U.S. DEFENSE SECRETARY IN CHINA P.14 | WANG LIJUN GOES ON TRIAL P.26

VOL.55 NO.39 SEPTEMBER 27, 2012

WWW.BJREVIEW.COM

OULRACEI

Tensions run high as Sino-Japanese territorial dispute escalates





12 issues a year at a subscription rate of 180 RMB SUBSCRIPTION HOTLINES

An Africa-oriented English monthly covering China and Africa published by BEUING REVIEW, ChinAfrica is the only one in China featuring news, views and analysis for an African audience.

INDEX

THE DESK ² Play Fair THIS WEEK COVER STORY WORLD



14 Military Opening Up U.S. secretary of defense tours the PLA

NATION



- **20 Calling It Home Again** Professionals use their expertise near and afar
- 22 Weaning Internet Addiction Addressing a growing problem
- 24 Modifying Weather Plan to alter the sky moves forward
- 26 Two Trials, Four Charges Chongqing's former police chief in court

Cover Photo: A demonstration against Japan's "purchase" of Diaoyu Islands in Beijing (CFP)



FEATURES

10 Containing a Crisis China calls for talks over the Diaoyu Islands

18 Let the Public Know Officials urged to disclose their assets

28 Revitalizing Exports Seeking ways to boost exports

30 New Deal to Boost Consumption

Fuelling China's growth engine

40 Moving Pictures China wants more in joint U.S. film productions

BUSINESS



- **32 Still in the Red** Losses continue in China's shipping industry
- 34 Greener Pastures Looking west for energy

36 Market Watch

CULTURE



42 Civilizing Commercialization Tourism and dangers to heritage sites

FORUM

46 Should Government Heap Riches on Athletes?

EXPAT'S EYE

48 Why Did You Come to China? Exploring the many reasons expats flock to the Middle Kingdom

Beijing Review (ISSN 1000-9140), is published weekly for US\$64.00 per year by Cypress Books, 360 Swift Avenue, Suite 48, South San Francisco, CA 94080, Periodical Postage Paid at South San Francisco, CA 94080. POSTMASTER: Send address changes to Beijing Review, Cypress Books, 360 Swift Avenue, Suite 48, South San Francisco, CA 94080

Play Fair

When two people quarrel over an old feud, how is a close friend of one of the parties involved likely to react? He may take the side of his friend, angering the other party and possibly leading to a bigger fight in the end. Or he can try to be a peacemaker, persuading the two to calm down and settle their differences in a more conciliatory and effective manner. Clearly, the latter is the right attitude to take.

U.S. Defense Secretary Leon Panetta planned to play the role of mediator in the current territorial dispute between China and Japan. Before he paid a visit to China, he made an unexpected detour to Tokyo, where he remarked that the United States would not take sides on the issue of the Diaoyu Islands, but wished for China and Japan to exercise restraint and solve the dispute by diplomatic means. However, the Pentagon chief reiterated U.S. commitments to Japan while meeting with Japanese officials, saying that the U.S.-Japan Mutual Cooperation and Security Treaty applied to the Diaoyu Islands, indicating that Washington has an obligation to fight alongside Tokyo if the territories in question are attacked.

With Japanese authorities' arbitrary move to "nationalize" China's Diaoyu Islands, tensions between China and Japan have been rising, marked by a looming possibility of further clashes or even confrontations. China and Japan are major players in many global and regional economic and political issues, so peace and cooperation between the two countries will only help the Asia-Pacific region and the world at large. It would be in the best interest for the two nations, as well as the United States, to work toward preventing the crisis from escalating.

A growing number of Chinese citizens believe the United States has sowed the seeds of the feud between China and Japan. Its unilateral and illegal return of the jurisdiction over the islands to Japan, in violation of legalbinding global agreements, has resulted in de facto Japanese control of the islands. Furthermore, the U.S. military and strategic alliance with Japan has emboldened the latter to lay claims on a territory upon which it holds no sovereignty at all. The United States has thus taken a biased stance over the Sino-Japanese contention for decades. Chinese people across the world are watching to see whether it will again adopt a partial approach.

China is determined to safeguard its territorial sovereignty and will never make even the slightest concessions under any circumstances. To defuse the rising tensions in East Asia, Japanese authorities have no choice but to revoke the absurd and unjustifiable act of "buying" the Chinese territory.

During the past week, demonstrations have been staged in a number of Chinese cities to protest Japan's territorial assertion. Some demonstrations have regrettably turned violent. These irrational expressions of anger must end, Japan must act responsibly and the United States should remain partial, so that all sides can play fair.

WRITE TO US

Send an e-mail: contact@bjreview.com.cn

Please provide your name and address along with your submissions. Submissions may be edited.

北京周报 英文版 2012年 第39期 ISSN 1000-9140 广告许可证 0171号

北京市期刊登记证第733号 邮发代号2-922、国内统一刊号: CN11-1576/G2 国内零售价:人民币6.00元 CHINA_RMB6.00 US.A_USD1.70 AUSTRALIA_AUD3.00 UK_GBP1.20 CANADA_CAD2.60 SWITZERLAND_CHF2.60

JAPAN.....JPY188 EUROPE.....EURO1.90 TURKEY.....YTL5.00 HK.....HKD9.30 NEPAL.....RS40

BEIJING REVIEW

A News Weekly Magazine Published Since 1958

iPad APP

http://www.bjreview.com E-mail: contact@bjreview.com.cn President & Editor in Chief: Wang Gangyi Vice President: Qi Wengong Associate Editors in Chief: Li Jianguo, Huang Wei, Wang Yanjuan, Zhou Jianxiong Assistant President: Li Zhenzhou Assistant Editor in Chief: Wa Chunfang Executive Editor: Ding Zhitao

Assistant Executive Editors: Yao Bin, Zhang Zhiping Editorial Administrators: Zhang Xiaoli, Shi Bosen Senior Consultant: Shao Haiming Opinion Editor: Zan Jifang World Editor: Yan Wei Nation Editor: Yao Bin Business Editors: Yu Shujun, Lan Xinzhen Culture Editor: Liu Yunyun Editorial Consultants: Joseph Halvorson, Evan Z. Hall, Elvis Anber Staff Reporters: Tang Yuankai, Ding Ying, Ding Wenlei, Wang Jun, Li Li, Yin Pumin, Liu Yu, Pan Xiaoqiao, Yuan Yuan, Wang Hairong, Liu Xinlian, Yu Yan, Yu Lintao, Zhou Xiaoyan, Bai Shi, Xu Tao, Deng Yaqing, Ji Jing Photo Editor: Wang Xiang Photographer: Wei Yao Art: Li Shigong Art Director: Wang Yajuan Chief Designer: Cui Xiaodong Designer: Zhao Boyu Proofreading: Qin Wenli, Ma Xin Distribution Director: Pan Changqing Human Resources: Hou Jin International Cooperation: Zhang Yajie Legal Counsel: Yue Cheng North America Bureau Chief: Huang Wei Tel/Fax: 1-201-792-0334 E-mail: wei298@hotmail.com General Editorial Office Tel: 86-10-68996252 Fax: 86-10-68326628 English Edition Tel: 86-10-68996259 Advertising Department Tel: 86-10-68995813 Fax: 86-10-68329398 E-mail: ad@bireview.com.cn Distribution Department Tel: 86-10-68310644 Fax: 86-10-68328738 E-mail: circulation@bjreview.com.cn Published every Thursday by BEIJING REVIEW, 24 Baiwanzhuang Lu, Beijing 100037, China. Overseas Distributor: China International Book Trading Corporation (Guoji Shudian), P. O. BOX 399, Beijing 100044, China Tel: 86-10-68413849, 1-416-497-8096 (Canada) Fax: 86-10-68412166 E-mail: fp@mail.cibtc.com.cn Website: http://www.cibtc.com General Distributor for Hong Kong, Macao and Taiwan: Peace Book Co. Ltd. 17/Fl, Paramount Bldg, 12 Ka Yip St, Chai Wan, HK Tel: 852-28046687 Fax: 852-28046409 Beijing Review (USPS 2812) is published weekly in the United States for US\$64.00 per year by Cypress Books, 360 Swift Avenue, Suite 48, South San Francisco, CA 94080 News Postage Paid at South San Francisco, CA 94080 POSTMASTER: Send address changes to Beijing Review, Cypress Books, 360 Swift Avenue, Suite 48,

South San Francisco, CA 94080

THIS WEEK



Commemorating The Past

People from all walks of life gather in Shenyang, capital of northeast China's Liaoning Province, to attend a ceremony commemorating the 81st anniversary of the September 18 Incident.

On that day in 1931, Japanese troops blew up a section of the railway it controlled near Shenyang and then accused Chinese troops of having caused the explosion as a pretext for war. The incident was followed by Japan's full-scale invasion of China and the 14-year War of Chinese People's Resistance Against Japanese Aggression. The invasion spread to half of China's territory and took the lives of more than 35 million Chinese soldiers and civilians.

"The attempt to remove *hukou*, a permanent residence permit, restrictions in the college entrance exam, or *gaokao*, is complicated, especially in large cities where there are more educational resources."

Tan Songhua, one of the key architects of the *gaokao* system, commenting on a recent notice of the State Council urging local authorities to release plans as soon as possible to enable children of migrant workers to take the exam in the city where they live

"The sinking share price in China is not simply an economic problem but has become a social and even a political problem."

Li Daokui, professor of economics with Tsinghua University, on the lack of restrictions in China's stock market at this year's World Economic Forum held in Tianjin on September 12

"Many people could not assimilate in smaller cities because social connections, rather than abilities, usually determine one's promotions or social status in such places."

Liu Xingyang, a senior consultant at ChinaHR.com, a human resources service provider, in response to a survey which showed 63 percent of this year's university graduates hope to stay in first-tier cities for at least one year after graduation, on September 17

"Boys need educational methods that are suitable for them, but further research is needed to determine whether it's necessary to send them to single-sex schools."

Wen Jun, Director of the Institute of Sociology of East China Normal University, in response to the establishment of a boys-only campus in Shanghai on September 17

THIS WEEK SOCIETY



Ozone Layer Protection –

The Ozone Secretariat of the United Nations Environment Program honored the Chinese Government for its contribution to ozone layer protection in an event marking this year's International Ozone Layer Protection Day on September 16.

Zhang Lijun, Chinese Vice Minister of Environmental Protection, said at the event that China has phased out more than 100,000 tons of ozone depleting substances (ODS) since 1991, an amount that accounted for around half the total disposed of by developing countries.

Since signing the Montreal Protocol on Substances that Deplete the Ozone Layer in 1991, China has continued to improve its management over ODS and phase out ODS production and consumption, contributing greatly to global efforts in ozone layer protection, Zhang said.

He admitted that China will face an "extremely arduous" task in meeting the goal of the next phase of ODS elimination set by the protocol.

Ozone shields the Earth from harmful solar ultraviolet radiation.

Broadband Development —

China will accelerate the development of broadband Web access in a bid to shore up the country's economic and social development,

Troubled Skater Returns

The Chinese short-track speed skater Wang Meng will finally return to the track after the lifting of a 13-month ban for a notorious brawl with a national short track team manager.

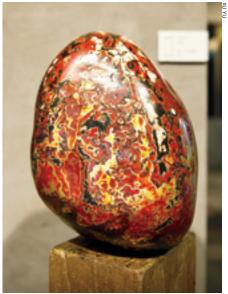
Wang was suspended from the national team and banned from domestic and international competitions last August for punching team leader Wang Chunlu during a scuffle after breaking the team curfew and coming back to the team base drunk. After being expelled, Wang returned to her hometown to practice with the provincial team, self-reflect and accept her punishment.

Wang became a household name in China after claiming four gold medals in the past two Winter Olympics. Her outspoken manner has caused trouble for the national team's management. Last year's debacle was not the first time she's been penalized. She was also kicked off the team in 2007 after a public conflict with head coach Li Yan.



POST TREMOR Officials distribute safety information in a settlement for quake-affected residents in Luozehe Town in Yiliang County, southwest China's Yunnan Province, on September 16, after earthquakes in the region killed 81 people and injured more than 800

> EXQUISITE EXHIBIT A piece of lacquerwork is on display during Hangzhou Design Week in Hangzhou, east China's Zhejiang Province, which kicked off on September 16



according to a government statement released on September 18.

In the statement issued on the website of the Ministry of Industry and Information Technology (MIIT), Vice Minister Liu Lihua said that China aims to have more than 250 million broadband users by the end of 2015, with Internet access speeds in urban and rural areas reaching 20 megabits and 4 megabits, respectively.

Broadband service coverage in China's rural areas is expected to hit 95 percent by 2015.

The MIIT will formulate more regulations to ensure fair competition in, and the smooth development of, the broadband industry, Liu said.

China had about 505 million Internet users by the end of 2011, and about 150 million of them are broadband users, according to data from the Internet Society of China.

Educational Inspections -

The Chinese Government published the Regulation on Educational Inspections on



GIFTED VIOLINIST Wang Xiao from China holds a plaque after jointly receiving first prize in the 2012 Jozsef Szigeti International Violin and Viola Competition in Budapest, Hungary, on September 15

September 17, aiming to improve quality and fairness in education.

The regulation, which is scheduled to go into effect on October 1, dictates procedures to be used during such inspections, as well as specifies qualifications and disciplinary measures for inspectors.

Inspections will focus on the management of faculty, safety and hygienic conditions, compulsory education and the fair distribution of education resources, the regulation states.

It also gives inspectors authorization to review the financial records of schools within their jurisdiction, as well as calls for additional access to other related documents.

Any failure to assist inspectors may result in disciplinary punishment for the heads of schools, says the regulation, adding that inspection reports should be made public.

An inter-ministry committee for education inspection has been established under the State Council, China's cabinet, to coordinate the initiative across the country.

Medical Support

A total of 509 babies suffering from a congenital metabolic disorder have received free medical help and formula powder under China's first program to help infants with the disease.

The infants suffering from phenylketonuria (PKU) are from less developed central and western regions.

According to statistics, as of June this year, 94 percent of grant-aided PKU infants have been kept in treatment and more than 90 percent are developing normally both physically and mentally.

PKU is a metabolic genetic disorder that can cause an excessive amount of phenylalanine in the body. Phenylalanine is an essential amino acid and can be detected in urine.

If left untreated, heightened levels of phenylalanine can affect brain development, causing mental retardation, brain damage and seizures. However, the disorder can be treated with a diet low in the amino acid.

Satellite Launch

China successfully launched two more satellites into space for its domestic global navigation and positioning network at 3:10 a.m. Beijing time on September 19, the launch center said.

They were the 14th and 15th satellites of the Beidou system. The satellites, launched from the Xichang Satellite Launch Center in southwestern Sichuan Province, were boosted by a Long March-3B carrier rocket.

China started to build up its own satellite navigation system to break its dependence on the U.S. Global Positioning System in 2000.

Between October 2000 and May 2003, the country set up a regional satellite navi-

gation system after launching three Beidou geostationary satellites.

From April 2007 to April this year, China launched another 13 orbiters to form its Beidou-2 system, which will eventually consist of 35 satellites.

The network will provide satellite navigation, time and short message services for the Asia-Pacific region within 2012 and the world by 2020.

Overseas Studies

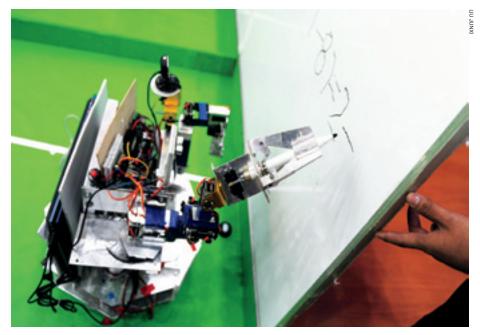
Some 339,700 Chinese went overseas for further study in 2011, leading the world in terms of students sent overseas with a proportion of 14 percent.

The Report on the Development of China's Overseas Study, issued on September 17 by the Social Sciences Academy Press, cites growing incomes, inadequate domestic education resources and favorable policies as the source of Chinese students' enthusiasm for studying abroad.

The report notes that a growing number of students from renowned high schools are choosing to skip China's college entrance exams to begin higher education overseas.

Figures show that 76,800 senior high school students began overseas studies in 2011.

Several countries, including Canada, Australia, the United Kingdom and France, have tightened immigration standards, which has encouraged more Chinese studying abroad to return to their home country, the report said.



MATHEMATICAL MIND A robot writes numbers during the maths contest of the 12th RoboGame at the University of Science and Technology of China in Hefei, east China's Anhui Province, on September 15

THIS WEEK ECONOMY



Home Prices Fluctuations ¬

Fewer Chinese cities saw home price increases in August as the country continued efforts to curb rising property prices and speculation.

In August, 36 cities, down from 50 in July, recorded higher new home prices than a month earlier, said the National Bureau of Statistics (NBS) on September 18.

Compared with July, new home prices in 20 cities declined in August, up from nine in July, while 14 cities saw their new home prices unchanged, showed the NBS data from a pool of 70 cities.

However, on a year-on-year basis, 14 out of the 70 cities witnessed new home price increases of up to 1.3 percent in August.

Recent government policies to bolster a slowing economy, including interest rate cuts in June and July, helped boost the pent-up demand for housing and fuel expectations of price rises.

Dispute Filed to WTO

On September 17, China filed a case against the United States to the Dispute Settlement Body of the WTO on its amendment to the Tariff Act of 1930 (GPX bill).

China claimed the bill is inconsistent with WTO rules on transparency and procedural justice and requested consultations with United States.

Shen Danyang, a spokesman for the Ministry of Commerce (MOFCOM), said the U.S. Court of Appeals for the Federal Circuit ruled on December 19, 2011, in a dispute that the U.S. Department of Commerce did not have legal authority to launch countervailing investigations against non-market economy countries.

U.S. President Barack Obama signed the bill in March. It is believed to clear legal obstacles for the United States to impose punitive tariffs over "non-market economy countries."

The United States rapidly passed the GPX bill in less than three months with a retroac-

Numbers



Outstanding external debt of China reached \$785 billion by the end of June this year, said the State Administration of Foreign Exchange on September 17.

12.8%

Profits at state-owned enterprises declined 12.8 percent year on year to 1.38 trillion yuan (\$218.3 billion) in the first eight months of 2012, said the Ministry of Finance on September 17.



ADMIRING NEW TECH Visitors observe a model of a hydropower station at the Fourth China International Energy Industry Expo 2012 held in Taiyuan, capital of north China's Shanxi Province on September 16-18

tive period dating back to November 20, 2006, instead of correcting its wrongdoing in accordance with the verdict of the court, said Shen. The dispute involves 24 types of products worth about \$7.23 billion, he said.

Financial Reform Plan

The People's Bank of China, the central bank, released a financial reform plan for the 2011-15 period on September 17.

The plan includes reforms regarding the marketization of exchange and interest rates and the convertibility of the yuan under the capital account, as well as plans to encourage more private capital to enter the financial sector.

Government intervention regarding smallscale financial activities will be reduced and the government's role will be further clarified during the reform process.

Authorities will encourage private capital to participate in the reform of banks, securities firms and insurance companies, as well as guide private capital to expand investment in financial organizations. The government will also support private capital in setting up rural banks, credit companies and capital cooperatives.

By 2015, the value-added output of the country's financial industry will account for 5 percent of its GDP, while the value of direct financing by non-financial organizations will account for at least 15 percent of the total so-cial financing value.

Wind Power Prosperity -

China's wind power capacity will see a growth of 15 to 18 gigawatts (GW) this year after the country became the world's leading wind power producer in 2011, according to a report released on September 18.

The report on China's wind power outlook, jointly released by the Chinese Renewable Energy Industries Association, the Global Wind Energy Council and Greenpeace, forecast that China's wind power sector will maintain this steady growth momentum.

China installed 17.63 GW of new wind power capacity in 2011, accounting for 43

Newly Elected President

Zhang Xinsheng, initiator and Secretary General of the Eco-Forum Global—an unofficial, international high-end platform was inaugurated as the president of the International Union for Conservation of Nature (IUCN) in Jeju, South Korea, on September 15. He is the first East Asian chairman in the 64-year history of the organization.

This year's IUCN World Conservation Congress was held in Jeju from September 6 to 15. More than 10,000 people from over 180 countries attended the conference to discuss 176 proposals.

Founded in 1948, the Gland, Switzerland-based IUCN is an organization aimed at protecting the natural environment. Currently it has more than 1,200 members, including over 200 government organizations and 900 nongovernmental organizations from over 160 countries.

Zhang stated in his inauguration speech that he would work together

with the members of the IUCN to make contributions to global environmental protection, the safety of the Earth and the development of humankind.



percent of the world's total. The country remained the world's largest wind power producer with an accumulated capacity of 62.36 GW in 2011, representing 26.2 percent of the world's total wind power capacity, according to the report.

China hopes to have an accumulated ongrid wind power capacity of more than 100 GW by 2015 and 200 GW by 2020, said the National Energy Administration.



EU trade deficit with China decreased to 67.4 billion euro (\$87.39 billion) in the first half of 2012 from 75 billion euro (\$97.82 billion) in the same period of last year, said the Eurostat on September 18.



A total of 24 animated movies earned a record-high box office revenue of 320 million yuan (\$50.62 million) last year, according to the Report on the Development of China's Animation Industry released on September 18.

THIS WEEK WORLD





Staff members at the South Korean prime minister's office pack up supplies ahead of a move to Sejong from Seoul on September 14. The nation's new administrative city will house 36 government ministries and agencies by 2014

SOUTH KOREA



Coatis enjoy honey—a traditional treat—given to them by a zookeeper at the Ramat Gan Zoo north of Tel Aviv on September 13 ahead of the Jewish New Year

ISRAEL





U.S. movie star and UN special envoy Angelina Jolie (right) meets with Syrian refugees in the eastern Bekaa Valley near the border of conflict-ridden Syria on September 12



Cyclists in downtown Brussels on September 16, marking the city's annual Car Free Sunday

BELGIUM



Volunteers clean up Montesinos Beach at Santo Domingo's seafront on September 15, the 2012 International Coastal Cleanup Day

THE DOMINICAN REPUBLIC



http://www.bjreview.com

COVER STORY COVER

China calls on Japan to return to negotiations over the Diaoyu Islands dispute By Ding Ying



FISHING FOR FAIRNESS: Fishing ships in Zhoushan, Zhejiang Province, sail to the East China Sea after a three-and-half month summer fishing moratorium on September 17



imes have changed, but Japan's militaristic ambition has not.

On September 18, 1931, Japanese militarists began an invasion of northeast China. After 81 years, two Japanese rightwing activists illegally landed on the Diaoyu Islands—an inherent part of Chinese territory further provoking the Chinese people following Japan's illegal "purchase" of the islands several days earlier.

China reiterated its stance on protecting its sovereignty and territorial integrity, stressing it reserves all legal rights on the Diaoyu Islands. Observers point out that Japan's aggressive acts are a threat to regional peace and stability by challenging the existing international territorial structure formed after World War II. They have called on Japan to resume rational and peaceful negotiations on the Diaoyu Islands and get back on the track of regional cooperation.

Rousing post-war order

The Diaoyu Islands and their affiliated islands have been China's inherent territory since ancient times, until Japan stole the islands through invasion in the late 19th century. With an eye to history, China and Japan reached consensus on setting aside disputes over the islands when they normalized diplomatic relations in 1972.

Japan's recent actions concerning the Diaoyu Islands provoked strong reactions from China. Observers condemned Japan's defiance toward the victorious outcomes of World War II and the post-war international order, bringing danger not only to the region, but also to the whole world.

"Japan's actions are agitated by a far right-wing force, not nationalism," Shi Yongming, a researcher with the China Institute of International Studies (CIIS), said to *Beijing Review*. As an invader who inflicted severe calamities on many Asian countries in World War II, Japan should seriously reflect on its war crimes. However, since the 1980s, right-wing activists in Japan have repeatedly denied history, and the "nationalization" of the Diaoyu Islands is the latest and most dangerous move in this regard.

Japan's aggressive moves have triggered alerts in the region. Commenting on Japan's ambition over the Diaoyu Islands, the Russian Ministry of Foreign Affairs stated that Russia is willing to work with China on protecting the original post-war agreements, calling on China and Japan to handle the dispute in a civilized manner.

"Russia's attitude is concerned with the judicial basis of the Diaoyu Islands," stressed Shi Yinhong, a professor of international relations and Director of the Center on American Studies at Renmin University of China, adding that the post-war order is mainly based on documents produced during World War II.

Jin Canrong, Associate Dean of the School of International Studies at Renmin University of China, pointed out that no legal document exists to prove Japan's sovereignty over the Diaoyu Islands.

According to the Cairo Declaration and the Potsdam Proclamation, which were jointly released by China, Britain and the United States during World War II, the Diaoyu Islands should have been returned to China along with other Chinese territories after Japan was defeated on August 15, 1945. The United States gained administration of Okinawa through "trusteeship" after the war. Considering its strategic needs in confronting the Soviet Union, it betrayed its determination of strictly punishing Japan and decided instead to form an alliance in East Asia against the Soviet Union during the Cold War.

In 1951, Washington and Tokyo signed the Treaty of San Francisco without China's participation, choosing to "return" Okinawa's sovereignty to Japan. The Chinese Government released a statement on September 8, 1951, refusing to accept the illegal treaty. In 1953, the United States extended Okinawa's administration to the Diaoyu Islands, in spite of China's protests. On December 31, 1971, China reiterated its sovereignty over the Diaoyu Islands in a statement by the Ministry of Foreign Affairs. "The Treaty of San Francisco tries to legitimize Japan's so-called sovereignty over the Diaoyu Islands," said Jin.

Jin pointed out that Japan's recent actions were aimed at strengthening actual control over the Diaoyu Islands and shifting domestic focus from a poor economy to territorial disputes. He said that besides right-wing agitation and the weak government in Japan, the United States is an important source of current tensions between China and Japan.

U.S. favoritism

Although the United States declared it doesn't have a position on the Diaoyu Islands issue, its underlying bias has encouraged Japan's **>**

http://www.bjreview.com

1. JAKARTA IRE: Overseas Chinese demonstrate in front of the Japanese Embassy in Indonesia on September 18

2. LONDON RAGE: Overseas Chinese hold a demonstration in front of the Japanese Embassy in Britain on September 18

3. VOICES IN BEIJING: Demonstrators march in protest of Japan's "purchase" of the Diaoyu Islands in front of the Japanese Embassy in China on September 14

4. PROTESTS IN TAIWAN: Protesters gather in front of the Taipei Office of the Interchange Association, Japan, on September 12, demonstrating against Japan's illegal "purchase" of the Diaoyu Islands





ambition. U.S. Secretary of Defense Leon Panetta paid a visit to East Asia recently, during which he told Chinese Defense Minister Liang Guanglie that maritime issues should be resolved via peaceful diplomatic means. However, during his Japan visit earlier, Panetta discussed with his Japanese counterpart Satoshi Morimoto the deployment of the Osprey aircraft at a U.S. Marine Corps base in Okinawa, a plan that has provoked strong local opposition.

Panetta also announced that the United States and Japan had agreed to locate the second U.S. missile defense radar in Japan to monitor possible threats from the Democratic People's Republic of Korea. Although the United States claims the missile defense is not directed at China, a military boost from the United States at such a sensitive moment could embolden Japan to take a tougher stance in its disputes with China.

Chinese experts pointed out that due to its East Asia strategy, Washington actually prefers tension or even a conflict between China and Japan. They criticized the biased stance of the United States as unhelpful to the regional situation, warning that Washington is playing a dangerous game. Jin explained Washington's strategic targets. One is to create tension in the region to find an excuse for its strategic focus in East Asia; the other is to further control Japan, making the latter its base in the region.

Shi Yongming from the CIIS believed the United States is trying to stoke tension between China and Japan to diminish the growing influence of regional integration. In recent years, China, Japan and South Korea have jointly made efforts to establish a free trade area. The three countries make up about 22 percent of the global population; their combined economies account for 19 percent of the world total; meanwhile, their foreign exchange reserves account for 47 percent of the total worldwide. It would be the third largest free trade area in terms of total GDP next to that of the EU and North America. "U.S. stance on the Diaoyu Islands is creating divisions between the two East Asian nations by political and economic methods," concluded Shi.

However, Jin warned that Washington may be overconfident on this issue. A game involving territorial disputes is too dangerous. The United States cannot always control the supposed balance it promotes between China and Japan, both being influential countries in the world, Jin added.

Strong reactions

Japan's reckless actions sparked the indignation of Chinese people and damaged the bilateral relationship of the past 40 years. China took a series of countermeasures to express its determination to protect its sovereignty and territorial integrity. It urged Japan to make rational moves to restore regional stability.

Air defense sirens sounded at 9:18 a.m. on September 18 in Shenyang, capital of northeast China's Liaoning Province, kicking off nationwide activities marking the 81st anniversary of Japanese invasion. After Japan declared its plan to "purchase" the Diaoyu Islands, Chinese people spontaneously held protests and demonstrations throughout the country.

Fourteen Chinese ships carried out law enforcement and patrol activities in waters around the area on September 18. As fishing season begins, more than 1,000 fishing vessels from China's mainland and Taiwan also set out to fish in the waters surrounding the Diaoyu Islands.

The Chinese Government kept reiterating its stance on protecting sovereignty and territorial integrity. "Japanese right-





wing activists' illegal landing on the Diaoyu Islands is a serious provocation that infringes on China's territorial sovereignty, and thus, China has made solemn representations to Japan and demanded that the country explain its endorsement of right-wing activists," Foreign Ministry spokesman Hong Lei said on September 18 in comments addressing two Japanese right-wing activists' illegal landing earlier that day. He stressed that in accordance with Chinese laws and international law, China will exercise jurisdiction over the islands and their adjacent waters.

Hong said the Japanese Government's decision to "purchase" the Diaoyu Islands is a serious violation of China's territorial sovereignty and has triggered strong protests from China. He mentioned that China's countermeasures, including the announcement of the base points and baselines of the Diaoyu Islands, surveillance fleets' patrol activities around the islands and the submission of the outer limits of the continental shelf beyond 200 nautical miles in the East China Sea to the UN, have effectively offset the legal consequences of Japan's move. He said Japan should "return to the track of negotiations" for the settlement of disputes.

Meeting U.S. Defense Secretary Panetta,

Chinese Vice President Xi Jinping iterated Japan's "purchase" of the Diaoyu Islands was a farce and urged Japan to stop any behaviors that infringe upon China's sovereignty. "Japan should rein in its behavior and stop any words and acts that undermine China's sovereignty and territorial integrity," Xi stressed, adding Japan's "purchase" had openly questioned the legal effects of the Cairo Declaration and the Potsdam Proclamation and intensified the neighbors' territorial disputes.

Xi said China hopes the U.S. side can stick to the principle of regional peace and stability and speak and act cautiously, instead of getting involved in the Diaoyu Islands issue, or doing anything that might escalate current tension.

China's Defense Minister Liang Guanglie expressed hopes that the Diaoyu Islands issue will be peacefully resolved, but he warned of "further actions" on September 18 after his talks with U.S. Defense Secretary Panetta in Beijing. "We reserve the right to take further actions, but we hope the issue will be properly resolved through peaceful means and negotiations," said Liang. "I want to make it clear that the Diaoyu Islands are China's inherent territory, which is evidenced by history and law," he added, blaming Japan for "heating up" the Diaoyu Islands issue. Recently, the People's Liberation Army conducted a series of military exercises using different forces in several military regions.

"China must carry on law enforcement in the waters around the Diaoyu Islands, leaving no excuse for Japan's aggressive action of increasing tension," said Shi Yongming from the CIIS. He believed there might be a longterm stalemate between China and Japan on this issue. To Shi, the Chinese people's spontaneous resistance of Japanese goods is more effective than economic sanctions.

"Economic sanctions are an official action, which might agitate tension in the region. Currently, the most important thing is to contain the bilateral conflict over the Diaoyu Islands issue," said Shi Yongming.

Shi Yinhong pointed out that the Chinese Government has yet to impose any sanctions, but that does not mean China will never resort to economic means when its rights are offended. He acknowledged that economic sanctions will certainly bring about a negative influence on China's economy as well, but added that national dignity and territorial integrity are worth the price.

dingying@bjreview.com

全国翻译专业资格(水平)考试

China Accreditation Test for Translators and Interpreters (CATTI)



China International Publishing Group is responsible for organizing, implementing and administering the test under the guidance of the Ministry of Human Resources and Social Security



Tel: 010-68995947, 68328249

Web site: http://www.catti.net.cn

National Translation Test and Appraisal Center