and matters of great concern” and reiterated China’s longstanding position on the issues. Noda replied that “China’s maritime activities, including those in waters near the Senkakus, have provoked the sentiments of the Japanese publics.” The two leaders, however, did agree to make every effort to deepen the mutually beneficial strategic relationship, and Noda invited President
Hu to visit Japan to advance mutual trust. Noda also asked China to resume negotiations on the East China Sea gas fields; Wen replied that he wanted to move toward reopening of negotiations with a clear mutual understanding.

Afterward, Chief Cabinet Secretary Fujimura Osamu, parsing Wen’s words, told reporters that “core interest” did not refer to the Senkakus. Other Japanese diplomatic sources clarified the “core interest” reference pertained to Uighur Autonomous Republic and “matters of great concern” referred to the Senkakus.

On May 14, President Hu Jintao met President Lee, however a bilateral Hu-Noda meeting did not take place. Japanese media reported that the snub reflected China’s pique with the meeting of the World Uighur Congress that was taking place the same day in Tokyo. The Sankei Shimbun reported that a senior Japanese diplomat related that, during an early May visit to Beijing to advance the trilateral summit, a senior Japanese government official had been told that allowing the Uighur Congress to meet in Tokyo had “political significance.” The Yomiuri Shimbun offered a slightly different take. Noting the heated exchange over the Senkakus in the Wen-Noda meeting, a Japanese source suggested that China had acted out of concern that a Hu-Noda meeting would have worsened bilateral relations since the Senkaku issue would have been addressed.

**World Uighur Congress**

The Fourth World Uighur Congress met in Tokyo, with some 120 representatives from 10 countries attending. In her opening remarks, exiled leader Rebya Kadeer criticized China for “stepping up its violent and repressive policies” toward the Uighur minority and called on Beijing “to stop the massacre against the Uighurs.” In a letter to members of the Japanese Diet attending the Congress, China’s ambassador indicted the Congress as a criminal organization aimed at breaking-up China and protested the meeting as an “obstacle” to the development of China-Japan relations. In Beijing, the Foreign Ministry expressed “strong dissatisfaction” with Japan for allowing the Congress, “a thoroughly anti-China separatist organization,” to meet in Tokyo in the face of China’s “firm opposition.” The ministry went to explain that China could brook no external interference in Xinjiang-related matters which are the internal affairs of China.

Further complicating the Japan-China relationship, some Congress participants were reported to have visited the Yasukuni Shrine. In response, China’s Foreign Ministry spokesperson Hong Lei told reporters that “The anti-China separatists of the ‘World Uighur Congress’ have been colluding with Japanese right-wing forces, which fully expresses their political nature of splitting their motherland and undermining China-Japan relations.” Following the conclusion of the Congress, Kadeer attended the “Support the World Uighur Congress and Oppose Chinese Hegemony” symposium held in Tokyo and made a 10,000 yen contribution to the fund, established by Tokyo Gov. Ishihara Shintaro, for the purchase of the Senkaku Islands.

**Security**

Japan Maritime Self-Defense Force (JMSDF) patrol aircraft identified three Chinese warships passing through the Osumi Strait between Kyushu and the island of Tanegoshima on April 29.
The passage through the strait was the first in nine years for the PLA Navy and was considered “unusual” by the JMSDF. On May 8, five PLA Navy ships, two missile destroyers, two frigates, and an assault ships, entered the Pacific Ocean through international waters southwest of Okinawa and conducted exercises. Chief Cabinet Secretary Fujimura Osamu told a press conference that “China will probably expand the area of activities and regularize the conduct its maritime activities.” In turn, Japan will continue to pay careful attention to its activities. A senior Ministry of Defense official thought the exercises were “intended to improve the ability to lead a fleet … with the goal of developing a blue-water navy.”

The May 9 Sankei Shimbun reported that during November 2011 exercises near Okinawa, Japan’s Ground, Air, and Maritime Self-Defense Forces worked through scenarios aimed at recovering the Senkaku Islands in the event of their occupation by Chinese forces. The exercises were focused on responding to three contingencies: illegal acts in peacetime; a situation in which armed attack is expected; and an actual armed attack. The first phase of the scenario involved the landing of Chinese forces disguised as fishermen on the islands, followed by the dispatch of PLA Navy ships along with amphibious and airborne forces and PLA Air Force fighters.

On July 7, Japanese media reported that the Frontier Subcommittee of the National Strategy Council had recommended a reconsideration of the government’s position on Japan’s exercise of the right of collective self-defense. In doing so, the subcommittee argued that reinterpreting the Constitution would allow Japan to “boost its value to partner countries and step up security cooperation.” Foreign Minister Gemba Koichiro observed that a review of the current interpretation would need to be undertaken in due course.

At the end of July, the Noda Cabinet approved the release of its white paper, The Defense of Japan 2012. It reiterated longstanding, but growing, concerns with China’s lack of transparency, with the Chinese Navy’s increasing activity in the seas surrounding Japan, and with repeated incursions of China’s non-PLA ships into Japanese waters, citing in particular the July incursion of three ships of the Fisheries Law Enforcement Command into Japan’s territorial waters. For the first time, the white paper expressed concern with the increasing “complex” relationship of the PLA with China’s Communist Party and with the PLA’s “changing influence” in the formulation of foreign policy. China’s Foreign Ministry rejoined that China’s increasing military capabilities are aimed at protecting its “sovereignty and territorial integrity; they do not pose a threat to other countries.” Meanwhile, the Ministry of Defense asserted China’s sovereignty over the Diaoyu Islands and made clear that the PLA is prepared “to fulfill its duty.”

Spy incident

At the end of May, Japanese media reported that Tokyo Metropolitan Police authorities, through the Foreign Ministry, had asked the Chinese Embassy to make available for questioning First Secretary Li Chunguang. Li, a Japan specialist, graduated from Henan University with a BA in the Japanese language in 1989, attended the PLA’s Japanese language school, and served in the PLA Intelligence Department. He also attended the Matsushita Institute of Government and Management in 1999 and served at China’s Institute of Japanese Studies before being assigned to the embassy in Tokyo.
Japanese media reported that police authorities wanted to question Li about possible violations of the Vienna Convention on Diplomatic Relations. Li, reportedly, had obtained an alien registration card using false personal information, passing himself off as researcher at Tokyo University, and using the illegally obtained papers to open a private bank account, concealing his identity as a diplomat. The police claimed that monthly deposits of 100,000 yen were made into the account by a Japanese company interested in the China market. As the story developed, on May 30, a senior vice minister at the Ministry of Agriculture, Forestry, and Fisheries, admitted that he had met Li to discuss a project aimed at promoting Japanese agricultural exports to China, but denied having “close ties” with Li or giving him classified information. Meanwhile the minister of agriculture ordered an investigation to see if any classified information had been passed. The Yomiuri Shimbun also reported that Li had been in contact with employees of Japan’s defense and high-tech companies and that police were planning to interview his contacts.

On May 31, the Tokyo Metropolitan Police Department handed the Li case over to the Tokyo District Public Prosecutor’s Office. Responding to media inquiries, the counselor of the Chinese Embassy said reports that Li was engaged “in spying activities are totally groundless” and that Li had returned to Beijing “because of the expiration of his term in office.” On June 6, the Asahi Shimbun reported that a Japanese diplomatic trainee studying in Shanghai had been asked to appear at the public security office following a study trip made to a nearby city. The trainee reported the summons to the Japanese embassy and Tokyo ordered him home without responding to the summons.

The Senkaku purchase plan; part I, May-June 2012.

The Tokyo Municipal government opened an account at the Mizuho Bank to accept deposits toward the purchase of the Senkaku Islands on April 27. Tokyo Gov. Ishihara Shintaro met Prime Minister Noda Yoshihiko on the same day. Ishihara said that they did not discuss his Senkaku purchase plan but that he cautioned the prime minister that the Foreign Ministry would be the biggest problem with regard to the plan, observing that “The Ministry has no ability but to flatter the big power.”

As agreed at the December 2011 summit, director generals of the Chinese and Japanese Foreign Ministries, along with representatives of maritime-related departments met in Hangzhou on May 16 in an effort to establish a high-level consultative mechanism on maritime issues. On the Senkakus, both sides reiterated longstanding positions, but agreed on the importance of bringing together stakeholders from various ministries and departments as a first step in building confidence and creating a crisis management mechanism.

On May 22, Eda Satsuki, senior advisor to the Democratic Party of Japan (DPJ), met Wang Jiarui, head of the CCP’s International Department in Beijing. Afterward, meeting with reporters, Eda quoted Wang as saying “To China, both the Diaoyu and the Uighur area are core interests.” Eda also said that Wang had made clear China’s strong opposition to the Ishihara purchase plan. At his regular press conference, Chief Cabinet Secretary Fujimura took up Wang’s “core interest” remarks and made clear that “whatever the China side says, it will have no influence on Japan’s position.” Fujimura also attempted to downplay Wang’s statement by casting it as Wang’s personal opinion as opposed to official policy.
On May 29, Gov. Ishihara, in remarks to the Foreign Correspondents Club of Japan, expressed a strong sense of alarm with respect to China. He said that China, which had politically exterminated Tibet, was now taking aim at the Senkakus. Should Japan continue “to be timid toward China over the Senkaku issue, a little rising sun could become the sixth star on the five-starred red flag.” China’s Foreign Ministry, addressing Ishihara’s purchase plan, observed that however pretty this artifice is, “it in no way changes the reality that the islands belong to China.”

The Tokyo Metropolitan Assembly took up Ishihara’s Senkaku purchase plan on June 5, with the governor remarking that he would “take action on behalf of the weak-kneed government.” In the face of China’s assertion of sovereignty over the islands, there was not a moment to lose in transferring ownership to the government. The Asahi reported that a senior official of the CCP in charge of exchange with Japan, referring to Ishihara’s statements, had expressed concern “about the possible spread of Japanese public opinion in support of his remarks.”

Subsequently, the Tokyo Municipal Government announced that it would send a two-man survey team, accompanied by an Ishigaki fisheries cooperative, to the Senkaku area. The team however would not land on the islands. At the same time, six members of the Diet participated in a privately sponsored ship visit to the islands. Addressing the reports of the recent Japanese activities, China’s Foreign Ministry spokesperson Liu Weimin reiterated that “any unilateral move taken by Japan over the Diaoyu Island is illegal and invalid.” He stated that China “has lodged solemn representations with Japan, demanding Japan to stop creating new disturbances and safeguard the overall interest of China-Japan relations with concrete actions.” Speaking to a China-Japan academic symposium in Shanghai, former State Councilor Tang Jiaxuan, now head of the China-Japan Friendship Association, said that some Japanese political leaders, in an effort to expand their political support base, had raised the idea with a view to giving rise to antagonism. Tang also made clear that the Senkaku issue should not disrupt events and exchanges scheduled to mark the 40th anniversary of diplomatic relations.

As the purchase plan debate heated up, Japan’s Ambassador to China Niwa Uichiro, in an interview published in the June 7 Financial Times, expressed his concern that the purchase, if actualized, would bring about an “extremely grave crisis in bilateral relations.” Commenting on interview, Chief Cabinet Secretary Fujimura said that Niwa’s remarks reflected his “personal opinion and that it would be a mistake to interpret them as expressing the opinion of the government.” Fujimura emphasized that from the point of view of history and international law, there could be no doubt that the Senkaku Islands are Japanese territory.

On June 8, following Liberal Democratic Party (LDP) calls for Niwa’s recall, Foreign Minister Gemba told reporters that the ambassador had apologized for the confusion caused by his statement. Later, the Cabinet in a written statement announced that Niwa’s choice of words did not convey the government’s position and was “inappropriate.” That afternoon, Gemba told the Upper House Committee on Diplomacy and Defense that that the government had no plans to censure or recall the ambassador. Xinhua, however, cast Niwa’s remarks as simply speaking truth to power, publicly expressing concern over the potential damage to the bilateral relationship. The People’s Daily and the Global Times blasted the Ishihara plan as reflecting “the thoughts of a poisonous snake.”
On June 11, Ishihara appeared before the Lower House Budget Committee. In his remarks, he again faulted the central government for failing to defend Japan’s uninhabited islands. He said it was “absurd for Tokyo to step in, but we have to,” announced that public donations to support the Senkaku purchase stood at 1.1 billion yen, and expressed a willingness to sell the islands to the central government following the purchase from the private owner. Ishihara also called for the recall of Ambassador Niwa. The following day, Ishihara told reporters that it made no sense for the Tokyo government not to receive permission from the central government to be able to land on the Senkakus in order to conduct a survey of the islands and their wildlife inhabitants.

On June 16, Nagashima Akihisa, special assistant to the prime minister, told a TBS audience that it was reasonable for Japan to have clear possession of the islands. He urged the public to consider whether, given China’s markedly increasing activities in the area, a peaceful and stable state of affairs on the island could be maintained absent national ownership. At the end of June, Ishihara told a radio audience that the Senkaku purchase would be his top priority, outpacing thoughts of forming a new political party in advance of anticipated elections. Ishihara also reported that over 80,000 contributors had deposited over 1.3 billion yen toward the Tokyo Municipal government’s purchase of the islands.

The Senkaku purchase plan: part II, July-August

On July 6, Deputy Chief Cabinet Secretary Nagashima Hiroyuki and Special Assistant Nagashima informed Ishihara that the national government intended to purchase three of the Senkaku islands: Uotsurijima, Minamikojima, and Kitakojima. Prime Minister Noda said, “we are considering the issue comprehensively from the viewpoint of maintaining and controlling the islands in a peaceful and stable manner.” He reaffirmed that the islands “are an integral part of our country from the standpoint of history and international law, and no territorial dispute exists because the islands have been under our effective control.” A government source told the Asahi Shimbun that the government had decided to act because “if they are purchased by Ishihara, who has spoken and acted provocatively on many occasions, the Japan-China relationship will deteriorate further.”

Ishihara told Noda’s representatives that “Tokyo will purchase the islands first and then hand them over to the state in consideration of the circumstances of the issue and the owner’s view.” He explained that the owner of the islands, Kurihara Hiroyuki, had told him that he would only sell the islands to the Tokyo Municipal Government and had “no plans to negotiate with the central government.” According to Ishihara the owner, concerned about reports of the central government’s intent to buy the islands, had telephoned him. Ishihara acknowledged that government officials had visited him, but told Kurihara “I ignored what they said. You can set your mind at ease.” Kurihara, in remarks to the Foreign Correspondents Club of Japan, explained that he was concerned that the Senkaku dispute could “turn into a war” and to “prevent such a thing from occurring,” he thought “a deal between an individual and the Tokyo Municipal Government is smoother than a purchase by the central government.” As for the final disposition of the islands, Kurihara had no objection if the Tokyo government were to re-sell the islands to the central government. Reacting to reports from Tokyo, Foreign Ministry spokesperson Liu Weimin stated that China had made “stern representations” with Japan over its
recent moves … making clear the Chinese government’s firm position to defend its territorial sovereignty over the Diaoyu islands.”

On July 11, three ships of the Fisheries Law Enforcement Command, the Yuzheng 204, the Yuzheng 202, and the Yuzheng 35001, entered Japanese waters off the Senkakus. Vice Foreign Minister Sasae Kenichiro called in China’s ambassador and protested the incursion as “extremely serious” and “unacceptable.” The following day, the Yuzheng 33001 intruded into Japan’s contiguous zone. In response to a Japan Coast Guard challenge, the Chinese ship replied that it was “patrolling in Chinese waters.” Chief Cabinet Secretary Fujimura reiterated Japan’s position that the islands are an “integral part of Japanese territory and acknowledged that a protest had been made through diplomatic channels. In Beijing, the Foreign Ministry’s spokesperson explained that “China’s fisheries administration ships went into waters under Chinese jurisdiction according to Chinese laws for routine patrol and inspection…”

As the Chinese ships were entering, Japanese waters, Foreign Ministers Gemba and Yang Jiechi met in Phnom Penh at the ASEAN Regional Forum. Gemba, while avoiding the use of the word “nationalize,” told Yang of Japan’s intention toward the islands, explaining that doing so would serve to “maintain and manage these islands in a peaceful and stable manner.” Gemba portrayed the action as simply a change of ownership within Japan and not an international issue and strongly protested the presence of the Chinese ships in Japanese waters. In reply, Yang did not directly address the nationalization plan but reiterated China’s position that the islands are “an integral part of Chinese territory,” and expressed the hope that Japan would act to safeguard the larger bilateral relationship. A Chinese official described the atmospherics as being “not relaxed but neither was it tense.” A Japanese member of the Gemba’s party observed that Yang was “not belligerent” and that it seemed that the two ministers believed that “precisely during hard times, the Foreign Ministers of both sides should communicate steadily.”

At the same time, Ishihara was making clear the intention of the Tokyo Municipal Government to ask the central government’s permission to land on the islands. In a press conference, he said that he could not understand “why the government will not grant permission” and if it failed to do so “it will be hard pressed to explain why.” Meanwhile, Chief Cabinet Secretary Fujimura explained that in the event that the Tokyo government should ask permission to land on the islands, the Noda government would take a comprehensive approach to the request, taking into consideration various factors including the owner’s intentions and whether it would support the peaceful and stable management of the islands.

On July 20, Gov. Ishihara met Kurihara to formulate concrete plans with regard to the islands. The day before, Ishihara told the media that a sale of the islands to the central government would be conditioned on the construction of safe harbors on the islands as well as taking measures to prevent landings by Chinese nationals. Asked how he would respond should the central government deny his request to land on the islands to conduct a survey, Ishihara said that he did not think that “the state has any right to intervene in commercial transactions between municipalities and the private sector.” He added that he “would not hesitate to bring a lawsuit.” At the end of July, sources involved in the development of the government’s strategy revealed that the government had been prepared to offer 2 billion yen for three of the islands and had
On July 26, during a plenary session of the Lower House, Prime Minister Noda took up the Senkaku issue, stating that, should “neighboring countries” engage in illegal activities in Japan’s sovereign territory and waters, “the entire government would respond resolutely to such acts, including the use of the SDF, if necessary. Minister of Defense Morimoto, following Noda’s remarks, told reporters that “action by the SDF is secured by law in cases where the Japan Coast Guard or police cannot respond.” As for the Senkaku purchase plan, Noda explained that consultations were ongoing at various levels and that the government was taking a comprehensive approach to the matter. The following day, Chief Cabinet Secretary Fujimura attempted to downplay the prime minister’s remarks on use of the SDF, telling reporters that Noda had “only referred to a theoretical possibility.” In Beijing, Foreign Ministry spokesperson Hong Lei announced that “China has expressed its grave concerns and strong dissatisfaction with Japan’s extremely irresponsible remarks.” At the same time, he noted “Japan’s expressed wish to resolve problems through diplomatic efforts” and urged Japan to “earnestly uphold the larger interests of bilateral relations and make concrete efforts to properly handle relevant issues.”

On Aug. 12, as media were reporting that Hong Kong activists were onboard a ship headed for the Senkakus, Chief of Staff of the Self Defense Force Gen. Iwasaki Shigeru ordered the preparation of a manual for the mobilization of the SDF to deal with “grey zone” provocations, involving incursions from China’s maritime surveillance ships, Chinese fishing trawlers, and illegal landings on the islands. The Japanese Coast Guard would play the role of first responder in the case of maritime incidents and the Okinawa Prefectural Police would play a similar role in the event of illegal landings. However, if armed ships prevent the Coast Guard and the Prefectural Police from exercising law enforcement responsibilities, the SDF would be mobilized “to preserve public order.”

**Senakaku landings and goings**

Toward the end of July, it was reported that a nonpartisan group of Diet members would petition the government to allow them to land on the Senkaku Islands to hold commemorative services for civilians who died in an attack by US warplanes on a ship sailing from Ishigaki to Taiwan at the end of the war. (The city of Ishigaki is the site of the annual service). On Aug. 13, the government turned down the legislators’ request, citing current policy which permits only government officials to land on the islands.

Two days later, Hong Kong activists landed on the Uotsuri Island; 14 were subsequently arrested by the Okinawa Prefectural Police under the Immigration Control and Refugee Recognition Law. The landing was front page news in Japan. In Beijing, 20 to 30 activists staged a demonstration by the Japanese Embassy, which cautioned Japanese residents to exercise care with regard to external activities.

In Tokyo, Prime Minister Noda told reporters that “we will handle this squarely in line with the law.” Chief Cabinet Secretary Fujimura made clear that the landings took place in the face of repeated warnings against such action. Vice Minister Sasae called in Ambassador Cheng
Yonghua to protest; meanwhile Ambassador Niwa was called into the Chinese Foreign Ministry, where officials called for the release of the 14 activists. After a meeting of relevant Cabinet ministers, the Japanese government, rather than press charges, deported the 14 activists on Aug. 17. On their return, the activists made clear that they would look for opportunities to return to the islands until the Chinese and Taiwanese government figure out a way to solve the issue.” They also called for large scale demonstrations on Sept. 18 to mark the 81st anniversary of the Manchurian Incident. China’s media carried factual accounts, without commentary, of the activist return. China’s netizens proclaimed a diplomatic victory.

In Tokyo, addressing reports of a possible return of the Hong Kong activities in October, Vice Foreign Minister Yamaguchi Tsuyoshi said that steps would be taken to “avoid a recurrence at all costs.” During a Fuji Television interview, Special Advisor Nagashima called for the strengthening of constabulary forces and the possible use of the SDF to conduct surveillance in Japanese waters.

Following the departure of the Hong Kong activists, Japanese activists, on Aug. 19, landed on Uotsuri Island. At the diplomatic level, Beijing protested the landing and called on Japan to “immediately cease actions harming China’s territorial sovereignty.” Ambassador Niwa rejected the protest and called on Beijing to take steps to prevent a recurrence of the Aug. 15 landing. At the street level, anti-Japanese demonstrations broke out in Beijing, Shenzhen, Huangzhou, Xian, Guangzhou, Chengdu, Shenyang, Harbin, and Qingdao. In Shenzhen, Japanese automobiles were vandalized and Japanese restaurants broken into. Concerned that the youthful demonstrators were going too far, China’s Youth Daily published an article headlined “Smashing Japanese Automobiles is not an Act of Patriotism.” The article expressed understanding with the demonstrators, found the actions of Japanese rightist elements to be the cause of their anger, and regretted that Chinese owners of Japanese autos had suffered loss. The article went on to point out that pictures of the car-smashing hurt “China’s image.” On Aug. 20, Japanese media reported that Chinese papers failed to carry stories on the anti-Japanese demonstrations, carrying only brief articles on the landing of the Japanese activists and the protest of the Chinese government. Japanese media speculated that Beijing was acting to tamp down the anti-Japanese mood and bring the situation under control.

On Aug. 17, the Tokyo Municipal Government filed a petition asking permission to land on the Senkaku Islands to conduct a survey in advance of acquiring them. The government, as Chief Cabinet Secretary Fujimura explained, did not formally take the petition under consideration, finding it lacking in details. The Tokyo government subsequently provided the detailed information, including an Aug. 29 date to land on the islands, and the government formally accepted the petition on Aug. 22. Fujimura said that the petition would be considered “in light of the purpose of the state’s leasing the islands, which is to ensure their peaceful and stable management.” He indicated that the government would make every effort to respond by the end of the month. Meanwhile, Gov. Ishihara told reporters that acceptance of the petition was expected, and even if it had not been accepted, he wanted to land on the islands, and even if arrested, that would be fine by him.

On Aug. 24, the Lower House of the Diet adopted a resolution asserting Japanese sovereignty over the Senkaku Islands. That evening, Prime Minister Noda opened a press conference with a
statement acknowledging that a series of recent events had raised issues of Japanese sovereign authority. He went on to make clear that the government’s unwavering resolution to deal with the issues in a composed but firm manner. Noda noted that China only began to voice claims to the Senkakus in the 1970s when the possibility of oil reserves in the East China Sea first surfaced. He emphasized that “from the perspective of history and international law, there can be no doubt that the Senkakus are Japan’s sovereign territory.” Noda also said that the government would consider releasing the Coast Guard video of the arrest of the Hong Kong activists and suggested that the government would reach a decision on the Tokyo Government Senkaku petition by Aug. 29. The central government formally rejected the petition on Aug. 27.

Public opinion

In the annual Genron NPO-\textit{China Daily} poll of public opinion, 84.3 percent of Japanese respondents expressed a negative impression of China, six points higher than the 2011 poll and the highest negative rating since the poll began in 2005. Allowed to choose multiple reasons for their opinion, 54.4 percent found China “selfish” in the pursuit of energy and natural resources; 48.8 percent cited China’s activities in the East China Sea and the Senkakus. On the other hand, 65 percent of Chinese respondents had a negative impression of Japan – down 1.4 percent from 2011. Issues related to history and the Senkakus were the main reasons for the negative feelings of Chinese respondents.

Regarding overall bilateral relations, 53.7 percent of Japanese respondents viewed relations as “bad” and only 7.4 percent viewed them as “good.” In contrast, just over 40 percent of Chinese respondents viewed bilateral relations as “good” – a drop of 10 percent from 2011. A relatively equal percentage viewed relations as “bad.”

Outlook

With Hong Kong activists looking for an opportunity to return to the Senkakus, Gov. Ishihara moving ahead with his purchase plan, and historical anniversaries looming in September and December, prospects for a celebratory mood to mark the anniversary of normalization on Sept. 27 are not promising. The Senkaku controversy promises to continue through the end of the year, with unforeseen twists, turns, and repercussions expected.

\textbf{Chronology of Japan – China Relations}

\textbf{May – August 2012}

\textbf{May 2, 2012:} Panasonic announces opening of lithium battery production in Suzhou, following the closing of a plant in Osaka Prefecture.

\textbf{May 3, 2012:} Japanese, Chinese, and ROK finance ministers agree to strengthen financial cooperation through bond purchases.


May 12, 2012: China-Japan-ROK trade ministers agree to launch free trade agreement talks by the end of 2012.


May 14, 2012: Asahikawa Medical University and four Chinese medical institutions announce the launch of joint on-line telemedicine system.

May 14, 2012: Three People’s Liberation Army (PLA) Navy frigates transit in international waters between Okinawa and Miyakojima into the western Pacific.

May 16, 2012: Chinese and Japanese officials meet in Hangzhou to discuss establishing high-level consultative mechanism on maritime issues.

May 19, 2012: Beijing informs Tokyo that the visit of the Vice Chairman of the Central Military Commission, Gen. Guo Boxiong, scheduled for May 24-28, is postponed “for work-related circumstances. This is the second time the visit has been delayed.


May 28, 2012: Foreign Minister Gemba Koichiro calls for an increase in Japan’s defense budget, citing in particular need to protect Japan’s southwest islands.


May 31, 2012: Japanese police turn over alleged Chinese spy case to public prosecutors.

May 31, 2012: Liberal Democratic Party (LDP) election plank calls on government to purchase the Senkaku Islands.

June 1, 2012: China and Japan launch direct foreign exchange system.

June 5, 2012: Tokyo Municipal Government takes up Ishihara’s Senkaku purchase plan.
June 6, 2012: Japanese Coast Guard identifies a Chinese Fisheries Law Enforcement ship operating in Japan’s contiguous zone in the Senkakus; the spotting is the fifth in 2012 and the second following Ishihara’s announcing of the Senkaku purchase plan.


June 7, 2012: Japan’s Ambassador to China Niwa Uichiro expresses concern over Senkaku purchase plan in a Financial Times interview. He apologizes for confusion caused by his statement the following day.


June 14, 2012: Three Chinese warships transit Osumi Strait for exercises in the western Pacific.

June 16, 2012: Japanese Coast Guard aircraft find Chinese maritime research ship, Dong ang Hong 2, conducting research in an area outside the area for which it had asked permission; a Coast Guard patrol ship orders the Chinese ship to cease research and the captain complies.

June 16, 2012: Nagashima Akihisa, special advisor to prime minister, in TV interview supports government possession of Senkaku Islands.

June 17, 2012: Chinese media report that quarantine authorities find cadmium in fish imported from Japan.

June 21, 2012: China’s Ambassador to Japan Cheng Yonghua criticizes Japan for supporting Uighur anti-China activities and equates Uighur activities with Aum Shinrikyo.

June 23, 2012: Japan’s Ministry of Defense reports three Chinese warships had transited between Okinawa and Miyakojima on return from exercises in western Pacific (the same warships that had transited the Osumi Strait on June 14)


June 28, 2012: Anticipating Tokyo birth of panda cub from giant panda on loan from China, Tokyo Gov. Ishihara suggests the cub be named “Sen-Sen” or “Kaku-Kaku.” China’s Foreign Ministry spokesperson blasts the suggestion as “a clumsy performance that will only tarnish the image of Japan and Tokyo.’

July 1, 2012: Japan puts into effect multiple entry visas for Chinese tourists for Fukushima, Iwate, and Miyagi prefectures; visa is conditioned on staying at least one night in the region on their first visit.


July 9, 2012: Fortune Global 500 reports 73 Chinese firms in its top ranking, which surpasses the 68 Japanese firms in the group.

July 11-12, 2012: Japanese Coast Guard identifies a total of four Chinese Maritime Fisheries Enforcement Agency ships operating in Japan’s contiguous zone in the Senkakus.

July 11, 2012: Apple pulls “Defend the Diaoyu Islands” game from its App store in Beijing; the game depicts a Japanese invasion of the islands

July 14, 2012: Ambassador Niwa is recalled for consultations; returns to Beijing on July 16.


July 29, 2012: In Qidong, 5,000 Chinese protest Japanese Oji Paper Co. plan to build a pipeline to channel polluted water into East China Sea.

Aug. 3, 2011: 400 Japanese high school students from Iwate, Miyage, and Fukushima Prefectures arrive in China at invitation of the Chinese government; the visit is part of student exchange program marking 40 anniversary of normalization.

Aug. 5, 2012: Taiwan ship spotted conducting research, without notification, in Japan’s EEZ.

Aug. 5, 2012: Taiwan’s President Ma ying-jeou proposes Taiwan, Japan, and China participate in joint development of resources in East China Sea.


Aug. 7, 2012: China and Japan conclude 47 agreements on environment and energy conservation involving public and private cooperation.

Aug. 8, 2012: Japan and China agree to add four daily flights from Haneda to Shanghai and Guangzhou each by March 2013, thereby doubling the current total to 16 daily flights.

Aug. 10, 2012: Chief Cabinet Secretary Fujimura Osamu urges Cabinet members to exercise self-restraint with regard to Aug. 15 visits to Yasukuni Shrine.

Aug. 10, 2012: Hong Kong activists leave Hong Kong on ship bound for Senkaku Islands.
Aug. 14, 2012: Taiwan authorities prevent Taiwanese activists from joining Hong Kong activists’ Senkaku protest.

Aug. 15, 2012: Supra-party group of 55 parliamentarians pays homage at Yasukuni Shrine; Land and Transport Minister Hata and Chairman of the National Safety Commission Matsubara visit separately in private capacity; Tokyo Gov. Ishihara also visits Yasukuni.

Aug. 15, 2012: Hong Kong activists land on Uotsuri Island in Senkakus; 14 are subsequently arrested by Okinawa Prefectural Police.

Aug. 17, 2012: Hong Kong activists deported.

Aug. 17, 2012: Tokyo Metropolitan Governments files petition with central government asking permission to land on Senkaku Islands for pre-purchase survey; government refuses formal acceptance citing lack of details in the Tokyo proposal.


Aug. 24, 2012: Prime Minister Noda pledges government efforts to protect Japanese sovereignty over Senkaku Islands.


Aug. 27, 2012: Japan’s central government rejects a Tokyo Metropolitan Government request for permission to land on one of the Senkaku Islands.

Aug. 27, 2012: The car of Ambassador Niwa is attacked in Beijing and the Japanese flag is torn from it. The Chinese Foreign Ministry expresses deep regret for the incident.

Aug. 27, 2012: Japanese Coast Guard releases video of encounter with Hong Kong activists.

Aug. 28-31, 2012: Ground Self-Defense Force conducts exercise focused on attack and on evacuation of residents of Japan’s remote islands.

Aug. 28, 2012: Vice Foreign Minister Yamaguchi Tsuyoshi arrives in Beijing with a letter from Prime Minister Noda to President Hu in an effort to reduce tensions.