

POST-WAR RELATIONS BETWEEN JAPAN AND CHINA

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Introduction

- I. The Period of the Occupation
- II. The San Francisco Peace Treaty and the Sino-Japanese Peace Treaty
- III. The Build-up from the Side of the People
- IV. Towards a Total Severance of Exchanges
- V. The Revision of the Japan-US Security Treaty and Sino-Japanese Relations
- VI. The Eventful Satō Period

INTRODUCTION

On the 17th of July, 1945 the Potsdam Declaration was issued, and by accepting it on the 15th of August Japan surrendered unconditionally. The colony of Manchukuo which Japan had set up in the Tungpei Region of China was simultaneously liquidated. In this way the Japanese expansionist policy which, since the Sino-Japanese War of 1894, had been making inroads in continental China on the wave of intensified competition among the great powers over the partition of China—a policy coloured by the Japanese Army's brutal assault on sick China in such events as the presentation of the Twenty-One Demands in 1915, the sending of troops to Shantung in 1928, the Manchurian Incident in 1931, the Shanghai Incident in 1932 and the Lukou Ch'iao Incident in 1937—was mercilessly and finally smashed. As a result, the Japanese people, after their sorrowful experience of defeat in war, vowed that this time relations between Japan and China, which in the past had always been hostile, should be replaced by relations of peace and co-prosperity. They have thus desired the restoration of normal diplomatic relations at the earliest opportunity, but, unfortunately, this has not yet been fully realized. This has been due to a number of complicated elements in the situation both at home and abroad—post-war Japan's involvement in the whirlpool of the Cold War between America and the Soviet Union and the fact that civil war between the Kuomintang and the Communist Party broke out in China itself, while in Taiwan there remained the Chiang Kai-shek regime, resisting the government of the People's Republic of China on the mainland and acting as if it were the legitimate successor to sovereignty in China. However, the fact that the People's Republic of China has developed its national power in the seventeen years since the foundation of its state—the fair degree of progress in agriculture, industry, technology, and daily living compared with old China, its success in carrying out as many as five atomic tests to date,

etc.—is having a great influence on a world scale. Thus, while on the one hand there was an increasing body of public opinion calling for the swift restoration of diplomatic relations with the continent, the conservative interest in Japan, on the contrary, was more and more inclined to regard the growth of new China as a threat, and public opinion is still not united on the subject. Nevertheless, the day when relations with the People's Republic of China are normalized in some form or other will come some time in the future. Regarding this historical and long-term prospect practically all intellectuals may be said to be agreed, in spite of their differences in ideological position and views of the situation.

I. THE PERIOD OF THE OCCUPATION

After the Japanese Army had withdrawn in defeat from the continent, a fierce civil war developed in China between the Kuomintang and the Communist Party over right of leadership in the post-war period. In this way the Chiang Kai-shek forces, which had suffered defeat moved to Taiwan in May, 1949, and the People's Republic of China came into being on the 1st of October of the same year. From that time onward the Chinese government came to demand strongly the right to speak on the question of Chinese relations with Japan from the position of the central government of that country. This reflects their self-confidence deriving from the fact that during the Anti-Japanese War of Resistance the Chinese Communist Party, which formed the core of the central government, had fought with the Japanese Army more positively, and on more extensive fronts, than the Kuomintang forces. On the 15th of August, the day that Japan surrendered, General Chu Teh, commander-in-chief of the armed forces resisting Japan, wrote as follows in a communication addressed to America, England, and the Soviet Union.¹

"In a large occupied area abandoned by the Kuomintang forces we have liberated more than a hundred million people and have built nineteen great liberated areas. Not only that, but in the occupied areas of China, containing a population of a hundred and sixty million, we have organized an extensive underground army, and have been dealing continual blows to the enemy. But not only did the Kuomintang forces stand idly by, they withdrew the greater part of their armies to places of safety in the rear, and on the contrary were engaged in preparations for civil war."

Thus Chu Teh contended, "The armed forces of the people possess the right to send their own representatives to take part in the work of the receiving of the surrender of the enemy by the allied powers and the work of settling the post-surrender situation. The anti-Japanese armed forces in the Chinese liberated areas and all other areas must be possessed of the right

¹ Nichi-Chū bōeki sokushin giin remmei (The Parliamentary League for the Promotion of Sino-Japanese Trade), *Nichi-Chū kankei shiryōshū* (Collection of Material on Sino-Japanese Relations), Tokyo, April, 1961, p. 1. This event is mentioned in Herbert Feis, *The China Tangle*, Princeton, Princeton University Press, 1953, p. 358.

to select their own delegation to take part in the future Japanese treaty and United Nations conferences."

On the other hand, on the 5th of January, 1950, American President Truman spoke in Washington to the following effect regarding Taiwan, where the forces of Chiang Kai-shek had taken refuge.²

"The United States recognizes the legal claim of China to Formosa, in accordance with the Cairo and Potsdam decisions. The United States has no desire to obtain special rights or privileges or to establish military bases on Formosa at this time. Nor does it have any intention of utilizing its armed forces to interfere in the present situation...the United States Government will not provide military aid or advice to the Chinese forces in Formosa."

By this time, however, the Cold War between America and the Soviet Union was already under way, and after the anti-communist declaration made by Ambassador Acheson in May, 1946, and the prohibition of the 1st of February strike by GHQ in 1947 the brake began to be applied to left-wing movements. Further, the functions of the Far Eastern Commission and the Allied Council for Japan, the bodies in charge of the administration of the Japanese Occupation, also ceased to move smoothly.

Considering this dangerous, the Chinese side concluded a Sino-Soviet

Year	Japanese Trade with Mainland China		International Exchange of Visits			
	Exports (in US\$1,000)	Imports	Japanese visiting China		Chinese visiting Japan	
			Organizations	Persons	Organizations	Persons
1949	3,144	21,756	1	6	0	0
1950	19,632	39,636	0	0	0	0
1951	5,832	21,608	5	9	0	0
1952	599	14,903	11	50	0	0
1953	4,539	29,700	16	139	0	0
1954	19,097	40,770	21	192	1	10
1955	28,232	80,755	52	347	4	100
1956	67,344	83,873	108	1,182	7	142
1957	60,477	80,357	133	1,243	61	140
1958	50,600	54,427	—	594	5	93
1959	3,648	18,917	20	191	0	0
1960	2,726	20,729	42	629	1	13
1961	16,639	30,895	30	557	12	85
1962	38,460	46,020	32	619	10	78
1963	62,417	74,599	79	1,752	23	280
1964	152,739	157,750	90	1,844	41	489
1965	245,030	224,700	—	3,806	55	379
1966	315,000	306,000				

² Department of State Bulletin, January 16, 1950; Documents on International Affairs, 1949-50, London, Oxford University Press for Royal Institute of International Affairs, 1953, p. 95.

Treaty of Friendship, Alliance and Mutual Assistance with the Soviet Union on the 14th of February, 1950, thus making provision against the revival of "Japanese militarism." Next, the situation underwent a sudden change with the outbreak of the Korean War on the 25th of June, 1950, an event which startled the world. While America sent the Seventh Fleet to the Taiwan Strait, on the 25th of October the Chinese People's Volunteer Corps joined in the fighting, and came to engage directly in repeated fights to the death with America. In this situation, "progressive elements" in all Japanese enterprises were subjected to a Red Purge, and such bodies as the Sino-Japanese Friendship Association, which came into being on the 1st of October, 1950, had various kinds of pressure applied to them by the Occupation Forces. Thus during this period of occupation by the allied armies, Japan, under the administration of GHQ Allied Powers, was watching intently the civil war in China, the worsening of American-Soviet relations, and the influence on Japan deriving from this.

During this time (1949-1951) Sino-Japanese trade was advanced to some degree as shown in the Table, p. 107, under the supervision of GHQ.

II. THE SAN FRANCISCO PEACE TREATY AND THE SINO-JAPANESE PEACE TREATY

The Korean War had a decisive influence on the Far Eastern situation. First of all it made America aware of the importance of Japan as a base. It was also about this time that the return of Japan to international society, now that her national power had been restored on the basis of the Korean armaments boom, at last began to come on to the agenda. That is to say, the way began to be opened to the conclusion of peace treaties with Japan. In this regard Prime Minister Chou En-lai made the following declaration on the 4th of December, 1950, a declaration in line with the above-mentioned communication from General Chu Teh to America, England, and the Soviet Union.³

"I solemnly declare that the Central People's Government of the People's Republic of China is the sole legal Government of the Chinese people and that it must take part in preparing, drawing up and concluding the peace treaty with Japan. The remnant of the reactionary clique of the Kuomintang has absolutely no qualification to represent the Chinese people, and because of this it has no qualification to take part in any discussion or conference regarding the peace treaty with Japan."

Prime Minister Chou also passed the following censures against the Memorandum which the United States Government sent to the Soviet Government.⁴

"It also attempts to coerce the other allies into accepting its own pro-

³ *Jen-min Jih-pao* (People's Daily), December 5, 1950; *Documents on International Affairs, 1949-50*, p. 618.

⁴ *Ibid.* pp. 619-620.

posal and the so-called attainable agreement. Otherwise, the United States Government will brazenly go ahead with preparations for a separate peace treaty, according to its own plans and excluding the other allied.

"With regard to Taiwan and Penghu Island, it has been decided that they be restored to China in accordance with the Cairo Declaration.... There is absolutely no reason for renewed discussion of these questions of territories which have already been decided. The demand of the United States Government that these territorial questions be decided afresh is a flagrant violation of established international agreements, a deliberate violation of the legal rights and interests of the People's Republic of China...."

Against this, it was natural that in Japan discussion boiled up over the question of a single peace treaty or multilateral treaties, and the violent arguments between the two factions embroiled the whole nation. On the 8th of September, 1951, the government of the day, headed by Shigeru Yoshida, concluded the San Francisco Peace Treaty with the allied powers, excluding China and the Soviet Union, and also the Japan-US Security Treaty. Under Article 2, Paragraph B, of the San Francisco Peace Treaty it was laid down that "Japan renounces all right, title and claim to Formosa and the Pescadores" and thereby relations between Japan and Taiwan were wound up, in law as well as in fact. On the other hand, however, the Japanese Government set up an overseas agency in Taipeh on the 17th of November, 1951, and in a letter dated the 24th of December of the same year addressed to American Secretary of State Dulles Prime Minister Yoshida pledged that he would not conclude a peace treaty with the People's Republic of China on the continent. The main points were as follows.⁶

(1) "My government is prepared as soon as legally possible to conclude with the National Government of China, if that government so desires, a Treaty which will re-establish normal relations between the two Governments in conformity with the principles set out in the multilateral Treaty of Peace."

(2) "As regards the Chinese Communist regime, that regime stands actually condemned by the United Nations of being an aggressor and in consequence, the United Nations has recommended certain measures against that regime, in which Japan is now concurring and expects to continue to concur when the multilateral Treaty of Peace comes into force..."

(3) "Furthermore, the Sino-Soviet Treaty of Friendship, Alliance and Mutual Assistance concluded in Moscow in 1950 is virtually a military alliance aimed against Japan. In fact there are many reasons to believe that the Communist regime in China is backing the Japan Communist Party in its program of seeking violently to overthrow the constitutional system and present Government of Japan. In view of these considerations, I can assume you that the Japanese Government has no intention to conclude a bilateral Treaty with the Communist regime in China."

⁶ *Department of State Bulletin*, January 28, 1952, p. 120; *Documents on International Affairs*, 1952, London, 1955, p. 474.

Against this, naturally, many opposing arguments were put forward. It was said, for example, that this way of thinking in the government mistakenly treated the nation's natural duty of restoring peace with the people of the continent, who had suffered indescribable damage in the preceding Sino-Japanese conflict, as being a question of the Cold War. This way of thinking in the government was also opposed by the argument that it ignored the right of national self-determination, under which the kind of government which a country sets up is left to the free choice of the people.

The Yoshida Government, however, would have nothing to do with new China, but on the contrary recognized the Nationalist Government beleaguered in Taiwan as the legitimate successor to sovereignty in China, and on the 28th of April, 1952, the day the San Francisco Peace Treaty came into effect, it concluded in Taipeh a Sino-Japanese Peace Treaty with this government.

Because of this, Chou En-lai issued a declaration on the 15th of August, 1951, that China reserved her right to a Japanese indemnity, and on the 5th of May, 1952, after the conclusion of the Sino-Japanese Peace Treaty, made a strong statement to the effect that China would never recognize this treaty.

III. THE BUILD-UP FROM THE SIDE OF THE PEOPLE

The conclusion of the Sino-Japanese Peace Treaty by Japan certainly resulted in the virtual political fettering of any improvement in relations with the continent. But the contention and the efforts embodied in the opinion that exchanges between Japan and the People's Republic of China should be deepened and steps taken towards their normalization continued to gain strength after this time.

In April, 1952, an International Economic Conference was held in Moscow. This aimed at resisting the anti-communist blockade (COCOM) which America had been building up since October, 1949. In Japan certain members of the political and business world, Tanzan Ishibashi, Shōzō Murata, Tokutaro Kitamura and their associates, made this their cue to organize an international economic conference, and they began preparations for taking part in the Moscow economic conference. In the event, Kei Hoashi, Tomi Kōra, Yoshisuke Miyagoshi and others managed to get as far as Moscow, and on their way back from the conference the three stopped over at Peking and signed the First Sino-Japanese Private Trade Agreement on the 1st of June. In the first year and a half this agreement led to no more than 4% of the exports and 6% of the imports provided for by its target figure of £60,000,000 annual trade, but the Chinese side opened the ports of Shanghai, Tientsin, and Chinhuangtao to Japanese shipping.

Next, in October, 1953, the Second Private Sino-Japanese Trade Agreement was concluded by a Japanese parliamentary delegation sent on a tour of China for the purpose of promoting trade (the delegation being headed by Masanosuke Ikeda). Under this agreement it was proposed to set up trade

representative agencies in both countries. Again, in May, 1955, a Chinese delegation headed by Lei Jen-min, the Vice-Chairman of the International Trade Promotion Committee, visited Tokyo, and the Third Private Sino-Japanese Trade Agreement was signed. Under this Agreement it was provided that "Permanent trade representative agencies will be established in the two countries. These agencies and their personnel will be given rights of diplomatic treatment by both parties."

To this the then Prime Minister, Ichirō Hatoyama, gave support and encouragement, but the Foreign Minister, Mamoru Shigemitsu, declared, "We shall press forward on the trade and communications side, but we have not the slightest intention of recognizing China as an independent state." Because in this way the question of trade representative agencies could not be solved, the Third Trade Agreement had the period for which it provided extended to May, 1957, and in regard to the vexed question of the trade representative agencies it was decided that "efforts will be made to render possible the establishment of permanent private trade representative agencies in both countries within the extended period."

During this time such bodies as the Parliamentary League for the Promotion of Sino-Japanese Trade (June, 1953) and the Japanese International Trade Promotion Association (September, 1954) came into being, and a Chinese Trade Exhibition was held in Tokyo in October, 1955. At the same time there was an increase in unofficial exchanges, exemplified in the sending of a non-official fisheries delegation to China in April, 1955, and the conclusion of a Sino-Japanese Fisheries Agreement aiming at securing safety in fishing operations. The growth of Sino-Japanese trade was as shown in the Table, p. 107, (1952-1957).

On the other hand, Sino-Japanese relations had also developed in various ways in other fields.

One of these was the question of the return of former Japanese prisoners of war and others remaining on the continent. The Chinese Government declared its intention of assisting the repatriation of these Japanese, but the Japanese Government avoided dealing with the question head-on. For this reason the Japanese Red Cross, the Sino-Japanese Friendship Association, and the Japanese Peace Committee entered into negotiations with the Chinese Red Cross, and in March, 1953, an agreement was concluded providing for the return of Japanese nationals, excluding war criminals. In this way the first repatriation ship, carrying 3,000 Japanese, entered the port of Maizuru in March, 1953, and between then and March, 1955, approximately 30,000 Japanese returned to their native land.

To this, the Japanese Government suddenly applied to the Chinese Government in July, 1955, through its Consul-General in Geneva, Shen P'ing, requesting that "Japanese detainees should be freed, the names and recent condition of those not yet sent back communicated, and the condition of those of whom nothing is known clarified." But by way of counter-argument to this the Chinese Government said on the 16th of August, 1955, "The 6,000

odd Japanese now in China say that they wish to remain in China for the present. A list of the names of 1,069 war criminals has also been handed over to the Japanese Red Cross, but it goes without saying that the Japanese Government has no right to interfere in the disposal of these war criminals. Apart from the above-mentioned Japanese there are no Japanese in China of whose condition nothing is known." However, when the Japanese Government made up a list of the names of 35,812 Japanese who were in China at the time of the armistice and who had not been heard of since, and on the 13th of May, 1957, asked Shen P'ing in Geneva to look into the matter, the Chinese Government again replied on the 25th of July, "There are no Japanese of whose condition nothing is known in China."

We may add that previous to this, in June, 1956, the three bodies negotiating for the return of Japanese nationals reached agreement with the Chinese Red Cross regarding the release of war criminals, the return to Japan of the remains of the dead, and visits to China by relatives of war criminals, and they issued a joint declaration at Tientsin. Cultural contacts between China and Japan also advanced from both sides, and in November, 1955, a delegation from the National League for the Protection of the Constitution, including Tetsu Katayama, Adviser to the Japan Socialist Party (JSP), Tōtarō Fujita, Chairman of *Sōhyō* (The General Council of Japanese Trade Unions), and others, visited China and concluded a Sino-Japanese Cultural Exchange Agreement with the Chinese People's International Cultural Association. On this basis cultural exchanges such as exhibitions of cultural objects in the fields of literature, music, the drama, films, architecture, sculpture, painting, etc., and exchanges of public performances and publications, came to be made over a wide field between the two countries. All these exchanges between Japan and China were carried out through the positive efforts of nonofficial bodies, and they hoped that this "build-up" would lead to the normalization of diplomatic relations in the future. We may add that in October, 1956, the first Japanese Trade Fair was held in Peking.

IV. TOWARDS A TOTAL SEVERANCE OF EXCHANGES

After the Hatoyama administration, which had been comparatively understanding in its attitude to the solution of Sino-Japanese questions, the Ishibashi administration, which also favoured the development of Sino-Japanese relations, took office. But because the Prime Minister's health broke down the Ishibashi administration handed over to the Kishi administration after little more than two months. Prime Minister Nobusuke Kishi, while early declaring his intention "not to permit the establishment of a Chinese trade representative agency in Japan" opened Sino-Japanese trade talks with the Nationalist Government in Taiwan, and if anything attached greater importance to relations with Taiwan.

To this, the JSP, at its Party Conference in January, 1957, decided on the line of "not recognizing 'two Chinas,' and taking steps to restore diplomatic

relations with new China." Based on this, the first Japanese Socialist mission to China, headed by Secretary Inejirō Asanuma, visited Peking, and on the 22nd of April issued a joint statement with Chang Hsi-jo, Chairman of the Chinese People's Institute of Foreign Affairs. The main points of this statement were as follows:

"The two sides agree that the time has come for the governments of Japan and the People's Republic of China to restore diplomatic relations as soon as possible, formally and completely.... Both sides agree in nonrecognition of the existence of two Chinas and hold that the right of representation at the United Nations Organization should belong to People's Republic of China."

In October, 1957, the late Akira Kazami, director-in-chief of the National Council for the Restoration of Diplomatic Relations between Japan and China (a former Chief Secretary to the Kono cabinet during the war) visited China, and about the same time the late Tatsunosuke Takasaki, formerly an operator of a heavy industry company in Manchuria, also visited China, and they severally had interviews with Chou En-lai, both making apology for the mistakes in Japan's China policies in the past.

Next, the Fourth Private Trade Agreement was concluded on the 5th of March, 1958. The First to Third Trade Agreements provided only for "targets to be striven after," but this Fourth Agreement gave concrete targets for implementation. In this way Sino-Japanese trade in 1958 grew as follows.

	Permitted Contracts, January-April (A)	Remainder Contracted For (B)	(A)+(B)
Exports	36,979 (+ 152%)	44,380	81,359
Imports	31,547 (+ 43%)	53,813	85,360
(in US \$ 1,000)			

Because of this, the target of a hundred million dollars reciprocal trade provided for under the Fourth Trade Agreement had the prospect of being attained with ease. Further, in this Fourth Trade Agreement provisions relating to the questions outstanding between the two countries regarding the establishment of trade representative agencies, the flying of national flags by these agencies, and the duties and protection of the persons of the personnel of these agencies, were written into the Agreement in the Text and Memoranda. The representatives of the Parliamentary League for the Promotion of Sino-Japanese Trade, the Japanese International Trade Promotion Association, and the Sino-Japanese Importers and Exporters Association who signed this Sino-Japanese Trade Agreement called upon the government swiftly to conclude an inter-government trade agreement and to establish a Chinese trade representative agency in Tokyo, accord its personnel diplomatic privileges, and to permit the flying of the Chinese national flag. Prime Minister Kishi replied to this as follows on the 9th of April.

"The government, respecting the spirit of the Fourth Private Trade

Agreement, will give its support and co-operation in the interests of attaining the aim of expanded trade, in so far as this is compatible with Japanese law and also taking into consideration the present international situation, including the basic fact that it does not recognize the Government of China."

Kiichi Aichi, Secretary-General of the Kishi cabinet, made a public statement by way of a more detailed explanation, "The Japanese Government at the present time does not recognize the Communist Chinese Government," and "has no intention of recognizing any privileged or public position in the private trade representative agency whose establishment is provided for in this non-governmental agreement." "Respecting our relations with the Chinese Republic (in Taiwan) and our other international relations care will be taken to prevent the misunderstanding that the setting up of a trade representative agency means *de facto* recognition of Communist China, but at the same time assistance and co-operation will be extended within the limits defined under national laws. Since the government does not now recognize Communist China, the right of the trade representative agency to fly its flag will not be recognized." To this, Nan Han-chen, Chairman of the International Trade Promotion Committee, replied in refutation, "The Japanese Government has said publicly that it will not permit the Chinese trade representative agency to hold a position of diplomatic privilege or enjoy the right to fly the national flag. This represents an attempt at unequal and unfair economic expansion at the expense of China. Until the obstacles erected by the Japanese Government are removed, it will not do for us to implement this trade agreement."

In this ugly atmosphere there occurred the incident over the lowering of the Chinese national flag at Nagasaki. In the spring of 1958 Chinese philatelic exhibitions were held in all parts of Japan under the auspices of the Sino-Japanese Friendship Association. Such an exhibition of Chinese stamps was held in a corner of a department store in Nagasaki. On the 2nd of May a youth surnamed Seki belonging to a right-wing organization in Kumamoto appeared at the exhibition and pulled down the national flag of China, giving as his reason the fact that it had 'brushed against his leg.'

About a month before the occurrence of this national flag incident at Nagasaki Prime Minister Kishi had said in a reply in the Diet, "Even if such an act as the damaging of the national flag of China were to occur, it would be impossible to apply the penalties provided for under Article 92 of the Criminal Code relating to damage to foreign flags, since we do not recognize the government on the continent. At the most, it would be no more than a question of damage to the property of a private individual or something like that."

Because of this the Chinese side thought the incident of the lowering of the national flag at Nagasaki had virtually been provoked by the Kishi administration's policy of violent hostility to China, and Deputy Prime Minister Ch'en Yi issued the following strongly-worded statement on the 9th of May.

"The Kishi administration's condoning of the insult to the Chinese na-

tional flag at Nagasaki shows that its hostile attitude to China has now gone to unbearable lengths. The reason for Kishi and his faction being opposed to Sino-Japanese trade is that they fear the firm cementing of friendship between the peoples of China and Japan by this means. The Kishi administration has directly condoned the Nagasaki incident, and the incident itself was concocted under its protection."

As a result of this, relations between Japan and China at once worsened, and not only was trade suspended but the two countries arrived at the abnormal situation of a total break in relations affecting other spheres as well. In this way the repercussions of this incident spread far and wide, resulting in the postponement of Madame Sung Ch'ing-ling's visit to Japan, the postponement of the visit of the Chinese Peace Delegation, the refusal to extend the Sino-Japanese Fisheries Agreement, and the suspension of steel contracts, but it goes without saying that those who received the greatest blow were connected with Sino-Japanese trade. The trading companies concerned numbered 120, their employees approximately 2,000, and the average monthly maintenance costs per company amounted to ¥13,000,000, while the manufacturers concerned totalled as many as 2,000.

V. THE REVISION OF THE JAPAN-US SECURITY TREATY AND SINO-JAPANESE RELATIONS

The complete break in Sino-Japanese relations occasioned by the Nagasaki national flag incident was a great shock to all quarters. Because of it the JSP dispatched Senator Tadataka Sata to China in July, 1958 for the purpose of ascertaining the disposition of the Chinese Government. As a result of this the Chinese side made clear its so-called "three political principles" line in regard to Japan. This included the following points.

1) Prime Minister Kishi visited Taiwan in 1957, and on that occasion expressed his support of the Nationalist Government's intention to counter-attack the mainland. Again, such things as the promotion of Japan's conversion into a military base, the moves to form a north-east Asian anti-communist league (NEATO), and the Nagasaki incident are manifestations of his hostile policy towards China. 2) Prime Minister Kishi's message to Chiang Kai-shek, the dispatch of a friendship mission to Taiwan, Chief Secretary of the cabinet Munenori Akagi's statement that Taiwan and China are separate governments, the aid given to the Taiwan Independence League, etc., demonstrate Japan's desire to create "two Chinas." 3) Again, the Kishi administration's wrecking activities in relation to the Fourth Private Trade Agreement, the fact that it is making use of Sino-Japanese trade in a variety of spheres, etc., mean nothing other than obstruction of the normalization of diplomatic relations.

Because of this, three points have become necessary for the development of Sino-Japanese relations, (1) the abandonment of Kishi's hostile policy towards China, (2) non-participation in plots to produce "two Chinas," and

(3) refraining from obstruction of the normalization of diplomatic relations.

As well as drawing attention to the above points as being the way towards a normalization of Sino-Japanese relations, the Chinese side also made the following three demands in regard to the Nagasaki incident.

- (i) The Kishi Government should send a government representative to the scene of the incident, and re-hoist the Chinese flag.
- (ii) Suitable punishment should be administered to the offender in the national flag incident.
- (iii) The Kishi Government should send to Peking an official representative bearing an apology.

Further, the Chinese side held that a declaration should be issued to the effect that the Japanese Government earnestly desired normal relations with the People's Republic of China and would strive towards this end, and demanded that this phraseology should be reproduced to the letter.

Thereafter the JSP sent its second delegation to China in March, 1959, under the leadership of Secretary Inejirō Asanuma. On this occasion Asanuma made a speech in Peking on the 12th of March under the title of "The Japan Socialist Party Fights for the Restoration of Diplomatic Relations between Japan and China," in the course of which he emphasized that "American Imperialism is the common enemy of the Japanese and Chinese peoples." To this Takeo Fukuda, Secretary-General of the Liberal Democratic Party (LDP), sent a telegram of protest on the 13th, but Asanuma stated that the substance of his speech was entirely proper, and he rejected the LDP's protest. On the same day he published a joint communiqué with the Chairman of the Chinese People's Institute of Foreign Affairs, Chang Hsi-jo, and in particular resisted the moves towards negotiating a revision of the Japan-US Security Treaty which the Kishi Government had begun to put before the public as its next target in politics, emphasizing such points as "the creation of a de-nuclearized zone in the Asian and Pacific area, and the conclusion of a collective security treaty between China, the Soviet Union, Japan, and America." That is to say, he attempted to block the moves towards a revision of the Japan-US Security Treaty by creating an order of conciliation among the great powers concerned.

On the other hand, a delegation from the Sino-Japanese Cultural Exchange Association headed by its chief director, Kenzō Nakajima, visited China in May, 1959, and as a result of deliberations on the question of cultural exchanges they reached agreement on such matters as the holding of exhibitions of wood-block prints, postage stamps, calligraphy, etc., and the exchange of delegations of persons connected with the Chinese characters and the reform of the Chinese characters, delegations of painters, etc. Again, in September of the same year former Prime Minister Tanzan Ishibashi visited China on the invitation of Prime Minister Chou En-lai and reached agreement on the point that "mutual relations between Japan and China should be developed on the basis of the principle that politics and economics are indivisible," issuing a joint communiqué. This was an opinion opposed

to the idea of "*sei-kei bunri*"—the view that relations between China and Japan should be carried on in a form in which politics and economics were separated—which was already being propagated at this time. Next, on the 29th of September, a delegation drawn from more than seventy non-government organizations and headed by Tetsu Katayama arrived in Peking to offer congratulations at celebration of the founding of the People's Republic of China, and a joint communiqué with seven organizations on the Chinese side was issued calling for the normalization of diplomatic relations between Japan and China "on the basis of the Five Peace Principles and the Ten Bandung Principles." While about the same time a Japan Communist Party (JCP) delegation headed by Chairman Sanzō Nosaka also visited China. (The JCP sent Secretary Kenji Miyamoto on a visit to China in February, 1959, and issued the first joint communiqué.) On the other hand, on the 20th of October, 1959, Kenzō Matsumura of the LDP visited China, and raised the curtain on the so-called "Matsumura Period."

In the final analysis these events can be regarded as moves expressive of opposition to the Kishi administration's conclusion of a new Security Treaty, but the Kishi administration had already opened negotiations for the revision of the Security Treaty on the 4th of October, 1958. China exhibited an extraordinarily strong aversion to this, this being based on the judgment that by revising the Security Treaty both the Americans and the Kishi administration were seeking to step up still further their hostile policy towards China.

Within Japan, too, moves in opposition to the negotiations for a revision of the Security Treaty gradually intensified. The First United Action Meeting in protest against the Security Treaty was held in Hibiya Park, Tokyo, on the 15th of April, 1959, with the participation of approximately 7,000. The central body was the National Council for the Prevention of Revision of the Security Treaty, organized from more than 100 organizations including the JSP, the JCP, *Sōhyō*, the League of Independent Trade Unions, the Sino-Japanese Friendship Association and the Sino-Japanese Cultural Exchange Association, and until the new Security Treaty became law by passing the Diet under the automatic procedure on the 19th of June, 1960, twenty-three United Action Meetings were held outside the Diet buildings and elsewhere throughout the country, a cumulative total of more than twenty million Japanese taking part in the movement in one form or another. Under the automatic procedure the Security Treaty at last passed the Diet at midnight on the night of the 18th-19th June, but caught in the whirlpool of opposition to this new Security Treaty the redoubtable Prime Minister Kishi was at last obliged to withdraw from power.

After the collapse of the Kishi administration the Ikeda administration took office on the 19th of July. The Ikeda administration started off in the last ten days of July by giving permission for the entry to Japan of a delegation headed by Liu Ning-yi, president of the Chinese National Association of Trade Unions, for the purposes of attending the General Conference of

Sōhyō and the Sixth World Conference Against Atomic and Hydrogen Bombs.

Three years and three months had passed since the Nagasaki incident of May, 1958, when this official Chinese delegation visited Japan. Further, the Chinese delegation's entry to Japan proved to be the occasion for Sino-Japanese relations once more developing in a new form. Liu Ning-yi mentioned (a) trade under inter-government trade agreements, (b) trade under private trade agreements, and (c) trade on an individual basis as forms which Sino-Japanese trade might take, and when Kazuo Suzuki, executive director of the Sino-Japanese Trade Promotion Association, had an interview with Prime Minister Chou En-lai on the 27th of August, 1960, these three principles of trade were put forward officially. As a result of this, non-government trade under the Chinese 'three political principles,' that is, the so-called 'friendly trading companies formula,' began from November, 1960. On the other hand, it was during the period of the Ikeda administration that LT Trade came on to the stage. In September, 1962, Kenzō Matsumura of the LDP visited China, had an interview with Prime Minister Chou En-lai and talked with him about the normalization of diplomatic relations by means of the 'cumulative formula.' As a result of this the late Tatsunosuke Takasaki visited China and signed a "Memorandum on Comprehensive Trade between Japan and China" [LT (Liao and Takasaki) Trade]. This was a five-year comprehensive barter formula, and since permitted manufacturers to carry on bargaining directly, without going through trading companies, and also provided for deferred payment terms, it suited the convenience of the business world at large. This LT Trade came into force from 1963, and on the 13th of August, 1964, the representatives headed by Sun P'ing-hua, the chief of the Liao Ch'eng-chih office in Tokyo, entered Japan. Again, on the basis of agreement reached between Matsumura and Liao, the exchange of journalists between Japan and China, an item outstanding between the two countries, was realized on the 29th of September, 1964.

VI. THE EVENTFUL SATŌ PERIOD

When Prime Minister Hayato Ikeda retired from the field because of a cancer complaint his place was taken by the Satō administration, and Sino-Japanese relations once more became eventful. In April, 1964, before he came to office, Eisaku Satō had personally attended the Chinese Economic and Trade Exhibition at Harumi, Tokyo, where he met Nan Han-chen, Chairman of the International Trade Promotion Committee, and expressed himself to the effect that "politics and economics cannot be separated," but on coming into office as Prime Minister he adopted the doctrine of *sei-kei bunri* and proposed to make a loan of \$150,000,000 to Taiwan. Because of this the Chinese side began to exhibit strong reactions to him.

Again, in November, 1964, the American atomic submarine "Seadragon" entered the port of Sasebo for the first time, and next, in January, 1965, Prime Minister Satō visited America and the Satō-Johnson talks were held.

Thereafter, on the 22nd of June, 1965, the various agreements making up the Japan-Korea Basic Treaty were formally signed, and ratifications were exchanged on the 18th of December of the same year. The Chinese side, however, considering this to be an important measure for the formation of a north-east Asian anti-communist league, became all the more wary.

Previous to this, in February, 1965, America had begun the aerial bombardment of North Viet-Nam, and in June, 1966, she embarked on the bombing of the Hanoi-Haiphong area. As a result, the fifth meeting of the Joint Japan-US Committee on Trade and Economic Affairs held at Kyoto from the 5th of July, 1966, turned out to be an unusual session at which the main point to come under discussion was the political situation in Asia. Further, as time went on the Satō Government showed an increasing inclination to make firm the bonds between the anti-Chinese countries of Asia, setting up the Asian Development Bank, and holding the Cabinet Ministers' Conference on the Development of South East Asia and the Asia and Pacific Region Cabinet Ministers' Conference. On the other side, in relations with China it refused permission for politburo member P'eng Chen and his party of 13 to enter Japan.

In this way Sino-Japanese relations became more and more cool after the beginning of 1965. First a question arose over whether the funds of the Export-Import Bank of Japan should be used in deferred payment arrangements for the export of heavy plant to China under LT Trade. At this time trade negotiations were going on between Japan and China regarding the Tōyō Engineering urea plant, merchant shipping to be built by Hitachi Shipbuilding, and the Nichibō vinylon plant, etc., but Satō adhered throughout to a policy of not providing finance out of Export-Import Bank funds for these contracts. Involved in the matter was the question of the "Yoshida letter." The Yoshida letter was one in which the former Prime Minister, Shigeru Yoshida, promised President Chiang Kai-shek of the Nationalist Government in Taiwan that he "would not allow funds from the Export-Import Bank, a bank of a governmental character, to be used in deferred payment arrangements for the export of plant to the continent during 1964." This, however, was a personal letter from Yoshida, and furthermore its terms were restricted to the period of the year 1964. Nevertheless, the Satō Government felt itself morally bound by this letter. Because of this, whereas under the preceding Ikeda Government Export-Import Bank funds had been made available for the export of Kurashiki Rayon plant according to contract, in the period of the Satō Government the use of Export-Import Bank funds for the Nichibō vinylon plant, etc., was not permitted. On the other hand, it had formerly been arranged that permission for the use of Export-Import Bank funds would always be granted in the case of exports of shipping to foreign countries, but now permission to use Export-Import Bank funds for merchant ships built by Hitachi Shipbuilding was also refused. To this the Chinese side replied publicly that this policy of the Satō Government had caused Sino-Japanese trade to reflect the intentions of the Nationalist Govern-

ment in Taiwan, and that it could on no account pass it over in silence, and so it repudiated all these trade negotiations.

In this way the political atmosphere on both sides of Sino-Japanese relations became more and more ugly. At a welcoming party in Tokyo in August 1965, Nan Han-chen, who was visiting Japan on his way to attend the World Conference Against Atomic and Hydrogen Bombs, used the expression "subservience to American Imperialism," to which Vice Minister Takezō Shimoda of the Japanese Foreign Ministry countered with the words "utterly shameless." Again, when the JSP sought to invite a delegation headed by Hu Yü-chih, Vice-Chairman of the Chinese People's Institute of Foreign Affairs, to Japan for regular consultations, on the 28th of March, 1966, the government refused permission for them to enter the country on the grounds that they might conduct themselves in such a manner as to constitute interference in the internal affairs of Japan. Again, on the 26th of July permission to enter Japan was refused in the case of Liu Ningyi, the head of a delegation on his way to attend the Twelfth World Conference Against Atomic and Hydrogen Bombs. This led to the publication of an unusual declaration by Sun P'ing-hua, representing the Liao Ch'eng-chih office, "This measure places new obstacles in the way of the development of friendly relations between the peoples of the two countries, and the Japanese authorities must assume full responsibility for the grave consequences which will follow it." To this the Foreign Ministry expressed a stiff attitude, saying, "this Sun declaration constitutes interference in the internal affairs of Japan, and it is possible that we may ask for his withdrawal from Japan. If, as a result, Sino-Japanese trade is stopped, this cannot be helped," but on meeting with opposition from the part of the export traders the Ministry agreed "to pass the matter over this time." Further, in his policy speech of the 14th of March, 1967, after the general election, Prime Minister Satō made it clear that in regard to China he was to adopt a policy of "maintaining the status quo in accordance with the principle of *sei-kei bunri*." On the other hand, non-government efforts directed to closer relations with China continued after this, and Sino-Japanese trade grew as shown in the Table, p. 107, (1965-1966).

In both exports and imports Sino-Japanese trade outstripped that with the Soviet Union and assumed first place in Japanese trade with communist-bloc countries.

Again, in May, 1966, Kenzō Matsumura of the LDP visited China and reached agreement with Prime Minister Chou En-lai that the LT Trade should not be suspended but should be further extended. Next, a parliamentary delegation from the LDP, headed by former Foreign Minister Zentarō Kosaka, visited China on the 31st of August, and was the object of attention both at home and abroad. On the other hand, a Chinese Economic and Trade Exhibition was opened in the city of North Kyūshū on the 1st of October, and later moved to Nagoya, causing much public comment.

However, the fact that relations between the Japan Communist Party and the Chinese Communist Party, two parties which had hitherto main-

tained extraordinarily close relations, now came into sharp conflict over their evaluations of the Soviet Communist Party so that finally relations between the two parties were in a state of disruption, must be said to be one of the important characteristics of this period. On the 8th of February, 1966 a JCP delegation, headed by Secretary Kenji Miyamoto, set off on a round of visits to China, North Viet-Nam and North Korea. Joint communiqué with the North Vietnamese, and the North Koreans were published, but no such communiqué was published with the Chinese. This, as was later reported in the JCP's newspaper *Akahata* (Red Flag), issue of March 1967, was because the Chinese side was strongly opposed to the JCP's contention that the Soviet Union should be included in the common struggle to aid North Viet-Nam. Since that time the JCP has begun to maintain a strongly independent line, and as a result of this conflict of views first the Sino-Japanese Trade Promotion Association ceased operating on the 14th of September, 1966, while on the 25th of October the Sino-Japanese Friendship Association split its ranks, and on the 10th of November the Afro-Asian Solidarity Committee, on the 11th the Japan Council of Journalists, and later the New Japan Women's Association also split. Further, since in the course of the Chinese Great Cultural Revolution after the beginning of 1967 the Chinese Red Guards censured the 'revisionism' of the JCP in a wall-newspaper of the 22nd of January, *Akahata* published an article entitled "In Reply to the Unjustified Censures of the Red Guards." Next, on the 28th of February, violent fighting took place at the Friendship Students' Hospital, Tokyo, between Chinese students in Japan and demonstrators affiliated to the JCP, and conflict between the two sides became decisive. A number of persons also left the JCP. These splits in the various reforming organizations in Japan resulting from the bad relations between the Japanese and Chinese Communist Parties may be expected to exert a great influence on Sino-Japanese relations for a fair time to come.