

Annual Report 2010

Review and Prospect of Internal and External Situations

January 2011

Public Security Intelligence Agency

J A P A N

Preface

Based on the Subversive Activities Prevention Act and the Act Regarding the Control of Organizations Which Committed Indiscriminate Mass Murder, the Public Security Intelligence Agency (公安調査庁, *Koanchosa-cho*) conducts control activities targeting such organizations and investigations for the purpose of implementing control measures, including surveillance of Aum Shinrikyo. Moreover, as a member of the intelligence community in Japan, the PSIA also collects and analyzes both domestic and foreign information, including data pertaining to international terrorism and the situation in North Korea.

This 2011 edition of the Review and Prospects of Internal and External Situations reviews developments in domestic and international public security in 2010 (as of the end of November), as well as looking at the future prospects in these areas.

It is hoped that this report will be of assistance in understanding the domestic and international security situation, and that it will spark increased interest in the activities and operations of the PSIA.

In this report, unless otherwise noted, the months refer to the year 2010. In addition, the titles of individuals mentioned hereinafter are those at the time of writing.

The Review and Prospects of Internal and External Situations is also available on the PSIA website:

<http://www.moj.go.jp/psia/>

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I. Overall Review of the Public Security Situation in 2010

1. International Situation

- (1) North Korea held the representative conference of the Workers' Party of Korea and the third son of General Secretary Kim Jong Il, Kim Jong Un, was selected as Vice Chairman of the party's Central Military Commission, giving observers in and out of the country the impression that Jong Un would be the successor. The country has been working on strengthening food production and introducing foreign capital but has not been able to achieve a conspicuous improvement in the standard of living of the people. With regard to its external relations, North Korea strongly denied its involvement in the sinking of South Korea's corvette (March) and demonstrated a more confrontational approach towards South Korea, increasing tension. From July onwards, North Korea reverted to an attitude focused more on dialogue in order to break the deadlock with the United States and South Korea; however, in November, North Korea reacted to a South Korean offshore exercise by shelling Yeonpyeong Island, which resulted in casualties, including civilian deaths, thereby heightening military tension once more. Vis-à-vis China, General Secretary Kim visited China twice in order to elicit support for Kim Jong Un's succession and lobby for more economic support. North Korea has continued its passive approach to relations with Japan, asserting that a response by Japan is required for further progress to be made.
- (2) While demonstrating an approach to Japan that emphasized a "strategic and mutually beneficial relationship," China has responded in an uncompromising manner to the incident in which a Chinese trawler collided with two Japan Coast Guard vessels, criticizing the application of Japanese laws in the waters around the Senkaku Islands, demanding the immediate release of the trawler's captain and formulating retaliatory measures. On the diplomatic front, while it has striven to improve its international image, China has demonstrated a hardline stance with regard to its marine interests, initiating regular patrols by government vessels in the South China Sea, and friction with the other countries concerned has grown. With regard to its internal politics, China has done its utmost to maintain stability, increasing the budget for maintaining public order, striving to recover from damage sustained as a result of natural disasters, and taking pains to suppress mass protests and labor disputes, but it has not come up with any drastic measures that would enable it to tackle income disparities and the problem of bribery and corruption. In the 12th Five-Year Plan for China's Economic and Social Development, the government formulated a basic policy aimed at economic development that achieves a balance between exports, investment and domestic consumption.
- (3) With regard to Russia, President Medvedev brushed aside Japanese objections and went ahead

with an unprecedented visit to the Northern Territories (Kunashiri Island). In its relations with China, Russia has agreed to strengthen the partnership through summit meetings in the fields of “perspective of history” and energy. Vis-à-vis the West, Russia has promoted cooperative diplomacy but has demonstrated an independent stance with regard to its policy on Iran.

- (4) In the Middle East, direct peace talks between Israel and the Palestinians restarted, with mediation by the United States, but they stalled again over the issue of Israel resuming settlement activities. Iran continued its nuclear development, while being subject to reinforced sanctions from the international community.
- (5) With regard to international terrorism, al-Qaeda continued to call for “global jihad” on the countries of the West; moreover, organizations affiliated with al-Qaeda in various countries expanded the scope of their activities and a series of terrorist attacks took place with the involvement of such organizations.

2. Domestic Situation

- (1) Further accelerating the “getting back to Asahara” policy, the mainstream group of Aum Shinrikyo again held a “birth celebration” for Asahara this year. It was also revealed that the group restored a peculiar institution to register animals as “followers.” While developing recruitment activities to expand the organization, the group newly acquired a large real estate property.

The Joyu group promoted its policy of “hiding the influence of Asahara,” aiming to infiltrate society. Joyu himself actively utilized the media to stress “breaking away from Asahara,” and conducted proselytizing and propaganda activities using the Internet.

Against this background, PSIA conducted on-site inspections of Aum Shinrikyo facilities and held opinion-exchange meetings with local residents in an effort to assemble a picture of the cult’s activities and to eliminate and alleviate fear and anxiety in the community.

- (2) The central faction of the “Chukaku-ha” worked to build an organization stressing labor movements while the anti-central faction emphasized mass movements and worked to reinforce its organizational base. The “Kakumaru-ha” sought to infiltrate key industry labor unions and expanded its efforts to win students’ minds. The mainstream and anti-mainstream factions of the “Kaiho-ha” group of the Revolutionary Workers’ Association firmly maintained policies based on armed struggle. In November the anti-mainstream faction conducted a guerrilla operation aimed at a Self-Defense Force camp.

In addition to working on movements to demand the removal of the US Futenma Air Station, radical leftist groups criticized the government while appealing for the abolition of the Worker Dispatch Law among employment issues and the decommissioning of the Monju fast-breeder reactor among nuclear power generation issues.

- (3) Japan Communist Party placed the top priority on victory in the Upper House Election and made efforts to demonstrate its own identity by stressing its confrontational stance against the DPJ government. However, both the number and share of the votes declined significantly in the election, leading to a reduction of its contested seats from 4 to 3. After the election, the JCP concentrated on expanding its power, based on reflection on the election.
- (4) Right-wing groups were active on territorial issues, taking the opportunity of a Chinese fishing boat collision and the Russian president's visit to the Northern Territory. They also staged protests in various locations against the political stance of the DPJ government on issues including "politics-and-money scandals."
- (5) Radical leftist groups and anti-globalization forces, together with domestic and overseas organizations, engaged in protests against APEC Japan on the day of the APEC summit meeting in Yokohama, where the meeting was held in November. Meanwhile right-wing groups developed activities putting forth their views such as "protect Senkaku at all costs."

II. Focal Issues of the External Situation in 2010

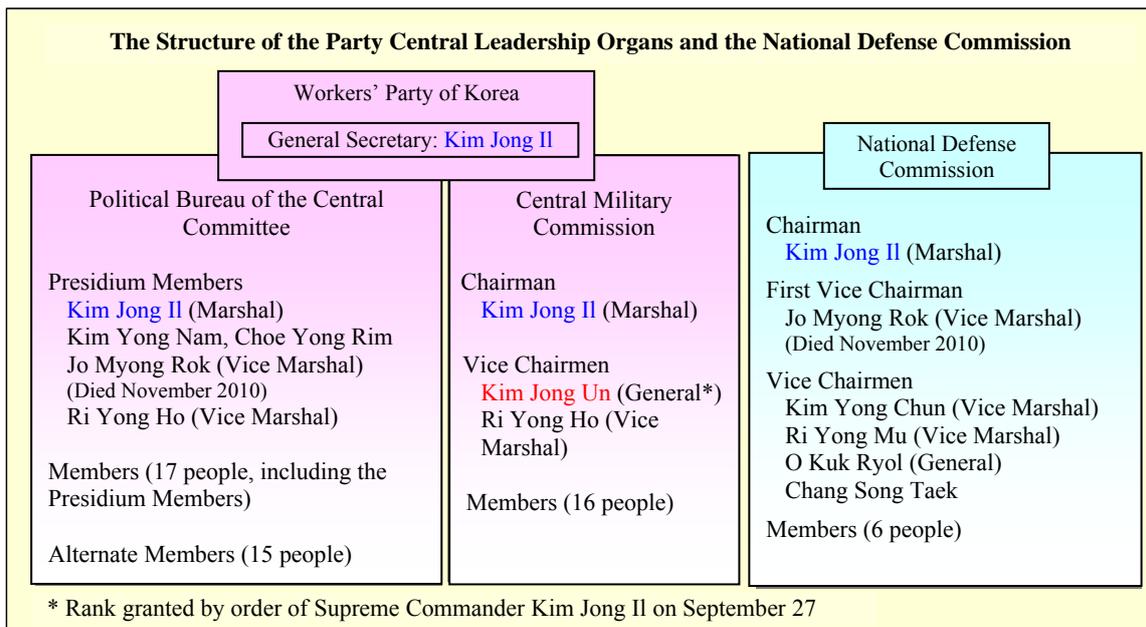
1. North Korea and Chongryon (General Association of Korean Residents in Japan)

- (1) North Korea is developing its leadership with a view to succession by Kim Jong Un
- North Korea held the representative conference of the Workers' Party of Korea, selecting leadership positions and appointing Kim Jong Un to a key post.
 - With the aftereffects of currency redenomination continuing, North Korea is doing its utmost to introduce foreign capital, while seeking improvements in the standard of living of the people.

At the representative conference of the Workers' Party of Korea, Kim Jong Un was selected as Vice Chairman of the party's Central Military Commission, demonstrating to the country and the rest of the world his position as his father's successor.

North Korea has undertaken a succession of personnel changes in senior military and government positions, promoting 143 military officials (April, September), elevating National Defense Commission member Chang Song Taek—said to be General Secretary Kim Jong Il's close confidant—to the position of Vice Chairman of that committee, and ousting Kim Yong Il as Premier, to be replaced by Choe Yong Rim, an Alternate Member of the Political Bureau of the Party's Central Committee (June).

Moreover, on September 28, the Workers' Party of Korea held the representative conference—a quasi-party congress—for the first time in 30 years (the last occasion being the 6th Party Congress in 1980), followed by a full meeting of the Party Central Committee. At these meetings, as well as selecting the new membership of the Party Central Committee (124 people), which had many vacancies, and alternate members of the Committee (105 people), personnel were selected for leadership roles in the Party, such as the Secretariat, the Central Military Commission and the Political Bureau, with members of the latter including General Secretary Kim Jong Il himself. During this process, General Secretary Kim's third son, Kim Jong Un, was selected as Vice Chairman of the Central Military Commission. North Korea's media broadcast both domestically and overseas the images of Kim Jong Un participating in the representative conference. This made it clear that, in effect, he is being positioned as the successor, being introduced into the top ranks of the hierarchy next only to Kim Jong Il and other Political Bureau Presidium Members.



With regard to party personnel selections at the representative conference, elderly officials in their 70s and 80s were appointed as Political Bureau members and Political Bureau Presidium Members, with Korean People's Army Chief of General Staff Ri Yong Ho (aged 68) being picked as a Political Bureau Presidium Member, while Party Departmental Director Kim Kyong Hui (aged 64) was selected as a Member of the Political Bureau. Vis-à-vis Political Bureau Alternate Members and Secretaries, one could see that the assignments focused on the succession, with many officials in their 50s and 60s who have engaged in active duties being promoted, including National Defense Commission Vice Chairman Chang Song Taek (aged 64), former Chief Secretary of North Hwanghae's Provincial Committee Choe Ryong Hae (aged 60), and Chief Secretary of Pyongyang's City Committee Mun Kyong Dok (aged 53).

In addition, at the representative conference, the party constitution was revised and it was clearly stipulated for the first time that North Korea firmly maintained a "Military First" policy, which has already been established as a path towards emphasizing the military.

North Korea celebrated the 65th anniversary of the founding of the Korean Workers' Party in grand style, with a conspicuous display of the stability of the regime.

On the occasion of the 65th anniversary of the Korean Workers' Party (October 10), North Korea held a grand series of events, such as performances of the Arirang Mass Games, outdoor dance performances, and a large military parade featuring the ballistic missile corps, with media crew across the globe, including Japan, being permitted to attend. Kim Jong Un attended, along with General Secretary Kim, and efforts were made to promote a festive mood, both internally and externally. Zhou Yongkang, Member of the Political Bureau Standing Committee of the Communist

Party of China, attended after receiving an invitation, giving the impression of Chinese support for the new administration, which had saluted Kim Jong Un to the leadership.

After the failure of currency redenomination, private economic activity intensified once more, exposing the limits of the controls.

In the economic sphere, amidst the disruption caused to the lives of the populace by the tighter control measures on economy implemented at the end of 2009, such as redenomination and market shrinkage, the Joint New Year Editorial placed the emphasis on “improving the standard of living of the people,” and North Korea has striven to strengthen the production and supply of food and daily necessities by the state sector. However, no significant immediate improvements were seen and the poverty of most citizens deepened, as a result of which the authorities went so far as to relax a series of measures as early as February. This exposed the limits of the controls by the authorities on private economic activity on the part of citizens, as well as the decline in the influence of the authorities themselves. Amidst this situation, it was reported that Director of the Planning and Finance Department Pak Nam Gi, who was in charge of economy, had been held responsible for the chaos and was dismissed and executed.

Since then, the situation in North Korea has been reverting to what prevailed before the redenomination, with private economic activity by citizens in markets and black markets intensifying once more, prices in markets soaring, and the value of the won against foreign currencies falling. However, the North Korean authorities have only gone as far as strengthening price controls by security organizations and tightening controls over smuggling.

A series of laws and systems was developed, with a view to introducing foreign capital.

As well as seeking to reinforce the production and supply abilities of the state sector, North Korea has stepped up its efforts aimed at introducing foreign capital. In January, Rason City, which had been designated as the Rajin-Sonbong Free Economic and Trade Zone at the end of 1991, was transferred from being under the control of North Hamgyong Province to being a special city under the direct control of the central government. In addition, North Korea has adopted a stance of revitalizing the introduction of foreign capital to this zone, which has been stagnating since the latter half of the 1990s, by such means as revising the Law on the Rason Economic and Trade Zone, expanding the variety of industry types accepted, and deciding to strengthen the powers of the local authorities.

Moreover, North Korea established the Korea Taepung International Investment Group (January) as an institution for introducing foreign capital, and the State Development Bank (March) as an institution for receiving foreign capital, and announced large-scale development plans in eight locations across the country, including Pyongyang and Sinuiju. Furthermore, with the aim of

expanding joint ventures with foreign companies, the former Joint Venture and Investment Guidance Bureau of the Foreign Trade Ministry was reorganized as the Committee of Investment and Joint Ventures, a ministry-level institution (July).

However, despite the deployment of such laws and systems, no concrete moves toward large-scale investment have been introduced, and it seems that the introduction of foreign capital is not necessarily progressing smoothly.

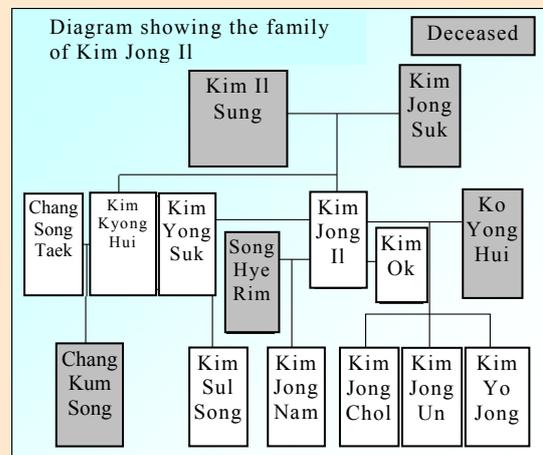
In the future, efforts will be made to build up the leadership abilities of Kim Jong Un and to secure a stable economic and social environment.

From now on, with the patronage and assistance of the new leadership, North Korea will likely intensify education and publicity efforts on the “greatness of Kim Jong Un” and promote various approaches for emphasizing his “achievements” in order to establish his capacity as a leader.

On the economic side, with the year 2012 drawing closer, which has been set as the deadline for the rebuilding of the economy, North Korea seems likely to continue to devote its energies to improving the production and supply ability of the state sector and introducing the foreign capital required for this, as well as striving to ensure a stable socioeconomic environment.

Column: About Kim Jong Un

- Kim Jong Un is believed to have been born on January 8, 1983 (some sources have the year as 1982 or 1984), to General Secretary Kim Jong Il and Ko Yong Hui, who was born in Japan of Korean descent and returned to North Korea as a child. He is said to have an older brother, Kim Jong Chol, and a younger sister, Kim Yo Jong. In addition, his half-siblings born to different mothers include Kim Jong Nam.
- Kim Jong Un lived in Switzerland from 1996 until around 2000, attending a local school; after returning home, he majored in artillery tactics at Kim Il Sung Military University, and is believed to have graduated sometime in late 2006.
- Since being informally selected as successor in late 2008, Kim Jong Un has most likely accompanied General Secretary Kim on “on-the-spot guidances,” and there is intelligence that he also unofficially accompanied General Secretary Kim on his visit to China in August.



- (2) Tensions have risen on the Korean Peninsula due to North Korea's shelling of Yeonpyeong Island, as well as the sinking of South Korea's corvette
- North Korea is trying to throw the United States and South Korea off balance by changing between offers of dialogue and adopting a hardline approach.
 - North Korea may be exploring policy shifts on the part of the United States and South Korea, with a view to constructing a "strong and prosperous state" and developing the necessary environment for succession.

The sinking of South Korea's corvette took place in an atmosphere in which no progress was seen, even when North Korea adopted a dialogue-focused approach to the United States and South Korea.

North Korea maintained a dialogue-focused approach vis-à-vis the United States and South Korea from the summer of 2009; in January, through a Ministry of Foreign Affairs statement and other communications, North Korea requested that negotiations be opened with a view to concluding a peace treaty, as well as asking for United Nations sanctions to be lifted as a precondition for resuming the stalled six-party talks. In the Joint New Year Editorial published at the beginning of the year, North Korea called for dialogue and improved relations with South Korea, as well as proposing working-level contact aimed at resuming the tourism projects at Mount Kumgang and Kaesong, and also holding working-level military talks.

However, there was still a big gap in opinions between North Korea and the United States, which was calling for the unconditional resumption of the six-party talks, and even in a series of discussions with South Korea, the assertions of the two sides continued on parallel lines; thus, no particular progress was seen in North Korea's relationships with the United States and South Korea. Amidst this situation, in response to the controversy about South Korean preparations for sudden changes in the situation on the Korean Peninsula and the holding of joint military exercises by the United States and South Korea (March), there were growing signs of a backlash, with North Korea declaring that it would "launch a retaliatory holy war" and "strengthen the nuclear deterrent."

In March, 46 sailors lost their lives when *Cheonan*, South Korea's corvette on duty in the Yellow Sea, sank. In response to this incident, a joint civilian-military investigation team consisting of experts from South Korea and other countries such as the United States, the United Kingdom and Australia was established. The team concluded that the cause of the sinking was "a North Korean-manufactured torpedo exploding underwater" (May), based on the results of an analysis of the torpedo components recovered from the area where the corvette sank, as well as the hull of the boat, which was lifted from the sea bed.

In response to this, North Korea consistently denied its involvement, labeling the incident "a

fabrication (by the United States and South Korea).” Furthermore, it reacted strongly against the fact that, based on the results of the aforementioned investigation, South Korea announced that it would take measures, such as resuming its propaganda critical of the North and holding military exercises (May); after formulating measures such as breaking off communications between the authorities, North Korea asserted that, “The only thing remaining in North-South relations is outright conflict and the danger that war will break out.” Above all, when the South Korean military exercises carried out in response to this incident took place, North Korea repeatedly hinted at the possibility that it would resort to the use of military force, depending on what action South Korea took, and in August, it actually fired artillery rounds towards the Northern Limit Line (NLL) in the Yellow Sea. At the same time, it also issued warnings about discussions by the UN Security Council and developments in related countries, warning of a “military response” in the event that a resolution criticizing North Korea were adopted as a result of South Korea referring this incident to the Security Council (June).

Since the summer, North Korea has repeatedly alternated hawkish and dovish approaches, switching between appealing for dialogue and launching artillery attacks.

With regard to the fact that the result of discussions by the Security Council in July was the adoption of a Presidential Statement on North Korea that stopped short of incorporating any sanctions, North Korea deemed this “a diplomatic triumph for our country.” There also were signs that the country was adopting a more positive approach to dialogue, mentioning the conclusion of a peace treaty through the six-party talks and efforts to achieve denuclearization. In response to a visit to North Korea by former US President Jimmy Carter in August, a US citizen who had been detained since January on charges of “illegal entry” was released. Furthermore, North Korea demonstrated a more positive attitude towards the resumption of the six-party talks, with General Secretary Kim Jong Il stating in talks with Chinese President Hu Jintao during the former’s visit to China that, “We hope to resume the six-party talks as soon as possible and to alleviate the current tension.” In September, moves toward dialogue with South Korea began in earnest, with North Korea calling for working-level contacts between the Red Cross organizations of both countries, with a view to resuming reunions between separated family members from North and South Korea for the first time in about a year, as well as requesting that working-level military talks be held. Furthermore, North Korea demonstrated an approach of pursuing practical gain, requesting the resumption of humanitarian relief and the tourism project at Mount Kumgang.

In response to these moves on the part of North Korea, South Korea did provide humanitarian relief, but it demonstrated a passive attitude to the resumption of tourism operations and the full-scale resumption of support for the North, stating that the resolution of the corvette sinking incident was required for North-South relations to improve. South Korea also requested specific initiatives aimed

at denuclearization as a prerequisite for recommencing the six-party talks. The United States is in agreement with this stance on the part of South Korea, and has firmly maintained a cautious attitude towards the resumption of dialogue with North Korea.

Amidst this situation, after providing visiting US nuclear and diplomatic experts with a tour of nuclear facilities in Yongbyon, North Korea declared that it was working on uranium enrichment and constructing a light water reactor (November). Furthermore, in the same month, North Korea embarked upon what it dubbed “defensive measures” in response to the military exercises conducted by South Korea near Yeonpyeong Island, bombarding the island and causing the deaths of four people, including two civilians; subsequently, in response to joint military exercises conducted by the United States and South Korea in the aftermath of this incident, it claimed that it would “respond with an unpredictably powerful answering blow,” thereby heightening tension on the Korean Peninsula.

China refrained from criticizing North Korea, adopting a response that places the highest priority on the stability of surrounding areas.

Amidst these developments, China strongly opposed provoking North Korea over the corvette’s sinking through criticism or the adoption of sanctions by the Security Council; while it did not touch upon the rights and wrongs of the shelling incident, it placed the highest priority on ensuring stability in surrounding countries, warning against the joint US-South Korean military exercise and proposing emergency talks by the representatives involved in the six-party talks.

Moreover, with regard to the corvette’s sinking, Russia adopted the position that the true facts were unknown, but in response to the shelling incident, it criticized North Korea by name.

There is a possibility of further tension brewing as a result of changes in the stances of the United States and South Korea vis-à-vis North Korea.

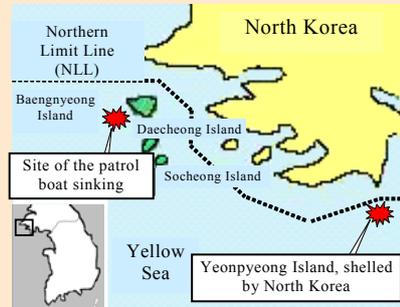
In the long term, North Korea seems to be aiming to secure the economic advantage that would accompany improved relations with the United States and South Korea, with the backing of China, with a view to building a “strong and prosperous state” by 2012 and developing a domestic and international environment that is advantageous to ensuring succession by Kim Jong Un. Accordingly, in order to achieve a change in the stances of the US and South Korea, which are cautious about resuming dialogue with North Korea, it is believed likely that North Korea will heighten tension by such means as further provocative acts near the NLL and the Demilitarized Zone. At the same time, North Korea will likely seize opportunities to demonstrate a positive approach to dialogue with the United States and South Korea by cooperating with China, which insists to prioritize “stability on the Korean Peninsula” and also by switching to a “peace offensive” and appealing for the resumption of the six-party talks, thereby continuing to throw the US and

South Korea off balance.

Column: South Korea's Corvette's Sinking and the Shelling of South Korea's Yeonpyeong Island

The Sinking of South Korea's Corvette

- At about 21:22 on March 26, in the waters southwest of Baengnyeong Island, in western South Korea, the hull of South Korea's corvette *Cheonan* (in the 1,200 ton class), which had been on maritime patrol duties, broke into two pieces and sank, causing the deaths of 46 of the 104 crew members.



<Summary of the conclusions of the joint civilian-military investigation team

(published May 20)>

- The corvette was cut in two by a shockwave caused by the underwater explosion of a torpedo and the resultant bubble effect, and then sank.
- The torpedo exploded outside the hull, below the gas turbine room.
- The torpedo in question was a 250kg high-explosive torpedo manufactured in North Korea.

The Shelling of South Korea's Yeonpyeong Island

- At about 14:34 on November 23, North Korea fired shells towards the waters around South Korea's Yeonpyeong Island, as well as shelling the island itself. The shells hit both military and civilian facilities on the island, killing two marines and two civilians, and injuring a dozen or so people.
- * The United Nations Command set the Northern Limit Line (NLL) as the maritime demarcation line between North and South Korea in the Yellow Sea in 1953. North Korea does not recognize the NLL and in 1999, it unilaterally set a "maritime military demarcation line" to the south of the NLL. Various military clashes have taken place with South Korea in this area, including the First and Second Battles of Yeonpyeong.

(3) North Korea and China are strengthening political and economic cooperation

- North Korea showed off its close relationship with China through such events as the two visits to the country by General Secretary Kim Jong Il, and sought to further deepen the economic cooperation between the two countries.
- China called upon North Korea to strengthen strategic communication, and also more clearly expressed its hopes for economic liberalization.

General Secretary Kim Jong Il made an unprecedented two visits to China in the space of a year. The two countries are publicizing their closer cooperation amidst the succession issue.

Kim Jong Il, General Secretary of the Workers' Party of Korea, visited China in May for the first time in four years, amidst suspicions of North Korean involvement in the sinking of South Korea's corvette (March), and held talks with senior Chinese officials, including Chinese President Hu Jintao. During these talks, as well as emphasizing that North Korea was seeking to maintain and strengthen its "traditional friendly relationship" with China, the General Secretary agreed to the Chinese proposals of maintaining high-level interaction, strengthening strategic communication, deepening economic and trade partnerships, and reinforcing cooperation on international issues, clearly showing its intention to strengthen both political and economic partnerships.

Just three months later, in August, General Secretary Kim made an extraordinary second visit to China within the same year, and held talks with President Hu once more. At these talks, against a background in which China had encouraged restraint on the part of the countries involved in the corvette's sinking incident and had sought to coordinate the resumption of the six-party talks, General Secretary Kim reiterated his assent to the resumption of the talks as soon as possible. President Hu also sought the strengthening of strategic communication, as well as obliquely expressing his hopes for economic liberalization by referring to the importance of "external cooperation" in economic reconstruction.

Moreover, when General Secretary Kim welcomed Guo Boxiong, Vice Chairman of the Central Military Commission of China, on the occasion of the 60th anniversary of China's participation in the Korean War (October), North Korea strongly indicated its intention to "bequeath" close relationships between China and North Korea to the next generation, by having Kim Jong Un seated with his father and Guo. This was a month after it became clear at the representative conference of the Korean Workers' Party (September) that he was effectively being positioned as his father's successor. Moreover, when Zhou Yongkang, Member of the Political Bureau Standing Committee of the Communist Party of China, visited North Korea (October), China demonstrated an approach that went hand-in-hand with North Korea's own intentions, inviting General Secretary Kim and "the

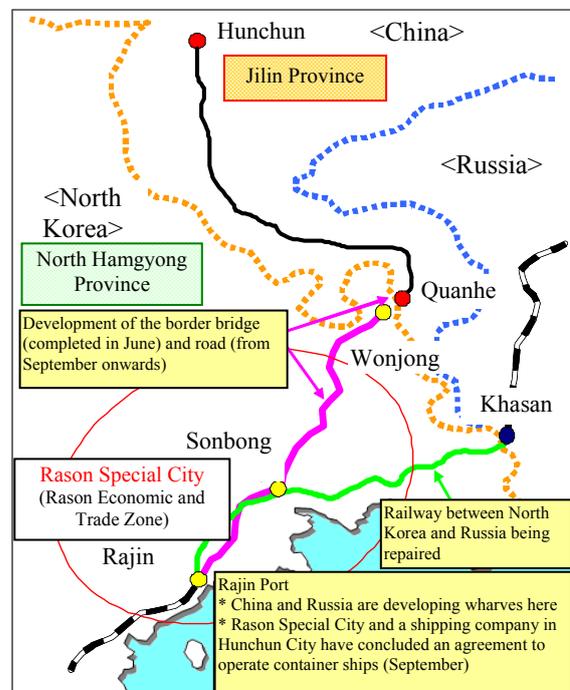
new central leader” to visit China.

On the economic side, cooperative relationships were strengthened, through such initiatives as the development of transportation infrastructure in Northeastern China.

In the field of economy, the trade amount between January and October rose to approximately \$2.69 billion (up 32.2% compared with the same period of the previous year), which exceeded the all-time high recorded in 2008 (*China Customs Statistics*). In particular, North Korea’s economic dependence on China has deepened, with increasing imports from China of cereals and fertilizer (up 33.2% and 75.3% respectively from the previous year), due to the chronic shortages of these commodities in the country.

Moreover, when General Secretary Kim Jong Il visited China, he undertook a tour of inspection at economic facilities in China’s three northeastern provinces (Jilin Province, Liaoning Province and Heilongjiang Province); following this, North Korea sought to strengthen its economic relationship with this region, with successive tours of inspection being undertaken at companies in Northeastern China in order to seek cooperative relationships with them. These visits included a visit by a “friendship delegation” from the Workers’ Party of Korea (October, delegation leader: Chief Secretary of Pyongyang’s Committee Mun Kyong Dok) and a visit by a group led by Premier Choe Yong Rim (November). In particular, Rason Special City and Jilin Province repaired the border bridge (Wonjong–Quanhe) that linked Rajin Port in North Korea and the province and reinforced the transport infrastructure. Also at the 6th Jilin-Northeast Asia Investment and Trade Expo (September), which was held in the Jilin provincial capital of Changchun, officials from the North Korean Ministry of Foreign Trade lobbied to attract investment in Rason Special City from Jilin Province, explaining their plan to develop the city as a hub for international processing and intermediary trade.

However, there are concerns among Chinese companies about the investment risks, due to the lack of development in North Korea’s investment environment, so this has not been translated into any moves to realize new large-scale investment projects.



Developments in the Strengthening of the Transportation Infrastructure Around Rason

China and North Korea are exploring the possibilities for strengthening their relationship further, with each side having its own intention.

While being cautious about becoming excessively dependent on a single country, North Korea seems to be continuing to promote further strengthening of its relationship with China. The aim of this is to secure firmer support for succession by Kim Jong Un and China's backing as North Korea seeks to break the deadlock in its relationship with the United States and South Korea. North Korea also seeks to establish China as its biggest supporter in the economic reconstruction that will ensure the stability of the regime.

With regard to this, China seems likely to deepen its political and economic involvement vis-à-vis North Korea, with a view to ensuring the latter's stability. Behind this move there seem to be China's objectives of securing the stable international environment required for the development of its own economy and "enhancing and deepening activities aimed at building geopolitically strategic hubs in areas surrounding (our own country)" (July 2009, President Hu).

(4) North Korea is maintaining its passive stance towards the development of its relationship with Japan

- North Korea criticized Japan for enacting the Act on Special Measures Concerning Cargo Inspection and asserted that it is necessary for Japan to take such measures as lifting the measures it has imposed with regard to North Korea, in order to break through the current deadlock.
- Taking the opportunity of the centenary of Japan's annexation of Korea, North Korea intensified its demands for "reparations for the past."

North Korea has continued to criticize Japan for domestic developments, such as the tuition-free program for high schools and the enactment of the Act on Special Measures Concerning Cargo Inspection.

Since the beginning of 2010, North Korea has repeatedly criticized Japan concerning various issues. When Korean high schools in Japan (so-called *Chosenjin gakko*) were excluded from the bill to abolish tuition fees in high schools in Japan from April, North Korea strongly criticized this as "a vicious abuse of human rights and inhumane behavior"; moreover, after the Act on Special Measures Concerning Cargo Inspection was enacted (May) on the basis of the UN Security Council's resolution on imposing sanctions on North Korea, and after Japan announced additional measures to deal with North Korea (May) in response to South Korea's corvette's sinking (May), North Korea reacted with a statement that this was an "intolerable challenge to us." In particular, with regard to the Act on Special Measures Concerning Cargo Inspection, North Korea warned that "If our ships are provoked while in international waters, it is inevitable that our military will strike mercilessly in retaliation."

After the inauguration of the Kan administration, there was no change in North Korea's attitude towards Japan and, in response to Prime Minister Kan's declaration at the G8 summit (June) after his appointment that the international community should demonstrate a resolute response to North Korea with regard to the corvette's sinking, North Korea criticized him by name, stating that "Whether or not Naoto Kan is in power, he has explicitly disclosed his antagonism towards North Korea." Moreover, with regard to the visit to Japan by former North Korean agent Kim Hyun Hui (July), North Korea declared that "This is an anti-Republic (North Korea) scheme undertaken by Japan in partnership with the South."

North Korean officials repeatedly declared that the improvement of Japan-North Korea relations "depends on Japan's behavior."

While continuing to criticize Japan as detailed above, North Korea has repeatedly claimed to be

seeking a response from Japan aimed at improving relations between the two countries. More specifically, through press conferences with the Japanese media, officials from the North Korean Ministry of Foreign Affairs, such as Song Il Ho, the ambassador in charge of Japan-North Korea talks, have asserted that achieving a breakthrough in the stalled Japan-North Korea relationship “depends on Japan’s behavior” (May). Even after Prime Minister Hatoyama declared his intention to resign, North Korea stated that “No matter what kind of administration Japan’s next administration will be, if it provides reparations for the past (concerning its colonial rule) and works towards the normalization of diplomatic relations between (North) Korea and Japan, we will also work alongside it towards this end” (June).

Moreover, after the inauguration of the Kan administration, as well as stating that “the lifting of sanctions would probably be the first step towards an improved relationship” (August), North Korea asserted once more that the abduction issue is “an issue that has been completely resolved” and stated that “if there are any doubts, let us talk about them after we have improved our relationship” (October). Furthermore, moves indicating North Korea’s interest in interaction with the political circle in Japan have also been seen, with Kim Yong Il, Secretary of the Workers’ Party of Korea, stating that “We would welcome any politicians wishing to visit North Korea” (October).

Through various gatherings, North Korea made strong demands for “reparation for the past” and criticized Prime Minister Kan’s “statement.”

As 2010 marks the centenary of the conclusion of the Japan–Korea Annexation Treaty, since the beginning of this year, North Korea has repeatedly used various media organizations to demand that Japan provide “reparation for the past.” In August, there was a flurry of declarations, such as the “statements” of the spokesman of the Ministry of Foreign Affairs and social groups, in which North Korea emphasized that “Japan certainly cannot escape from its obligation to apologize and make reparation to North Korea” and that “The Japan-Korea Annexation Treaty was illegal and invalid.” Furthermore, the “Gathering for Hearing Testimonies by Victims of Crimes Against Humanity Committed by Japanese Imperialists” took place in Pyongyang (August) and North Korean officials criticized Japan’s stance, saying that “Over the 65 years since the end of the war until the present day, Japan has hidden the truth of its crimes, such as relocation for forced labor,” as well as demanding that Japan “apologize and provide reparation to the victims of relocation for forced labor” as soon as possible.

Moreover, in response to Prime Minister Kan’s “statement” published on the occasion of the centenary of the Japan–Korea Annexation Treaty, North Korea criticized it, saying that “It only concerns South Korea and is a retrograde step compared with the Murayama Statement.” In addition, it stated that “Japanese authorities should acknowledge state responsibility for past crimes and provide compensation without fail,” again demanding “reparation for the past.”

North Korea made various attempts to lobby in all quarters of Japan, seeking the lifting of measures imposed against it.

While keeping track of developments in the political situation in Japan and Japan's policy on North Korea for the time being, it seems that North Korea will take various opportunities to seek changes in the Japanese stance on such matters as "reparation for the past" and the measures imposed against it. Moreover, in this process, through such organizations as Chongryon (General Association of Korean Residents in Japan), North Korea is likely to continue to make various attempts to lobby all quarters of Japan, including those in political circles, for the construction of communication channels between the two countries.

(5) Chongryon is working on strengthening the foundations of its activities, with a view to realizing “a new heyday”

- The 22nd Congress took place and action policies were adopted on such matters as nurturing the next generation and strengthening the organization.
- Chongryon is organizing a petition drive and lobbying all quarters in Japan, with a view to ensuring that the tuition-free program for high schools is applied to Korean high schools in Japan as well.

Taking the opportunity of the 22nd Congress, Chongryon embarked upon full-scale activities aimed at realizing “a new heyday.”

From the beginning of 2010, Chongryon intensified its activities in the lead-up to the 22nd Congress. More specifically, it positioned the 22nd Congress as “the congress that would mark a great leap forward” in realizing “a new heyday,” implementing public action across the country from February to May, an initiative that it called “the 90-day Movement.” It also strove to increase momentum in the lead-up to the Congress through intensive activities aimed at strengthening the organization, such as ideological education activities aimed at its members and the recruitment of students for Korean schools in Japan.

At the 22nd Congress, which took place in May, changes in personnel among the organization’s officials were kept to a minimum, with Seo Man Sul remaining as Chairman and Ho Jong Man retaining his position as Chief Vice-chairman of the Chongryon Central Standing Committee. Strengthening ethnic education activities was identified as the most important task in order to achieve “a new heyday,” and a policy was announced that focused on further intensifying activities aimed at recruiting students for Korean schools in Japan. Moreover, with a view to cultivating young activists who can take over the organization for the next generation, as well as announcing a policy of developing affiliated youth organizations, such as the Korean Youth League in Japan (*Chochong*), Chongryon announced that it would seek to expand its membership by such means as enhancing its advocacy and welfare activities for pro-Pyongyang ethnic Korean residents in Japan. Chongryon also announced that it would continue its “activities focused on re-identifying compatriots,” a policy that was adopted at the 21st Congress in 2007. At the same time, it set forth a policy of striving to improve its financial base.

Subsequently, Chongryon carried out “mass reform activities” between July and October, and the whole organization devoted itself to putting into practice the decisions taken at the 22nd Congress. During this period, Chief Vice-chairman Ho and other members of the central leadership traveled to the regional branches to provide guidance, commending some of the local bodies for operating welfare facilities for the elderly and encouraging all parts of the organization to learn from such

initiatives. Moreover, as part of its activities aimed at nurturing the next generation, “Korean Youth Celebrations” were held in various parts of the country and, as well as seeking to enable young activists and members to accumulate experience of activities within the organization, by such means as participating in the preparations for and the running of these celebrations, Chongryon sought to strengthen mutual cooperation and exchange.

Chongryon made its sense of unity with North Korea even clearer, through its response to the sinking of South Korea’s corvette, amongst other things.

Through such endeavors as publicity and learning activities aimed at activists and members, Chongryon has been striving to foster a “sense of unity” with North Korea, emphasizing that it is seeking to achieve “a new heyday” for Chongryon, in tandem with the construction of a “strong and prosperous state” in North Korea by 2012. Moreover, at the time of the corvette’s sinking (March) and the North Korean shelling of Yeonpyeong Island (November), Chongryon repeatedly publicized North Korea’s one-sided assertions at various conferences and in its official publication, seeking to prevent agitation amongst its members. Furthermore, since the representative conference of the Korean Workers’ Party (September), at which Kim Jong Un made an official appearance for the first time, Chongryon has instructed the regional branches to send telegrams of congratulations to General Secretary Kim Jong Il at having “presided once more” over the meeting, and has held celebratory gatherings and workshops, thereby striving to instill feelings of loyalty towards the North Korean leadership.

Chongryon strengthened its activities aimed at winning over public opinion, with a view to including Korean high schools as well in the tuition-free program.

In response to the Japanese government’s tuition-free program for high schools, Chongryon established a “project team” in the central headquarters (February) and the whole organization has devoted itself to activities aimed at ensuring that Korean high schools be included in the program as well. The faculty of Korean schools, students, their parents, and Japanese supporters have been at the forefront of these activities; as well as striving to win over a broad range of public opinion in favor of including Korean schools in the program, lobbying the Japanese government and political figures, holding press conferences and organizing meetings, demonstrations and petitions in the street on an ongoing basis, Chongryon has also petitioned international organizations such as the UN Human Rights Council, claiming that “the exclusion [of Korean high schools] from the program is discriminatory and an infringement of human rights.” Moreover, with regard to the fact that the Japanese government has suspended procedures to include Korean schools in the program in the wake of the North Korean shelling of Yeonpyeong Island, Chongryon again sought the inclusion of Korean high schools in the program, issuing a protest statement at an emergency press conference

(November).

In the future, Chongryon is going to work on strengthening the foundations for its activities, bringing welfare activities to the fore.

While keeping in step with North Korea, Chongryon is likely to place the highest priority on “nurturing the next generation of activists” and “activities focused on re-identifying compatriots,” with a view to realizing “a new heyday” in 2012. Above all, as activities such as initiatives focused on including Korean schools in the tuition-free program and the establishment of welfare facilities for elderly people can be viewed more positively than Chongryon’s previous politically charged activities amongst the Korean community in Japan, it is believed likely that the organization will seek to maintain and expand its momentum, by such means as bringing to the forefront such initiatives as advocacy for the Korean community in Japan and welfare-related activities.

2. China

- (1) China adopted a hardline stance in relation to Japan over the collision with a Chinese fishing trawler in waters off the Senkaku Islands
- China strongly asserted its “territorial rights” over the Senkaku Islands, with demands for the “release of the captain,” escalating criticism of Japan and “anti-Japanese” demonstrations in a number of areas in China.
 - China demonstrated an approach of maintaining “strategic and mutually beneficial relationship.”

Before the Chinese trawler collision incident, China demonstrated an approach that emphasized the relationship between Japan and China.

At the beginning of 2010, China demonstrated an approach that emphasized developing its relationship with Japan. At the time of the visit to Japan by Chinese Premier Wen Jiabao (May 30 – June 1), China embarked upon a cooperative approach to negotiations concerning the conclusion of an international agreement on the development of resources in the East China Sea, which had been postponed hitherto on the grounds that “the requisite environment for commencing negotiations has not yet been put in place;” this occasion marked the first time that China had declared that it would accept the commencement of negotiations. Moreover, at a summit meeting after the appointment of Prime Minister Kan, Chinese President Hu Jintao reaffirmed that China was pursuing “the development of strategic and mutually beneficial relationship” (June).

From start to finish, China maintained a hardline stance over the Chinese fishing trawler collision incident and criticized Japan’s response.

On September 7, in Japanese territorial waters off the Senkaku Islands, an incident occurred in which a Chinese fishing trawler, which had defied an order to stop issued by Japan Coast Guard officials, collided with Japan Coast Guard patrol boats as the Chinese boat tried to flee; the Chinese captain was arrested on charges of obstructing a public official in the execution of their duties.

In response to this, China claimed that “Detaining Chinese fishermen through the application of Japanese domestic law in these waters is illegal” and, as well as relentlessly calling for the immediate release of the captain and crew, China took a hardline stance, announcing the postponement of the aforementioned negotiations concerning the development of resources in the East China Sea, and dispatching fisheries administration vessels to the waters around the Senkaku Islands.

Furthermore, after the decision was made to extend the detention period of the Chinese captain

(September 19), China took “countermeasures” that included announcing the cessation of all contact from ministerial level upwards, and strengthened its tone of criticism, with remarks such as “The detention of the captain is a serious violation of Chinese territorial sovereignty and constitutes an overt provocation.” Moreover, Chinese Premier Wen Jiabao, who was visiting the United States to attend the United Nations General Assembly, asserted that “The Diaoyu Islands [the Chinese name for the Senkaku Islands] are China’s sacred territory” and made China’s hardline stance towards Japan clear. Premier Wen further demanded the unconditional release of the captain and declared that “If Japan acts arbitrarily without consultation, China will take further action.”

Amidst this situation, it emerged that four Japanese nationals had been detained in Hebei Province for “illegally making a video recording for military purposes” and that exports of rare earths to Japan had been interrupted, so the possible relationship between the Chinese fishing trawler collision and these developments became the focus of attention, both in and out of Japan.

After the release of the trawler’s captain, China alternately sought to mend fences with Japan and demonstrated a hardline stance, while a series of “anti-Japanese” demonstrations took place in various parts of China.

On September 25, in its announcement in response to the release of the Chinese trawler’s captain, while requesting “an apology and restitution” from Japan, China’s Foreign Ministry stated that “The development of strategic and mutually beneficial relationship is in accordance with the fundamental interests of the people of China and Japan,” demonstrating an attitude focused on repairing the relationship between the two countries. Moreover, on October 4, in informal talks with Prime Minister Kan during the Asia-Europe Meeting Summit held in Belgium, Premier Wen affirmed that he would “promote strategic and mutually beneficial relationship.”

However, since October 16, intermittent large-scale “anti-Japanese” demonstrations took place, mainly in inland areas such as Sichuan Province, where economic development is lagging behind; some of these demonstrations turned violent, with Japanese-owned supermarkets and other premises being vandalized.

In response to these demonstrations, while saying that “One can understand that part of the public are demonstrating their righteous indignation,” the authorities responded cautiously, stating that “We do not agree with irrational acts that are in breach of the law,” in order to prevent the situation becoming more widespread. In some of these demonstrations, participants raised banners critical of the regime, with slogans such as “Against Bureaucratic Corruption”; one could see that there were also domestic factors behind the demonstrations, including discontent about the income divide.

Even after this, when China cancelled the planned talks between Prime Minister Kan and Premier Wen immediately before they were due to take place in Hanoi (October 29), the country adopted a nuanced response, agreeing to “informal talks.” It seemed that the aforementioned domestic

situation was also having an effect, but during the Asia-Pacific Economic Cooperation (APEC) summit, President Hu held talks with Prime Minister Kan, and they were in agreement in their recognition that a “strategic and mutually beneficial relationship is important” (November 13).

While maintaining “strategic and mutually beneficial relationship,” China is still adopting an intransigent attitude with regard to the issue of maritime interests.

The continued maintenance of an external environment that is favorable to the “modernization” of China remains the diplomatic goal that is the highest priority for the Hu Jintao regime, so it is likely that China will call for the maintenance and development of “strategic and mutually beneficial relationship” and seek to repair the relationship that has deteriorated because of the Chinese fishing trawler collision.

However, in the implementation of its policy on Japan, as well as scrutinizing developments in Japan that relate to China and the relationship between Japan and the United States, China will likely determine its specific responses while giving adequate consideration to ensuring that there is no criticism from within its own borders, to the effect that it is engaging in “weak-kneed diplomacy” with regard to Japan.

In particular, with regard to the issue of maritime interests in the East China Sea, the Chinese Ministry of Agriculture and the State Oceanic Administration have already set forth policies such as “continuous patrol activities” in the waters around the Senkaku Islands, and it is anticipated that China will continue to adopt a hardline stance.

- (2) While aiming for an international environment that is advantageous to its own development, there was friction with other countries regarding maritime interests
- The Shanghai Expo was used as the biggest stage for China's image strategy.
 - China emphatically asserted its own "interests" in the South China Sea and the East China Sea.

China is devoting its energies to improving its international image by strengthening its soft power.

China adopted a policy of "establishing an external environment that is favorable to modernization" (March, Premier Wen Jiabao) as its primary diplomatic mission for 2010, and strove to strengthen its ability to disseminate information overseas, with the aim of establishing the image of "China's peaceful development."

The factors behind this seemed to be the awareness that the increasing prevalence of the "China threat theory" in the international community, resulting from its growing economic power and increased military might, represents a major impediment to the promotion of "modernization."

Based on this policy, China positioned the Shanghai Expo as "an important forum for deepening other countries' understanding of and friendship towards China, and for developing together" (March, Foreign Minister Yang Jiechi), and utilized it as an opportunity to publicize itself to the rest of the world. During the Expo, key figures in the Chinese Communist Party and the Chinese Government held talks with around 100 high-ranking government officials of various countries and discussed issues in a wide range of fields, including the Iran nuclear issue, the financial crisis, climate change, and the protection of the mutual interests of developing countries, not to mention economic cooperation, thus promoting itself as a "responsible major power" tackling international problems.

China used the media and the "Confucius Institutes" to strengthen its ability to disseminate information to the rest of the world.

Moreover, China has worked on strengthening its ability to disseminate information by such means as expanding the overseas bureaus of its domestic media outlets. The Xinhua News Agency, a news agency under the direct control of the State Council, embarked on a plan to increase the number of its overseas bureaus from 109 in 2007 to 120 in 2010; by July, it had commenced Chinese-language satellite broadcasts to the Asia-Pacific region and parts of Europe, as well as 24-hour English-language broadcasts. In addition, there were moves by a company under the auspices of the China Development Bank, aimed at using investment funds to participate in the management of foreign media outlets broadcasting programs in Chinese.

Furthermore, China strove to enhance the “Confucius Institutes” (Note), which are hubs for disseminating Chinese culture and teaching the Chinese language, setting a target of “catching up in ten years’ time with the Alliance française, an organization promoting the French language and culture that has bases in 1,300 locations across the globe” (July).

(Note) As of December 2009, there were 342 institutes, 18 of which were in Japan.

China advocated “the protection of maritime interests,” while strengthening and expanding its patrol activities.

While endeavoring to dispel the “China threat theory,” China has demonstrated a hardline stance towards other countries with regard to issues relating to its maritime interests, under a policy of “expanding the maritime boundaries under our jurisdiction and advocating a maritime political strategy centered on global maritime interests, in order to build a powerful maritime nation” (May, *China Marine Development Report 2010*).

Above all, in the South China Sea, which China has positioned as its “core interest,” there have been constant activities since April by large-scale fisheries administration vessels equipped with weapons and affiliated with the Ministry of Agriculture, on the grounds that they are protecting Chinese fishermen operating in those waters; this has increased friction with the ASEAN countries that are wary of China’s forays into that sea.

Moreover, in the East China Sea, China’s oceanographic survey ships affiliated to the State Oceanic Administration patrolled waters on the Japanese side of the marine boundary between Japan and China (May, September). In addition, after the collision between a Chinese fishing trawler and two Japan Coast Guard vessels that occurred in the waters off the Senkaku Islands (September), China declared that it would conduct continuous patrol activities in this sea as well (September, Foreign Ministry spokesperson) and hardened its stance towards Japan, dispatching fisheries administration vessels on multiple occasions and asserting that these were legitimate law enforcement activities.

The Chinese navy conducted military exercises in surrounding waters. At international conferences, China warned against US intervention.

The Chinese navy has dispatched a destroyer to the South China Sea and has strengthened its presence in the seas around it, with troops landing on Fiery Cross Reef (April) and a joint military exercise involving the North, East and South Sea Fleets (July), which was billed as “the largest exercise involving the modernized navy.” Moreover, in the East China Sea, ten naval vessels, including a Kilo class submarine (Note 1) and a Sovremenny class destroyer (Note 2), advanced southward into the international waters between the main island of Okinawa and Miyakojima (April); these developments became the focus of attention. The primary factor behind these moves was believed to be the intention to keep US military activities in check.

(Note 1) Kilo class submarine: Displacement capacity: 2,325 tons (surfaced). Speed: 10 knots (surfaced), 17 knots (submerged). Main weapons: SS-N-27 missiles, 533mm torpedo tubes × 6. China currently has 12 of these vessels.

(Note 2) Sovremenny class destroyer: Displacement capacity: 7,940 tons (full load). Speed: 32 knots. Main weapons: SS-N-22 anti-ship missiles × 8 (four-round launchers × 2), SA-N-7 anti-aircraft missiles × 2, 533mm torpedoes × 4 (two-round torpedo tubes × 2), Ka-28 or Zhi-9C helicopter × 1, etc. China currently has four of these vessels.

At international conferences, China has strongly asserted its “territorial and maritime interests.” At the ASEAN Regional Forum (July), there were heightened calls among ASEAN member countries for a resolution to the issue of territorial rights in the South China Sea through multilateral discussions, but China insisted on bilateral negotiations with the countries involved. Moreover, when US Secretary of State Hillary Clinton attended the aforementioned forum and declared that “the United States has a national interest” in freedom of navigation in the South China Sea, China criticized this statement, responding that the United States “should not internationalize or multilateralize the issue” (Foreign Minister Yang Jiechi). Moreover, in his address to the United Nations General Assembly, Premier Wen Jiabao stressed that “China will resolutely protect its ‘core interests’ and will never yield on issues relating to sovereignty, unity and the maintenance of its territorial integrity” (September).

(Major Developments in Marine Forays by Chinese Warships in 2010)

| South China Sea | | East China Sea | |
|-----------------|--|----------------|--|
| April | <ul style="list-style-type: none"> - Deputy Director of the Ministry of Agriculture's South Sea Fisheries Administration Bureau announces at the departure ceremony for a fisheries administration vessel that fisheries administration vessels would be on constant patrol - Destroyers and other warships sail to the Spratly Islands and troops land on Fiery Cross Reef - Oceanographic survey ships sail to the James Shoal, which China claims as the southernmost extremity of Chinese territory | April | <ul style="list-style-type: none"> - 10 naval warships, including a Kilo class submarine and a Sovremenny class destroyer, venture southward into the international waters between the main island of Okinawa and Miyakojima |
| | | May | <ul style="list-style-type: none"> - Oceanographic survey ships patrol waters on the Japanese side of the maritime boundary between Japan and China |
| | | July | <ul style="list-style-type: none"> - One missile destroyer and one frigate sail southward into the international waters between the main island of Okinawa and Miyakojima - The East Sea Fleet conducts anti-ship missile firing exercises |
| June | <ul style="list-style-type: none"> - The China Coast Guard conducts a crackdown in the Gulf of Tonkin and seizes 31 Vietnamese fishing vessels in 23 days - A fisheries administration vessel confronts an Indonesian warship in the coastal waters of the Natuna Islands - The China Coast Guard conducts joint fisheries and marine monitoring and management activities in the Gulf of Tonkin with fisheries administration vessels | August | <ul style="list-style-type: none"> - The East Sea Fleet conducts maritime missile attack and defense training |
| | | Sep. | <ul style="list-style-type: none"> - Oceanographic survey ships patrol waters on the Japanese side of the maritime boundary between Japan and China - Fisheries administration vessels patrol the coastal waters around the Senkaku Islands - Chinese Foreign Ministry spokesperson announces that there will be constant patrols by fisheries administration vessels in the waters off the Senkaku Islands |
| July | <ul style="list-style-type: none"> - Three navy fleets conduct joint exercises | | |
| August | <ul style="list-style-type: none"> - A naval landing force conducts live-fire training | Oct. | <ul style="list-style-type: none"> - Fisheries administration vessels patrol the coastal waters around the Senkaku Islands |
| Nov. | <ul style="list-style-type: none"> - A live-fire and landing exercise takes place with the participation of the South Sea Fleet, including landing craft and destroyers | Nov. | <ul style="list-style-type: none"> - Fisheries administration vessels patrol the coastal waters around the Senkaku Islands |

While advancing its interests through such endeavors as intensifying the activities of government vessels, China will use its economic might as leverage to expand its influence.

In the future, China is likely to seek to advance its interests by using diplomatic negotiations

interlaced with methods such as intensifying the activities of government and military vessels, in the name of “defending sea lanes” and “protecting fishermen” in surrounding waters. At the same time, it seems likely that China will actively develop its external publicity activities, as well as using its commercial and cooperative relationships based on its economic might as a lever in hard and soft lobbying activities, in order to expand its influence in the international community.

Column: The Status of Chinese Marine Forays

In the South China Sea, China has emphasized the shelving of previous disputes and sought joint development, while at the same time establishing control through the deployment of government ships, military exercises and hostilities with contesting states. In the East China Sea, which includes the Senkaku Islands, China has made phased incursions. Future developments require due caution.

| | Paracel Islands (South China Sea, Vietnam) | Spratly Islands | | Senkaku Islands (East China Sea) |
|---|--|---|--|-------------------------------------|
| | | Fiery Cross Reef (South China Sea, Vietnam) | Mischief Reef (South China Sea, Philippines) | |
| ■ Official claim of territorial rights | ○1950 | ○1950 | ○1950 | ○1970s |
| ■ Proposed shelving of disputes and joint development | — | ○1975 | ○1986 | ○1978 |
| ■ Forays into surrounding waters • Dispatch of fishermen • Dispatch of survey ships, etc. • Security patrols | ○1955 | ○1987 | ○1992 ○1995 | ○1978 ○1990s ○December 2008 |
| ■ Establishment of control • Building construction • Use of force, etc. | ○1974 | ○1988 ○1988 | ○December 1994 | |

Column: US – China Relations Characterized by Friction Interlaced with Cooperation

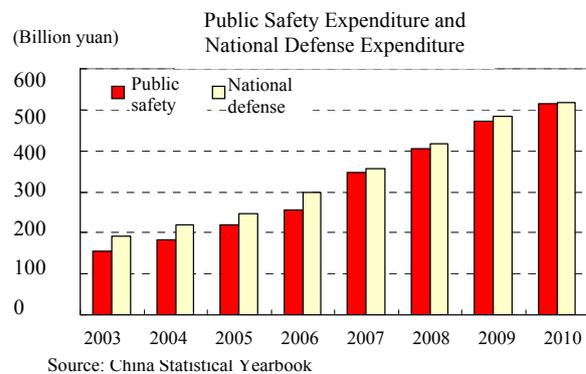
In 2010, the United States and China avoided decisive confrontation, while experiencing friction interlaced with cooperation over such issues as Taiwan, the value of yuan, and marine interests.

| China | | United States | | Relations |
|---------|--|---------------|--|-------------|
| January | Announces the cessation of military exchanges | January | Announces arms sales to Taiwan | Friction |
| | | Feb. | President Obama meets with the Dalai Lama | |
| April | President Hu Jintao attends the Nuclear Security Summit | | | Cooperation |
| May | Holds US-China Strategic and Economic Dialogue | May | Holds the US-China Human Rights Dialogue | |
| June | Announces “flexibility” in yuan exchange rates, and resumes its upward revaluation | July | Shelves the listing of China as a “currency manipulator” | |
| July | Foreign Minister Yang Jiechi criticizes the statement by US Secretary of State Hillary Clinton, saying that “internationalizing or multilateralizing the issue makes a solution difficult” | July | Secretary of State Hillary Clinton declares that “(in the South China Sea) securing freedom of navigation for the United States is important” (ASEAN Regional Forum, Hanoi) | Friction |
| | | July | A joint US-South Korea military exercise is held in waters close to China | |
| | | Sep. | A joint US-South Korea military exercise is held in waters close to China | Cooperation |
| October | National Defense Minister Liang Guanglie invites US Secretary of Defense Robert Gates to visit China (Hanoi) | | | |
| October | Foreign Minister Yang Jiechi criticizes the statement by US Secretary of State Hillary Clinton, saying that she “should be careful about her words and actions in relation to highly sensitive issues” | October | Secretary of State Hillary Clinton states that “(the Senkaku Islands) are subject to the application of Article 5 of the US-Japan Security Treaty” (Joint Press Conference of the Japan and US Foreign Ministers, Hanoi) | Friction |

- (3) China is devoting its energies to dealing with the various causes of instability resulting from distortions due to economic growth
- China is taking pains to deal with the problems facing the public in their daily lives, such as the “Three Rural Issues,” labor disputes, environmental pollution and frequent natural disasters.
 - In the new five-year plan, the emphasis is being placed on rectifying disparities and switching the methods used to achieve economic development.

An immense budget is set aside for measures to maintain security.

Against the background of multiple mass protests in recent years, the administration of Hu Jintao has been devoting its energies to maintaining social stability. Above all, as well as taking all possible measures to ensure safety during the Shanghai Expo, on which the country’s prestige was staked, China has taken pains to avoid “anti-Japanese” demonstrations



turning into anti-government protests and to prevent the pro-democracy movement being intensified in the wake of Liu Xiaobo’s winning the Nobel Peace Prize.

Moreover, in order to maintain security in society, China has invested huge sums of money to secure personnel and equipment for armed police, among others, and the expenditure on measures to maintain security (public safety expenditure) in 2010 rose to 514 billion yuan (approximately 6.78 trillion yen), an increase of 8.9% from the previous year.

China is placing great emphasis on dealing with the “new generation of migrant workers.”

At the beginning of the year, the administration of Hu Jintao took up the “Three Rural Issues” (agriculture, farming villages and issues affecting farmers) in the “Number One Document” (published January 31), which sets forth the most important tasks for the party and government in that year. This was the seventh successive year that the issue had been raised in this document, demonstrating the importance placed on this issue by the government. Above all, it referred to the “new generation of migrant workers” (Note) – young migrant agricultural workers born from the 1980s onwards – for the first time, and stressed the necessity of dealing with such workers.

However, since then, a strike over wages at a Honda components plant in Foshan, Guangzhou Province (May), triggered a rash of labor disputes in which many members of the “new generation

of migrant workers” participated, focusing primarily on Japanese-owned companies. When these disputes occurred, the Chinese authorities asked the trade unions to intervene actively and demonstrated an approach focused on encouraging improvements in the working environment and wage increases through collective bargaining.

(Note) The “new generation of migrant workers” is in excess of 100 million people and is more interested in wage rises and the working environment than the older generations, thereby increasing concerns on the part of the administration of Hu Jintao.

China is doing its utmost to respond to mass protests triggered by environmental problems and natural disasters.

In 2009, multiple victims of lead poisoning due to the pollution of drinking water by wastewater from factories emerged in various parts of China, and there was a succession of mass protests by local citizens whose discontent grew as a result. In response to this, the authorities set forth the *Comprehensive Plan on Preventing and Controlling Heavy Metal Pollution* (June) and strove to strengthen regulations on wastewater emissions from factories, but a rash of similar incidents subsequently occurred in areas including Yunnan Province (July) and Jiangxi Province (August).

Moreover, there were many natural disasters, including an earthquake in the Yushu Tibetan Autonomous Prefecture in Qinghai Province (April), a landslide in Gannan Tibetan Autonomous Prefecture in Gansu Province (August), and flooding in Southern and Northeastern China (June–August); these all caused great damage to crops and economic activity. These disasters had some man-made aspects, due to such factors as indiscriminate development of forests, inadequate civil engineering infrastructure, and unsafe building practices; accordingly, fearing that discontent on the part of the victims would be focused in their direction, the authorities strove to implement swift and effective rescue activities. In particular, in regions where there are many Tibetan citizens, the authorities were wary that protests would turn into protests about ethnic issues, so they responded cautiously, controlling media reports on the state of the devastation.

China was unable to devise any drastic measures to tackle income inequality or bribery and corruption.

With a view to rectifying the problems of income inequality and bribery and corruption (Note), which have become factors in social instability such as mass protests, the administration of Hu Jintao has continued to explore counter-measures, including considering the introduction of a property tax and reinforcing the levying of individual income tax on wealthy people. In particular, in his report on the government’s activities at the National People’s Congress (March), Premier Wen Jiabao proposed that legislation be developed to supervise and regulate “gray income,” as well as making systems more transparent in such fields as land transaction and issuing permits. To be

more specific, the Premier proposed that the system of property transaction centers, which was introduced as a trial initiative in Shanghai, be extended throughout the country, and that information be publicized about property that can be traded and the price thereof. However, due to opposition on the part of some members of the National People's Congress, this proposal was deleted from the report on government activities and China remains unable to adopt effective measures.

(Note) In recent years, civil servants and the managers of state-owned enterprises have received “gray income” (income such as gifts, which is positioned between legal and illegal income, where it is hard to identify exactly how this income was obtained); this has been a major factor in the development of income inequality and corruption, and discontent on the part of the public is said to be growing. Moreover, the gap between urban and rural incomes is still large, with urban incomes 3.33 times higher than rural ones (as of 2009).

In the new Five-year Plan, China is aiming to switch to “balanced economic development.”

At the Fifth Plenum of the 17th Political Bureau Standing Committee of the Communist Party of China (October), the basic policy for the “12th Five-year Plan for the Economic and Social Development of China” (2011 – 2015) was proposed. In this policy, the objective was set forth of aiming to achieve a switch from the excessively export-dependent growth that China has experienced until now, to an economic development method that achieves a balance between exports, investment and consumption, with domestic demand as the motive force. The factors behind this are believed to be the fact that China cannot expect the same level of growth in exports as seen hitherto, due to the long-term stagnation of the economies of developed nations, as well as the fact that the population of productive age (aged 15 – 64), which has supported economic growth to date, will start to decline from around 2015, so it will be difficult for China to sustain growth methods that are excessively dependent on exports or investment.

Endeavors to rectify disparities will require some difficult maneuvers, due to objections from those with vested interests.

The administration of Hu Jintao has set forth a policy of actively working on tasks aimed at maintaining growth and ensuring social stability, during the remainder of its term, until the 18th National Congress in 2012.

However, there are various difficulties relating to the individual tasks. The difficulties include the fact that it will not be easy to promote the urbanization required in order to achieve improvements relating to the “Three Rural Issues,” because it will involve reforms of the family registration system; the fact that it is difficult to ensure a sustainable employment environment for improvements in working conditions, such as the wage rises required in order to address income inequality; and the fact that there are strong objections on the part of vested interests such as

companies and the wealthy to the introduction of property taxes and income tax improvements. Consequently, the administration of Hu Jintao seems likely to face some difficult maneuvers in order to deal with these problems, with a view to the impact on personnel changes after the 18th National Congress, when a major shake-up in the Central Committee leadership is anticipated.

Column: The New Leadership That Will be Elected After the 18th National Congress

- After the 18th National Congress, which is due to take place in 2012, seven of the current Politburo Standing Committee members other than Xi Jinping and Li Keqiang will retire; it is expected that new Standing Committee members will, essentially, be elected from among the current Politburo members aged under 67 years at that point (see the table below).
- Xi Jinping was promoted to Vice-Chairman of the Central Military Commission at the Fifth Plenum, so the possibility that he will become the successor to Hu Jintao has increased, but it is still unclear when he will be appointed to Chairman of the Central Military Commission.
 - * At the 17th National Congress in 2007, nobody aged 68 or over was appointed as a member of the Politburo Standing Committee. Moreover, Politburo Standing Committee members were essentially elected from among the Politburo members during the previous term (apart from Xi Jinping and Li Keqiang).

| |
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| Xi Jinping (59) Li Keqiang (57) Yu Zhengsheng (67) Zhang Dejiang (65) Liu Yunshan (65) Wang Qishan (64) Bo Xilai (63) Li Yuanchao (61) Wang Yang (57) Liu Yandong (female) (66) Zhang Gaoli (65) |
| * The ages in brackets are the ages they will be at the end of October 2012 |

- (4) Taking the opportunity offered by the conclusion of the ECFA, China strengthened its “peaceful unification” offensive and is exploring “political dialogue”
- Taking advantage of the acceleration of economic exchange, China is striving to foster mutual trust through cultural and educational exchange, and is devoting its energies to the development of an environment suitable for “unification.”

Even as China demonstrates “compromise” with the conclusion of the ECFA, it is firmly maintaining the “One China” principle.

China granted major concessions in relation to the Economic Cooperation Framework Agreement (ECFA) with Taiwan, such as the number of items included in priority tariff reductions, and was able to conclude the agreement (June). Moreover, China has granted approval for the plan to conclude free trade agreements between Taiwan and third-party countries, based on the premise of the “One China” principle. It appears that one factor behind these moves was China’s objective of indirectly supporting the Kuomintang administration of Ma Yingjeou, who has a negative attitude to Taiwanese independence, by boosting the buoyancy of the Taiwanese economy through exchanges centered on the economy.

Moreover, China has taken advantage of the acceleration of economic exchange to strengthen its lobbying for the promotion of cultural and educational exchange, which is deemed to be the next step towards “peaceful unification.” Amongst other developments, Culture Minister Cai Wu visited Taiwan (September), the first Chinese cabinet minister to do so for 12 years, and proposed an agreement concerning cultural and artistic exchange, while emphasizing the “continuation and development of Chinese culture.”

Furthermore, China held unofficial discussions in Japan (Yamanashi Prefecture), involving researchers with influence over policy decisions from both China and Taiwan (April). During the discussion, they discussed how to handle the “One China” principle and explored ways of creating a path toward “political dialogue” aimed at ending the state of enmity between China and Taiwan. Moreover, with regard to security issues, such as China’s deployment of missiles directed toward Taiwan, Defense Ministry spokesperson announced China’s intention to engage in “exchange” based on the premise of the “One China” principle (July), while the spokesperson from the Taiwan Affairs Office of the State Council also demonstrated a dialogue-focused approach, calling for “contact and exchange” (October).

In “political dialogue,” China will demonstrate a cautious response, in light of the differences in thinking between itself and Taiwan.

With regard to “political dialogue,” there are differences in thinking between China, which is

aiming for “peaceful reunification,” and Taiwan, which is seeking “maintenance of the status quo.” Accordingly, for the time being, China likely will cautiously assess such things as the direction of public opinion in Taiwan, which is wary of the swift rapprochement with China on the part of the administration of Ma Yingjeou, and its impact on the 2012 Taiwanese presidential election. But at the same time, it appears that China will aim to realize full-scale discussions after accepting Taiwan’s participation in the specialized councils of the UN during the life of the administration of Ma Yingjeou, thereby making its relationship with Taiwan as close as possible.

3. Russia

- (1) Russia strongly asserted to domestic and international audiences its claim that Japan's Northern Territories should be deemed part of its own territory
- Russia steadily promoted the development of the Northern Territories, despite the impact of the economic crisis.
 - The Russian President went ahead with an unprecedented visit to the Northern Territories as head of state.

Russia promoted the development of infrastructure in the Northern Territories, including hospitals, airports and roads.

Although Russia has been compelled, due to the impact of the economic crisis since 2008, to reduce its budget for the "Special Federal Program for Socioeconomic Development in the Kuril Islands from 2007 to 2015," which is the development plan that includes the Northern Territories, it has completed numerous projects, such as the construction of a new hospital on Etorofu, with the aim of improving the lives of the islanders. In addition, Russia has steadily pressed on with infrastructure development in the Northern Territories, renovating roads on each island, as well as continuing the construction of a new airport and the renovation of an old airport on Etorofu and Kunashiri Islands, although at a sluggish pace.

| Major Northern Territories Development Projects Completed Since 2007 | |
|--|--|
| Etorofu | Construction of a hospital in Shana (2010), renovation of water supply and sewerage facilities in Shana (2009) |
| Kunashiri | Renovation of water supply and sewerage facilities in Tomari (2009) |
| Shikotan | Renovation of the port in Shakotan (2008), construction of a heliport in Anama (2010) |

Although Russia is interested in economic cooperation, it has demonstrated an antagonistic stance towards Japan, which is seeking resolution of the territorial issue through the return of the four islands.

Through the Japan – Russia summit meetings (April, June), President Dmitry Medvedev has demonstrated a strong interest in deepening relationships of economic cooperation between the two countries in a variety of fields, including the energy field.

However, with regard to the Northern Territories issue, in addition to the aforementioned development, Russia has strongly asserted to domestic and international audiences its claim that the Northern Territories should be deemed part of its own territory. The Russian effort was made through such moves as demanding the Japanese side to comply with Russian laws, including requesting that Japanese exchange groups visiting the territory on a visa waiver pay port fees (March), and holding military exercises on Etorofu (July). Furthermore, defying Japanese opposition, President Medvedev himself went ahead with a visit to the Northern

Territories (Kunashiri Island) as head of state (November), which was absolutely unprecedented, even looking back to Soviet times; subsequently, at the Japan – Russia summit meeting that took place immediately afterwards (November), President Medvedev made clear his stance that the Northern Territories belong to Russia.

In the future, while maintaining a hardline stance towards Japan over the Northern Territories issue, it seems likely that in the economic field, Russia will strive to lobby various parties in Japanese economic circles, in order to introduce further investment and technology that will be useful to the country's "modernization."

(2) Russia is promoting pragmatic diplomacy in areas such as security

- Russia promoted cooperative diplomacy with the West, through such initiatives as the signing of a new nuclear non-proliferation treaty with the United States.
- Russia is aligned with China with regard to its “understanding of history” relating to the Second World War.

While promoting cooperative diplomacy with the countries of the West, Russia pursued its own practical advantage in regard to the Iran issue.

Russia signed a new nuclear non-proliferation treaty (Note) with the United States (April), as a treaty to succeed the First Strategic Arms Reduction Treaty (START1), which expired in December 2009. This provided an opportunity for Russia to undertake cooperative diplomacy with the countries of the West, conducting negotiations with France on the purchase of the latest amphibious assault ships and reinforcing cooperation with Germany in the energy field, as well as holding repeated summit meetings with the United States.

However, with regard to its relationship with Iran, although Russia agreed to additional UN sanctions relating to Iran’s nuclear development initiatives and overturned a contract to supply Iran with S-300 air defense missile systems, which was an outstanding issue between the United States and Russia (September), it adopted an approach of pursuing its own practical advantage, continuing to provide support for the construction of the Bushehr nuclear power plant in southern Iran.

(Note) The US – Russia Treaty on Measures for the Further Reduction and Limitation of Strategic Offensive Arms: The content of this treaty includes i) limiting the deployment of strategic nuclear warheads to 1,550; ii) limiting the deployment of the means of delivering nuclear weapons, in the form of ICBM, SLBM and strategic bombers to a maximum of 700; and iii) making the expiry date of the treaty 10 years from the date of ratification, with extension possible up to a maximum of five years.

Through summit talks, Russia reinforced its cooperation with China in the energy field and with regard to its “understanding of history.”

Russia has striven to reinforce its cooperation with China through such endeavors as active exchanges on the part of senior government officials, including six summit meetings over the course of 2010. In particular, during President Medvedev’s visit to China (September), the two countries signed the Joint Statement on the 65th Anniversary of the End of the Second World War, which asserted to domestic and international audiences that “the people of our two countries liberated Europe and Asia from fascists and militarists.” The two countries also signed cooperation agreements covering various areas, including natural gas, crude oil and nuclear power, thereby

reinforcing the “strategic partnership” between the two countries.

In the future, it seems likely that Russia will promote diplomacy aimed at securing a practical advantage, including the attraction of foreign capital from Europe, the United States and Asia, and the introduction of advanced technology, in order to ensure its own economic development and security.

(3) The third year of the “tandem leadership” presented an image of stability

- President Dmitry Medvedev started working on reforms of military and security institutions, as well as reshuffling domestic personnel.
- Prime Minister Vladimir Putin brought the country through a number of difficult economic and social problems, and continues to benefit from strong support among the public.

President Medvedev promoted initiatives aimed at giving concrete form to the “modernization of Russia.”

President Medvedev dismissed a number of powerful regional government leaders whose long terms in office had become a nuisance, including the Mayor of Moscow (October), and embarked upon a reshuffle of domestic personnel. Furthermore, the President embarked upon reforms of military and security organizations, such as the submission to the upper house of the Ministry of Internal Affairs Reform Bill, which prescribed large-scale reductions in the number of personnel and the scaling back of the ministry’s authority considerably (February), as well as the reorganization of military districts (July); in addition, he has promoted initiatives aimed at giving concrete form to the administration’s goal of achieving the “modernization of Russia,” including, in the economic field, the enactment of a law on the establishment of a Russian version of Silicon Valley (September).

Prime Minister Putin appealed for consideration to be given to the stability of the lives of the people.

At the same time, Prime Minister Putin has worked tirelessly to resolve economic and social problems that continue to cause difficulties, such as the effects of the international financial crisis that occurred in 2008. The Prime Minister has promoted an approach of giving consideration to the stability of the lives of the people, making three to four local visits every month and prescribing specific measures to revitalize regional economies and resolve social problems in provincial areas, as well as spearheading firefighting activities when large-scale forest fires broke out (August). This approach has given the Russian people an impression of Prime Minister Putin as a “strong leader,” and he has received the same strong support from the public as he did while President.

Attention will focus on changes in the “tandem leadership” in the run-up to the next presidential election.

In promoting the aforementioned measures, President Medvedev and Prime Minister Putin have adopted a collaborative, cooperative approach to each other, and the “tandem leadership” by the two

leaders, which in May entered its third year since inauguration, has demonstrated a sense of stability so far. In the future, it is believed that attention will focus on whether or not any changes will occur in this “tandem leadership,” with regard to responses to the next presidential election, which is due to be held in 2012.

4. Middle East

- (1) While direct peace negotiations between Israel and the Palestinians resumed, the situation remains chaotic
- Although the administration of US President Obama took the initiative, there has been no significant progress in the negotiations.
 - The relationship between Israel and Turkey deteriorated as a result of the incident involving aid ships bound for the Palestinian territory of Gaza Strip.

The Palestinian side took a tougher line in response to the resumption of Jewish settlement activities.

In May, with the administration of President Obama acting as an intermediary, Israel and the Palestinians began indirect negotiations aimed at resuming peace negotiations, which had been discontinued after the Israeli military attacked the Gaza Strip at the end of 2008.

Subsequently, the Palestinian side agreed to direct negotiations on the condition that Israel would not resume settlement activities after reaching the end of the freeze on the construction of Jewish settlements (September 26); President Netanyahu of Israel and President Abbas of the Palestinian Authority held the first (September 2, United States) and second (September 14 and 15, Egypt) rounds of negotiations, aimed at resolving major problems, such as the question of the status of Jerusalem and the issue of the repatriation of Palestinian refugees.

However, after the end of the freeze, Israel did resume settlement activities, so the Palestinian side adopted a tougher stance and the outlook remains unclear.

Israel's relationship with its ally Turkey has also deteriorated.

On May 31, one vessel in a flotilla of ships organized by an aid group that was trying to transport supplies to the Gaza Strip, which was subject to a naval blockade, was boarded and captured by the Israeli military in international waters off the Gaza Strip; during this raid, nine people were killed, including Turkish nationals involved with the aid group.

In response to this incident, Turkish Prime Minister Recep Tayyip Erdogan strongly criticized Israel and recalled Turkey's ambassador to Israel, and Turkish citizens organized protest demonstrations.

Turkey is one of Israel's few allies among the Muslim countries in the Middle Eastern region, and the two countries have concluded military cooperation treaties, amongst other agreements, so Turkey occupies an important position in Israel's endeavors to counter Iran. As a result of the aforementioned incident, feelings toward Israel within Turkey have deteriorated and diplomatic relations between the two countries have been disrupted, so Israel's isolation in the region is likely to become even deeper.

- (2) The international community strengthened sanctions against Iran, which has persisted with its nuclear development program
- The international community stepped up the pressure on Iran further by such means as adopting a new UN Security Council resolution.
 - Iran retained its defiant approach in the face of pressure from sanctions imposed by the international community.

The UN Security Council adopted its fourth resolution on sanctions and each country reinforced its own individual sanctions.

The International Atomic Energy Agency (IAEA) pointed out that Iran, which is undertaking nuclear development activities, is still unable to brush off suspicions that it is developing nuclear warheads (February). In response to this, in March, the five permanent members of the UN Security Council plus Germany began discussions about imposing additional sanctions on Iran, and the UN Security Council adopted Resolution 1929 (June), which prohibited the export to Iran of large-scale conventional weapons, as well as limiting the operations of Iranian banks.

The United States further increased the pressure on Iran, enacting in July the Iran Sanctions Act, which sets forth measures such as trade restrictions on companies exporting refined petroleum products to Iran, and designating 21 groups to be targeted by sanctions (August), including companies based in Japan that are controlled by the Iranian government. Moreover, in July, the European Union (EU) held a meeting of foreign ministers of its member states, and agreed to impose sanctions that included a ban on new investment in the development of oil and natural gas in Iran.

Japan imposed measures such as freezing the assets of 40 groups and one individual designated in the aforementioned Security Council Resolution (August), as well as deciding to impose its own sanctions (September).

Iran began to manufacture 20% enriched uranium, and continued its nuclear development program.

Ignoring repeated requests from the UN Security Council and other members of the international community, Iran continued its nuclear-related activities and began to manufacture 20% enriched uranium at a uranium enrichment facility in Natanz (February), under the pretext that it was required for medical purposes; in due course, it announced that it had produced a total of 35kg of enriched uranium (November). Moreover, Iran did not waver from its defiant stance in the face of pressure from sanctions imposed by the international community, retorting that, "The additional sanctions imposed on Iran by the UN Security Council mean nothing whatsoever to the Iranian

people; they are like a used handkerchief which should be thrown in the dustbin.” (June, President Ahmadinejad)

In the future, under the leadership of President Ahmadinejad, who appears set to maintain a hardline approach, it seems likely that Iran will keep a close watch on developments in countries such as the United States, Israel and Turkey, while steadily undertaking nuclear development.

5. Adverse Activities against Japan

Concerns about illegal outflows of materials related to weapons of mass destruction and cyber-attacks

- Further cases of illegal export of dual-use materials came to light and illegal leaks of crucial information are concerns.
- The threat of cyber-attacks against Japan is growing.

Illegal export of dual-use materials uncovered, and Japan's efforts to prevent proliferation.

Amidst the implementation of international initiatives aimed at preventing the proliferation of weapons of mass destruction, the Nuclear Security Summit was held in the United States with the participation of 47 countries and three international organizations (April). At the Summit, Japan announced cooperative measures aimed at contributing to the prevention of nuclear terrorism; in addition, the leaders of the participating countries adopted the summit communiqué aimed at strengthening nuclear security.

In Japan, cases of illegally exporting materials that could be diverted to the development of weapons of mass destruction were uncovered one after the other in 2009 and a trader arrested in June 2010 was alleged to have illegally exported to North Korea a Japanese power shovel that could be diverted to military use, stating falsely that it was destined for China.

Cases of illegal export of dual-use materials via third countries or regions by Japanese companies after 2000

| Year when case was uncovered | Item | Route | Destination | Usage concerned |
|------------------------------|--------------------------------------|-------------|-------------|----------------------------|
| 2003 | DC stabilized power supply | Thailand | North Korea | Nuclear weapon development |
| 2004 | Frequency converter | China | North Korea | Nuclear weapon development |
| 2006 | Freeze dryer | Taiwan | North Korea | Bioweapon production |
| 2008 | Vacuum pump | Taiwan | North Korea | Nuclear development |
| 2009 | Tanker lorry | South Korea | North Korea | Missile transportation |
| 2009 | DC magnetic self-recording apparatus | Malaysia | Myanmar | WMD development |

Amidst this situation, based on UN Security Council Resolution 1874 on North Korea, Japan enacted the Act on Special Measures Concerning Cargo Inspection (entered into force in July), which stipulates the authority to carry out cargo inspections in cases where there are sufficient

legitimate reasons to believe that the vessel or aircraft in question is carrying Specified North Korean Cargo (Note). Moreover, with regard to Iran, based on UN Security Council Resolution 1929, Japan formulated its own measures in such fields as non-proliferation, finance and trade, including adding a number of groups and individuals which could contribute to Iran's nuclear activities to the list of those subject to the asset freeze (September).

(Note) Specified North Korean Cargo: Cargo destined for or originating in North Korea that has been specified by Cabinet order as being materials relating to weapons of mass destruction, whose export to and import from North Korea have been prohibited under regulations, including UN Security Council Resolution 1718.

Concerns about information-gathering activities of other countries and leaks of crucial information from Japan.

Espionage activities by China and Russia have been identified as a threat in the countries of the West, and these two countries were referred to by name by the Director of National Intelligence in his Annual Threat Assessment (February) as countries that are strengthening their intelligence-gathering activities in the United States. In addition, on the website of the British Security Service (MI5), China and Russia are listed as the states that are the focus of the greatest concern about espionage activities.

In fact, in the United States, a number of individuals alleged to have posed as Americans in order to engage in activities for the Russian intelligence agency were arrested (June), and there was also a case in which a Chinese former employee of a major US private sector chemical company was arrested on charges of having passed industrial secrets to China (July).

In Japan as well, in the past, there were cases such as that in which an individual believed to be a member of the Russian intelligence agency was alleged to have posed as a missing Japanese male in order to obtain a Japanese passport and conduct intelligence-gathering activities (1997), as well as a case in which a Chinese engineer at a major automotive component manufacturer was arrested for having taken internal corporate data outside the company without authorization (2007). Thus, one cannot deny the possibility that similar activities are taking place behind the scenes, even now.

Amidst concerns about the threat of cyber-attacks, there was advance warning of cyber-attacks on Japan.

In the midst of an international awareness that cyber-attacks represent a serious threat to nations, in May, Japan formulated the Information Security Strategy for Protecting the Nation, a more comprehensive version of the National Strategy on Information Security (First Strategy: 2006; Second Strategy: 2009) on which it is based. Moreover, Japan has sought to strengthen its initiatives further, by such means as developing a response system that keeps in mind the occurrence of

cyber-attacks.

Amidst this situation, after the incident in which a Chinese fishing trawler collided with Japan Coast Guard patrol boats in the waters off the Senkaku Islands (September), advance warnings of cyber-attacks on Japanese government institutions were posted on the websites of private Chinese groups by what was believed to be a gang of Chinese hackers (the same month).

The need for continued vigilance concerning activities that are hazardous to Japan.

There continues to be a possibility that cunning tricks will be used to illegally obtain materials relating to weapons of mass destruction, advanced science and technology, and crucial information from Japan. Moreover, there is a trend towards the threat of cyber-attacks becoming more advanced and more complex, and Japan will need to continue to be on full alert for cyber-attacks targeting government institutions and key infrastructure.

6. International Terrorism

- (1) Al-Qaeda, which is striving to promote “global jihad,” and the al-Qaeda-affiliated organizations that are proliferating in the Middle East and Africa
- Al-Qaeda proclaimed “global jihad” in successive statements.
 - Al-Qaeda-affiliated organizations intensified their activities in areas such as Iraq, Yemen and North Africa.
 - There have been multiple attempts to commit acts of terrorism in the United States.

Although it suffered some damage, al-Qaeda maintained its influence.

The senior members of al-Qaeda, including Osama bin Laden, are believed to be in hiding in the tribal areas of Northwestern Pakistan; some of these leaders were killed in a succession of missile strikes launched by US drones, including Mustafa Abu al-Yazid (also known as Saeed al-Masri), who was believed to be the “commander-in-chief” and who had repeatedly called for attacks on the countries of the West. Moreover, the number of recorded video and audio statements made by Ayman al-Zawahiri, who is believed to be the number two leader of al-Qaeda, has decreased significantly (down from 13 statements in 2009 to six by the end of November 2010); these statements carry the risk that it will be possible to identify the location where they were recorded, so this suggests that al-Zawahiri is being compelled to take security into consideration more than was the case previously.

On the other hand, while being subject to such attacks and constraints, the leaders of al-Qaeda have made repeated calls for “global jihad” against the countries of the West, including the United States. Osama bin Laden warned the United States that “As long as you continue to support the Israelis, the attacks on you will continue” (statement in January). Moreover, as well as referring to the terrorist attacks in Madrid (March 2004) and London (July 2005) and threatening that “this war will continue” (statement in July), al-Zawahiri boasted that the US government’s announcement that it would begin its withdrawal from Afghanistan in July 2011 was “the result of jihad” (statement in September).

Al-Qaeda-affiliated organizations expanded the scope of their activities in various areas, and undertook a spate of terrorist attacks.

In the Middle East and North Africa, al-Qaeda-affiliated organizations have intensified their activities; these organizations have a number of points in common, including bearing the name “al-Qaeda” and pledging allegiance to al-Qaeda itself, as well as having similar strategies and terrorism techniques.

In **Iraq**, the Iraqi military, which is supported by the US military stationed in Iraq, conducted a clean-up operation (April) that killed Abu Omar al-Baghdadi and Abu Ayyub al-Masri, respectively the head and the Prime Minister (also War Minister) of the Islamic State of Iraq (ISI), which is led by al-Qaeda in Iraq (AQI). However, the ISI flaunted the fact that it retained a high capacity to commit acts of terror, carrying out such attacks as the bombing of the Baghdad headquarters of the Shiite cleric Muqtada al-Sadr (April) and the suicide bombing of military-related facilities (August). In **Yemen**, although al-Qaeda in the Arabian Peninsula (AQAP), which is suspected of having been involved in an attempt to blow up a US airliner in late 2009, was the focus of a large-scale clean-up operation by the Yemeni military following this incident, it carried out a suicide bomb attack on a convoy escorting the British ambassador to Yemen (April), as well as making repeated assaults on the Yemeni military. Moreover, the AQAP has demonstrated a protective stance towards Anwar al-Awlaki (Note), an extremist Islamic cleric with US nationality who is believed to be in hiding in Yemen.

In **Northern Africa**, the al-Qaeda Organization in the Islamic Maghreb (AQIM), which has mainly been active in Algeria, has expanded the scope of its activities, exploiting gaps in the weak border security of neighboring countries such as Niger, Mali and Mauritania. AQIM issued a warning (April) that it would carry out a terrorist attack on the match between the United States and England, during the soccer World Cup in South Africa. Moreover, the AQIM intensified activities targeting foreign nationals, including the killing in July of a French engineer that it was holding hostage, in retaliation against the attempted rescue operation by the French military; it was also responsible for the abduction of five French nationals in Arlit, in Northern Niger (September). Furthermore, the governments of surrounding countries, with which the organization had hitherto avoided direct conflict, also became the targets of attacks, including an attempted suicide bombing on a military barracks in Mauritania (August).

In **Somalia**, al-Shabaab, which has declared its allegiance to al-Qaeda, continued to commit terrorist acts against the interim government and military of Somalia, as well as the African Union Mission for Somalia (AMISOM), which supports the Somali authorities. Moreover, in January, al-Shabaab issued a statement of support for the AQAP, which operates in the adjoining region across the Gulf of Aden, while in February, it declared that it would act in concert with al-Qaeda's line of "global jihad." Furthermore, it demonstrated its ability to commit acts of terror in regions other than Somalia, carrying out suicide bombings targeted at citizens watching the soccer World Cup final on television in the Ugandan capital of Kampala in July.

The aforementioned al-Qaeda leaders and al-Qaeda-affiliated organizations are cooperating with each other, while at the same time constructing individual cooperative relationships with local Islamist armed insurgents, tribespeople and other armed groups in the areas where they are active, obtaining assistance in hiding out and logistical support from them, as well as striving to popularize

and put into practice the concept of “global jihad.” The cooperation between the al-Qaeda leaders, Afghanistan’s Taliban and Pakistan’s Tehrik-i-Taliban Pakistan (TTP) is believed to be particularly strong.

(Note) As well as ordering those suspected of the aforementioned attempt to blow up a US airliner to commit terrorist acts, Anwar al-Awlaki is alleged to have strongly influenced the individual arrested for going on a shooting rampage at a US Army base (November 2009).

Al-Qaeda-affiliated organizations were involved in successive attempts to commit large-scale acts of terror in the United States.

In December 2009, there was an attempt to blow up a US airliner, for which the AQAP admitted it was responsible. In this incident, a Nigerian with a US visa, who was sitting close to the fuel tanks, sought to blow up the aircraft immediately before landing at Detroit Metropolitan Airport, using explosives attached to his body. The arrested Nigerian is alleged to have pledged allegiance to the AQAP while visiting Yemen, and to have received the explosive device along with orders to detonate it while flying above the United States. Moreover, there was an incident in which air cargoes from Yemen bound for the United States were discovered at airports in the United Kingdom and the United Arab Emirates, containing the same type of explosives as those used in the aforementioned incident (October); the AQAP also admitted responsibility for this incident.

Furthermore, there was an attempt to carry out a car bombing in New York’s Times Square (May). The Pakistani-American who was arrested for this incident had received training in Pakistan and there are strong suspicions of TTP involvement.

The leaders of al-Qaeda actively praised these incidents and Osama bin Laden called the perpetrator of the attempted bombing of the US airliner a “hero” (statement in January). Moreover, as well as praising the perpetrator of the shooting rampage on the US Army base (statement on July 19), al-Zawahiri claimed that the attempted car bombing in Times Square was a “success” (statement on July 26).

Moreover, Adam Gadahn, who has made numerous statements as an American member of al-Qaeda, praised the perpetrator of the aforementioned shooting rampage as “a hero who was not a member of any organization,” and emphasized that it was also possible for individuals who had not had any systematic training to carry out “global jihad” (statement in March).

While continuing to be inclined towards large-scale terrorist acts, al-Qaeda and related organizations will seek to induce terrorism by “homegrown terrorists.”

In the future, al-Qaeda and al-Qaeda-affiliated organizations in various areas will likely continue to aim to carry out large-scale terrorist acts against the countries of the West, above all the United States. At the same time, it is believed that such organizations will widely proclaim the legitimacy

and necessity of terrorism based on the “global jihad” concept using the Internet and other means, and will strive to influence young people who could become “homegrown terrorists,” so further vigilance will be required.

Column: “Homegrown Terrorists”

In the countries of the West, there have been cases in which converts to Islam and second- and third-generation immigrants with roots in Muslim countries have become radicalized after coming under the influence of al-Qaeda’s “global jihad” concept through the Internet, and have committed or planned terrorist acts. These individuals are called “homegrown terrorists” and there is an increasing danger that they will become undertakers of the “global jihad.”

Those who have no criminal record and who have a visa that permits them to enter countries such as the United States legally, as well as those who hold Western nationality, particularly American converts, have a high degree of freedom to carry out activities in the countries in question, so it is infinitely easier for them to conduct acts of terror. If they have become radicalized to the extent that they have actually come into contact with al-Qaeda-affiliated organizations and have received training on the ground, they pose an overwhelming threat.

Al-Qaeda-affiliated organizations oriented towards terrorism in countries such as the United States are assiduously conducting propaganda activities, as these lead to acquiring valuable “soldiers.” For example, al-Qaeda in the Arabian Peninsula (AQAP) sought to influence young people, particularly those in English-speaking countries, by publishing an English-language newsletter on its website in July. In the newsletter, entitled *Inspire*, efforts were made to ensure that it was easy for English-speaking youngsters to read, for instance, by providing explanations of how to make bombs using simple equipment, accompanied by a large number of illustrations on one of its contents titled “Make a bomb in the kitchen of your Mom.” This has been the focus of considerable attention as a new initiative.

Column: Damage to a Japanese Oil Tanker in the Strait of Hormuz

On July 28 at 00:30 (local time), in Omani waters in the western part of the Strait of Hormuz (latitude 26°27' north, longitude 56°14' east), the crude oil tanker M. Star, owned by Mitsui OSK Lines, which was sailing from the United Arab Emirates (UAE) to Japan, suffered damage to the rear starboard side of its hull, due to an explosion thought to have been caused by an outside attack.

An organization calling itself Abdullah Azzam Brigade issued a statement dated August 2 on a jihadist website, admitting its involvement in this incident. This statement displays the logo of the al-Fajr Media Centre, an organization for the distribution of propaganda, which is used by al-Qaeda-affiliated organizations. In addition, this organization attached the same logo to its statements expressing condolences on the death in April of the leader of Iraq's al-Qaeda-affiliated organization and the death in May of al-Qaeda's "commander-in-chief" Mustafa Abu al-Yazid, so there is a strong suspicion that the organization is linked to al-Qaeda.

This statement leaves a number of points in doubt, such as the fact that the tanker shown in the posted photograph is different from the tanker that was damaged, but in any case, there is a possibility that organizations with ideological similarities to al-Qaeda will plan attacks on oil supplies and, consequently, on the global economy, and that the tankers of Western countries, including the United States and Japan, will be targets for terrorism. Consequently, as more than 80% of the crude oil destined for Japan is transported via the Strait of Hormuz, adequate precautions will be required in areas around this strait.



Location of the waters where the tanker was damaged

(2) Taliban-affiliated insurgents continue to be active in Afghanistan and Pakistan

- In Afghanistan, there was a spate of terrorist activities intended to interfere with the lower house election.
- Tehrik-i-Taliban Pakistan further intensified its activities.

The Taliban carried out intensive terrorist activities aimed at disrupting the lower house election.

In Afghanistan, the Taliban has influence over a region that accounts for almost half of the country, centered on its southern and eastern areas. While conducting activities aimed at recruiting new members and procuring funds through the cultivation and delivery of narcotics, and using these regions as a foothold, the Taliban carried out frequent terrorist attacks targeting the Afghan government and foreign troops stationed in various areas of the country. Above all, in the capital, Kabul, there were frequent terrorist attacks thought to have been carried out by the Taliban, including a series of attacks and bombings on government institutions and commercial facilities (January), and a suicide bombing on a convoy of International Security Assistance Force vehicles (May).

Amidst this situation, the Afghan government convened a “peace Jirga” (peace conference) (June) to discuss tactics aimed at achieving a reconciliation with the armed insurgents, but the Taliban refused to participate, stating that it would not be involved in any negotiations until the withdrawal of the foreign military forces stationed in Afghanistan, and it carried out terrorist attacks, including a rocket attack on the venue for the Jirga.

Moreover, in the run-up to the September 18 lower house election, as well as threatening the candidates and campaign workers, and striving to thwart and obstruct the election through terrorist activities such as kidnappings and killings, the Taliban strengthened its attacks on foreign military and Afghan security forces.

On the polling day, 130 terrorist incidents took place in various parts of the country, including attacks using firearms and the firing of rockets at polling stations and security forces on patrol; as a result, the country was forced into a situation in which approximately 1,500 polling stations—equivalent to approximately 20% of the 6,835 polling stations across the country—were unable to open. On the same day, the Taliban claimed that “by carrying out more than 200 attacks, we forced them to cancel the election” and that “there is no legitimacy in elections carried out during the occupation by foreign troops.”

The Taliban has announced that its jihad against the United States would continue until the foreign military stationed in Afghanistan withdraw completely, so it seems that terrorist attacks will continue in 2011, when the US military is due to begin its withdrawal.

Tehrik-i-Taliban Pakistan carried out consecutive terrorist attacks over a wide area.

Like the Taliban in Afghanistan, Tehrik-i-Taliban Pakistan (TTP) has committed repeated terrorist attacks against the United States, with the aim of establishing an Islamic state; although the TTP has been targeted by clean-up operations conducted by Pakistani security forces in the tribal northwestern region where it has its bases, and has suffered air assaults by US drones, it has intensified its activities in various areas.

The TTP carried out a succession of attacks, including a suicide bombing of a US military base in Khost, Afghanistan, in which seven members of the US Central Intelligence Agency (CIA) were killed (December 2009), a suicide bombing of a Pakistani security building in Lahore (March), and a suicide bombing near the US consulate in Peshawar (April). Moreover, the TTP was designated a Foreign Terrorist Organization (FTO) by the US government (September), partly due to suspicions that it had provided training and funding to Faisal Shahzad, the Pakistani-American arrested for the attempted car bombing in New York's Times Square (May).

Furthermore, the TTP continued its terrorist attacks even when the Pakistani military and security organization were occupied in providing aid to the victims of the large-scale flooding that occurred in the Indus River basin due to continued heavy rain from late July. The TTP and Lashkar-e-Jhangvi, a radical Islamist organization that is believed to have formed a coalition with the TTP, issued its own statement claiming responsibility for incidents in which more than 80 people were killed in suicide bombings at Shiite religious events in the Punjab and Baluchistan regions (September). Moreover, in the Pakistani capital of Islamabad and in Sindh Province, the TTP committed a succession of attacks on fuel transport vehicles destined for the foreign military stationed in Afghanistan (October).

Forces supporting the Taliban, such as the TTP, seem likely to continue wide-ranging terrorist activities targeting government institutions, foreign institutions and civilians, particularly military and security authorities in Pakistan. Moreover, the TTP has demonstrated that it is inclined to commit attacks against the West, with its commander issuing a statement in September that "we will soon begin attacks in the United States and the countries of Europe"; accordingly, attention will be focused on future developments.

(3) Activities by radical Islamist organizations continued in Southeast Asia

- Jemaah Islamiyah hardliners planned numerous terrorist attacks.

An armed group calling itself “al-Qaeda in Aceh” was discovered in Indonesia.

In Indonesia, hardliners from the radical Islamist organization Jemaah Islamiyah (JI) have created an armed group calling itself “al-Qaeda in Aceh” (“the armed group of Aceh”); this group was discovered to have been conducting military training in Nanggroe Aceh Darussalam, in the west of the country (February). The Indonesian authorities carried out crackdowns in various areas and, as well as killing 14 members, including the ringleader Jasad Dulmatin, and detaining more than 100 others, they announced that the armed group of Aceh had been planning numerous acts of terror, including the assassination of various senior officials (May). Moreover, Abu Bakar Bashir, said to be the founder of JI, was detained in August.

However, even after this, the remaining members in the armed group of Aceh carried out attacks on police stations (September), so it seems that they maintain their policy of carrying out acts of terror.

Activities by radical Islamist organizations continued in the southern Philippines.

In the southwestern Philippines, despite crackdowns by the Philippine authorities, the radical Islamist organization Abu Sayyaf Group (ASG) continued to carry out attacks and abductions. In addition, despite continuing negotiations with the Philippine government, some hardliners from the Moro Islamic Liberation Front (MILF), which is based in the southern Philippines, carried out sporadic attacks and bombings.

Continuing threat of terrorism by the armed group created by JI hardliners.

It has become clear that the armed group of Aceh was being led by former senior members of JI who had been active in the Philippines, and supporters of the JI hardliner Noordin Top (died September 2009). Members of radical organizations are believed to be in hiding in Southeast Asia, particularly in such unstable regions as western Indonesia and southwestern Philippines, so there is a possibility that the remaining members in the armed group of Aceh will continue to use their network of personal contacts while seeking to carry out bombings and assassinations of senior officials in this region.

III Focal Issues of the Domestic Public Security Situation in 2010

1 Aum Shinrikyo

- (1) The mainstream group further accelerates its policy of “getting back to Asahara” and tries to expand the organization
- The group promotes followers education to further cement absolute faith in Asahara.
 - The group reinforced its organizational efforts in recruitment while acquiring a large property using funds obtained through seminars, etc.

The group further deepened the “getting back to Asahara” movement, as seen in the restoration of a peculiar institution.

The mainstream group further cemented absolute faith in Asahara following 2009. First, they held a “birth celebration” for Asahara (March), where they had followers meditate in prayer for an extension of the life of Asahara and sing in chorus a song that included the phrase “it is a joy to die for the guru,” and that showed the followers regard for Asahara as the absolute authority and praised self-sacrifice. Furthermore, at intensive seminars for lay members (January, May and September), while watching/listening to a “tape on the mysteries of reincarnating together with the guru in the afterlife,” on which Asahara preaches “you should be one with the guru (Asahara) in mind, be one with the guru in words and put in practice what the guru would do,” participants were made to engage in training that had them repeat the entire sermon in chorus. In addition, the group created a DVD titled, “The Great Guru,” which claimed that Asahara is a savior and praised his greatness, and made followers watch it. In addition it was revealed that they restored the “animal course” that Asahara had introduced to register pets of lay members as “followers.”

Meanwhile, the group’s Public Relations Officer, Hiroshi Araki, held workshops titled, “Sonshi (Asahara) seen from outside, and 15 years of the order” at more than 10 facilities from May to August. In the workshops he gave self-righteous lectures, and quoted books and comments by influential individuals, and articles from various media to claim that Asahara had been revalued, thus stressing the greatness of Asahara and the legitimacy of the organization in front of the followers. In addition, he attended a gathering (May) of a group that supports radical leftist activists, seeking cooperation to halt the execution of Asahara, whose death sentence has been handed down.

Column: “Animal course”

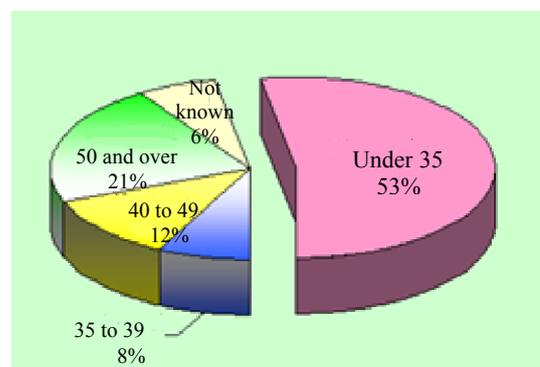
- Maintaining that “we should save every soul,” the mainstream group makes lay members who registered their pets as “followers” pay an initial fee (30 thousand yen) and a monthly membership fee (1.5 thousand yen). These members receive a CD of a music piece for animals that the group claims to be composed by Asahara, and are instructed by leading followers to play the CD to their pets.
- Their journal carries “accounts of experiences” of lay members who seemingly registered their pets as “followers” under the title of, “My dog entered the stream of truth.” The accounts include expressions such as “after joining the group, I saw a purple light on the side of my dog, so I believed that the guru (Asahara) came to my dog,” “the morning after joining the group, my dog was surprisingly wise” and “my dog is truly grateful for having formed a connection with the guru,” for example.

Aum Shinrikyo engaged in recruitment activities without mentioning the cult’s name, with the goal of recruiting more than 300 new members a year.

During an intensive seminar held at the beginning of 2010, the mainstream group introduced a “*Maha Paramita System*,” where lay members who actively engaged in religious training, donation, recruiting activities, etc. are selected and qualified for participation in special seminars. About 30 selected lay members were encouraged to “do your utmost in salvation (recruitment) activities” while other lay members were instructed to “strengthen your faith in the guru by performing religious training rigorously and making efforts to guide as many people as possible so that you will be included in the *Maha Paramita System*.” The mainstream group set their target of recruiting “more than 20 new members per month and more than 300 per year.”

Toward the accomplishment of that goal, *Seigoshi Koichi Ninomiya* went on a nationwide tour of the facilities from April to June and instructed lay members during personal interviews with them to engage in active recruitment activities. The group also made lay members who succeeded in recruiting new members present their “guidance experience” in intensive seminars held in May and September. The group created materials (DVD) for recruitment activities based on the above and transferred live-in members who had shown leadership in recruitment activities to stagnant facilities in an effort to systematically share the accumulated recruitment knowhow.

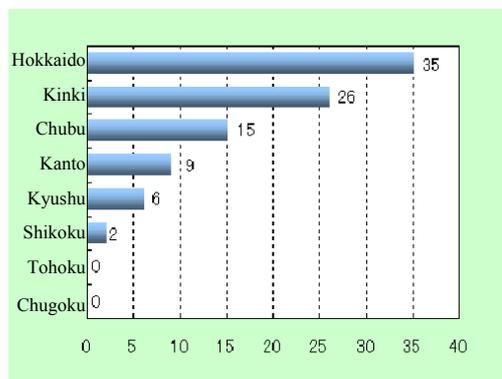
The group actively undertook recruitment activities, without mentioning the cult’s name, through interactions with citizens using the Internet and street divination, for example. Recruitment activities using social networking services (SNS:



Age distribution of new members of the mainstream group (2010)

communication forums offered on the Internet), in particular, are conducted in many of its facilities. Techniques used include sending a message only to people who show interest in religion, yoga, divination, the spiritual world, etc. and luring those who answer the message to a yoga training session.

As a result of all these activities, the mainstream group recruited more than 90 new members in 2010, based only on the sect's report (more than 300 during the period of about three and half years since May 2007, when the group started activities separately from the Joyu group). Looking at the breakdown, younger age brackets and the Hokkaido and Kinki regions stand out, just as they did in 2009.



Breakdown of new members of the mainstream group by region (2010)

The background of the increasing younger members might be the increase of young people who are not aware of the reality of the cult today, more than 15 years after the sarin gas attacks on the Tokyo subway system, which calls for attention to the mainstream group's move to expand its strength.

The group acquired properties exceeding 100 million yen as residence/training facilities for its followers.

The mainstream group has accumulated significant funds through such activities as collecting participation fees, initiation fees, etc. for intensive seminars held for lay members three times a year and making live-in members work at companies not related to the cult and donate all of their salary. Using the funds, the mainstream group purchased a piece of land (about 530 square meters) in Iriya, Adachi Ward, Tokyo, and a building (4-story ferroconcrete building with a total floor space of 1,150 square meters) at the price of 106 million yen in mid-February in the name of "Hoju-sha LLC," whose representative partner is a live-in member of the group, and completed the registration of their ownership transfer in late March also in the name of the company. The property (Adachi Iriya facility) is the largest facility owned by the sect. The group started its renovation work in late May to use the property as the members' residence/training facility and, after a temporal suspension due to protests in the community, interior finishing work is underway as of the end of November.

In addition, the mainstream group acquired new facilities in Sapporo and Fukuoka, where conflict with local residents had been intensifying.

On the other hand, during the period from January to the end of November, the mainstream group paid only about 14 million yen to the "Mutual Assistance Fund for the Victims of the Sarin Gas Attacks," which is used for damage compensation (they paid about 47 million yen in 2008 and 22 million yen in 2009).

Column: Aum Shinrikyo *Seigoshi* Naruhito Noda published a tell-all

- Noda published a book titled “Revolution or War: Aum was the Alarm Bell to Global Capitalism” in March 2010 (Saizō).
- Describing the inside of the mainstream group, Noda depicted the mid-ranking leaders who led the “godo kaigi” (joint meetings), the decision-making and administration body of the sect, as “Asahara fundamentalists,” and indicated that the “Matsumoto Family” (wife and children of Asahara) was behind them.
- He also indicated that “people who are driving the split in the sect are in effect neither Joyu nor *Seigoshi* but the Matsumoto family,” revealing an episode that occurred around June 2003 in which Noda himself received a secret order from Asahara’s third eldest daughter who said “I am suspicious about what *Maitreya Seitaisi* (religious name of Joyu) is doing. Don’t obey him, but cooperate with me behind the scenes” and “I will order the sect behind the scenes. I expect you to follow my orders.”

(2) The Joyu group promoted its policy of “hiding the influence of Asahara” in an effort to infiltrate society

- The group claimed to uphold a stance of “breaking away from Asahara,” aiming to evade surveillance.
- The group intensified promulgation/recruitment activities using the Internet.

The Joyu group continued to stress its stance of “breaking away from Asahara,” using the name of “Hikarinowa” and utilizing various media in 2010 while continuing activities under the strong influence of Asahara and promoting the deceptive policy of “hiding the influence of Asahara.” Namely, there was no change in that Fumihiro Joyu served as the representative of the group, based on the high rank of *seitaishi* approved by Asahara, and that most of the live-in members running the group were those who joined the cult before the 1995 sarin gas attacks on the Tokyo subway system. Furthermore, Joyu implemented a ritual known as “empowerment,” which is recognized as being only very slightly different from the “initiation” that characterized the religious training of Asahara, and preached that he did not categorically deny Aum Shinrikyo but carries on a part of its teachings.

Activities of the Joyu group could not obtain understanding of the victims and local residents.

When deciding the third extension of the surveillance period, the Public Security Examination Commission stated that it would keep a close watch on future activities of “Hikarinowa” to see whether they were based on genuine reflection and whether they can gain the understanding of the victims of the series of attacks the sect was involved in, including the subway sarin gas attacks, as well as the understanding of local residents (decision summary). However, looking at the actual activities of the Joyu group, their very nature could not gain the understanding of victims, local residents or others. For example, Joyu, without considering the perceptions of the victims of the subway sarin gas attacks, etc. and bereaved families, preached that the group could not be tied to the past incidents for ever (June). When local residents protested the use of a rented room in an apartment building in western Japan as the group’s activity base, its leading members showed to lay members a stance that there was no need to consider local residents, while providing local residents with the false explanation that they had the approval of the lender to patch things up for the moment.

With public attention drawn to the sarin gas attacks on the Tokyo subway system 15 years after the incident, the group reinforced its media strategy.

As the Joyu Group further promoted the policy of “hiding the influence of Asahara,” its leading

member published a book describing the “experience of breaking away from Asahara” in March and Joyu himself highlighted the activities of Hikarinowa in response to inquiries from TV and magazines on the topic of “15 years after the sarin gas attacks on the Tokyo subway system.” The group actively executed its media strategy, including its appearance at an event held by journalists at a concert venue in Tokyo in mid-July.

The group actively developed proselytizing and propaganda activities aimed at ordinary citizens.

Perceiving the public response shown at the event mentioned above as “approval,” the Joyu group strengthened its proselytizing activities aimed at ordinary citizens. Specifically, the group has held a regular meeting named “off-line meeting” for people recruited through SNS at public facilities, etc. in Tokyo since mid-July, opened Joyu’s lectures to the public on a private, free, live-video distribution site after the intensive summer seminar in August, and invited the general public to participate in “training at holy sites (sites approved as “holy” by Joyu)” for the first time in late September.

In addition, the group planned to attract mainstream group members and former members by setting up a segment titled, “Contact for consultation/salvation of Aleph (former Aum Shinrikyo) brainwash victims” on its web site in mid-September, claiming this was to “support the breakaway from Aum Shinrikyo.”

Column: Asahara’s fourth daughter revealed what Joyu really meant

Asahara’s fourth daughter published a book titled, “Why was I born as a daughter of Asahara? — Confession 15 years after the sarin gas attacks in the Tokyo subway system” (Tokuma Shoten), under a pen name in April 2010. In the book, she revealed that Joyu said, “I think I can pay my debt to *sonshi* by spreading his teaching even by hiding him,” in February 2006 and that later he showed a negative attitude to compensation to victims of the sarin attacks, etc. saying, “It is a waste.”

(3) PSIA implemented surveillance activities fairly and strictly

- PSIA conducted on-site inspections, including a nationwide simultaneous inspection, at a total of 51 Aum Shinrikyo facilities in 15 prefectures.
- PSIA continued its efforts to eliminate anxiety in the community.

Aum Shinrikyo maintained organizational strength, possessing cash/bank deposits amounting to hundreds of millions of yen.

Today, 15 years after the sarin gas attacks in the Tokyo subway system, the cult has approximately 1,500 followers in Japan, of whom approximately 500 are live-in members and approximately 1,000 are lay members. Most of the live-in members and about 60% of the lay members are those who joined the cult before the 1995 sarin gas attacks. The cult has 31 major facilities in 15 prefectures and possesses cash/bank deposits amounting to hundreds of millions of yen. In addition the cult has about 200 members and several facilities in Russia.

After a death sentence was handed down to Asahara in September 2006, his second daughter applied for a new trial, but the Supreme Court dismissed the special appeal concerning her application in September 2010. She made a second application for a new trial in the same month.

PSIA continued to implement surveillance activities fairly and strictly.

The government completed the review of the Act Regarding the Control of Organizations Which Committed Indiscriminate Mass Murder (Organization Control Act) (to be conducted every five years after the reinforcement of the Act on December 27, 1999) by December 2009 and confirmed the continuation of the act as it is.

In accordance with the Organization Control Act, the Public Security Intelligence Agency received four quarterly reports from the cult on its organization and activities in 2010.

In November, about 320 public security intelligence officers conducted simultaneous on-site inspections of 32 Aum Shinrikyo facilities nationwide. In addition PSIA implemented on-site inspections of a total of 19 of the cult's facilities in 10 prefectures from January to the end of November. During these inspections it was found that almost all the facilities of the mainstream group stored a large number of DVDs and other recordings of Asahara's preachings and were displaying a large number of portrait photos of him in religious training halls and members' rooms, showing that the group was reinforcing the "getting back to Asahara" policy. An on-site inspection of the Adachi Iriya facility revealed that the cult was advancing the renovation work to use the facility as its activity base. It was also confirmed that facilities of the Joyu group had separate rooms dedicated for the "empowerment" described above.

In accordance with Article 32 of the Organization Control Act, the PSIA used the contents of the

reports prepared by the cult as well as the results of the PSIA's on-site inspections and investigations to provide relevant information to 15 municipal governments in three prefectures on a total of 47 occasions between January and the end of November.

Residents remained fearful and anxious about the cult.

Residents living in areas near Aum Shinrikyo facilities remained fearful and anxious about the cult and conducted a series of protest gatherings and demonstrations demanding the disbanding of the cult and the removal of its facilities. Taking the opportunity of the acquisition of the Adachi Iriya facility by the mainstream group described above, Adachi Ward, Tokyo, enacted the "Adachi Ward Ordinance Regarding the Regulation of Antisocial Groups" in October.

Under these circumstances the PSIA held 37 opinion-exchange meetings with local residents from January up to the end of November, as it did in 2009, in an effort to alleviate and eliminate public fear and anxiety concerning the group.

Column: 15 years after the sarin gas attacks on the Tokyo subway system

<Major murder/injury incidents caused by Aum Shinrikyo and the people involved>

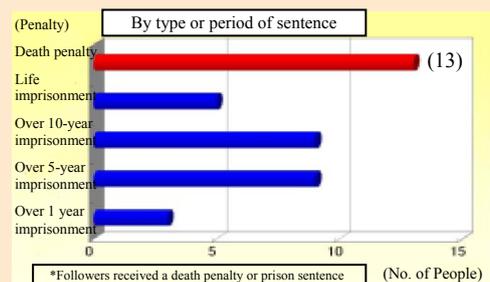
- As many as 4,000 people have been hurt or killed in the major incidents caused by Aum Shinrikyo.

[List of major incidents (murder/attempted murder and other incidents)]

| Year and month | Incident | Dead | Injured |
|----------------|---|------|-------------|
| Feb. 1989 | Murder of a cult follower (A follower who had criticized the cult and tried to leave it was strangled to death) | 1 | — |
| Nov. | Murder of a lawyer and his family (A lawyer who had been conducting activities against the cult was strangled to death together with his family) | 3 | — |
| Jan. 1994 | Murder of a cult follower (A cult follower who had assisted an escape from the cult's facility was strangled to death) | 1 | — |
| May | Attempted murder of a lawyer (Attempted murder using sarin, targeting a lawyer who had been conducting activities against the cult) | — | 1 |
| June | Matsumoto sarin attack (Murdered and injured an unspecified number of people, targeting judges, etc., aiming to spoil a law suit concerning the cults' land acquisition) | 8 | About 140 |
| July | Murder of a cult follower (A follower of the cult was strangled on suspicion of spying activities) | 1 | — |
| Dec. | Attempted murder using VX (Attempted murder using poisonous gas VX, targeting a citizen who had been conducting activities against the cult) | — | 1 |
| | Murder of a cult follower using VX (Murdered a follower using poisonous gas VX on suspicion of spying activities) | 1 | — |
| Jan. 1995 | Attempted murder using VX (Attempted to murder, using poisonous gas VX, a person who was involved in the "Aum Shinrikyo Victims Association" and had been conducting activities against the cult) | — | 1 |
| Feb. | Confinement causing death of a notary public office manager (Confined a relative of a female follower who had left the cult, aiming to extract her whereabouts, and gave him a high dose of an anesthetic, causing his death due to cardiac failure) | 1 | — |
| Mar. | Subway sarin attack (Indiscriminately killed and wounded citizens using sarin) | 13 | About 3,800 |
| May | Attempted cyanide fume murder at Shinjuku Station (Attempted to murder users, etc., of public toilets at Shinjuku Station, using a cyanide fume generator, aiming to disturb the investigation of the cult) | — | — |
| | Attempted murder by sending an explosive to the metropolitan government (Attempted to murder the Tokyo governor and others by sending a packet of explosives by mail to the governor, aiming to disturb the investigation of the cult) | — | 1 |
| Sep. 2004 | Injury causing death in a breakaway faction (Several members of a breakaway faction unleashed violence on another member in the name of "religious training" causing death due to traumatic shock) | 1 | — |
| <i>Total</i> | | 30 | about 3,940 |

*Number of the dead/injured was calculated based on written indictments and other materials

- 42 followers of Aum Shinrikyo were indicted for the involvement in the major cases listed above and 39 of them received a death or prison sentence.
- Among those involved in the major cases above, 18 completed their respective prison time or received a suspended sentence, two of whom rejoined the cult (reported by the cult).

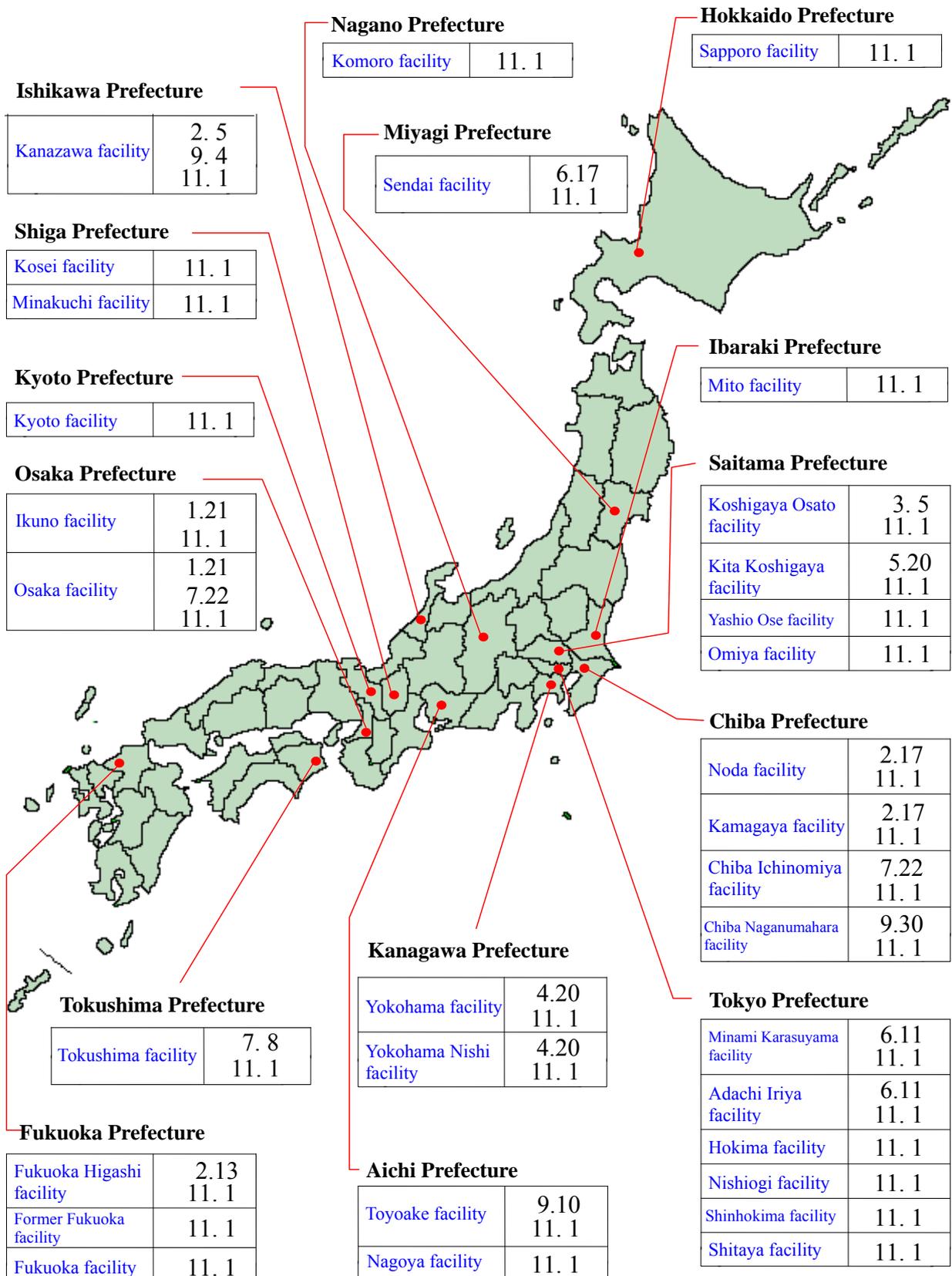


Facilities where on-site inspections were carried out

(From January to end of November 2010)

Explanation

| Facility name | Inspection date |
|---------------|-----------------|
|---------------|-----------------|



2. Radical Leftist Groups

(1) Radical leftist groups worked to maintain and expand their influence

- The central faction of the “Chukaku-ha” stressed labor movements while the anti-central faction emphasized mass movements.
- The “Kakumaru-ha” promoted infiltration to key industry labor unions and the expansion of the efforts to win students’ minds.
- The “Kaiho-ha” group of the Revolutionary Workers’ Association committed a guerrilla attack.

The central faction of the “Chukaku-ha” developed initiatives centered on labor movements and international solidarity movements.

Under the policy to build an organization focusing on labor movements, the central faction of the “Chukaku-ha” brought its affiliated labor unions to the fore and actively tried to bring in laborers. Specifically, addressing employment issues throughout the year, the faction provided labor consultation, conducted local labor rallies and in August formed “the National Council for the Joint and General Labor Unions” for unorganized/contingent workers. Opposing the acceptance by the National Railway Workers’ Union of the government’s settlement offer concerning the refusal to hire employees of the old JNR, the group launched the “national movement to resist the privatization and separation of the Japanese National Railways and to support struggles against the dismissal of 1047 workers” (June), calling for the continuation of the struggle to demand the retraction of the dismissal.

In the area of international solidarity activities the faction tried to strengthen its relations with overseas organizations by sending union members and others to a convention of left-wing labor unions in Brazil (Santos, June) and to protest movements against the Seoul G20 Summit (November), for example.

In November, the faction held the National Workers’ Rally (Tokyo) to review these labor movements and international solidarity activities, mobilizing some 2,400 people (compared to roughly 2,300 people in 2009), including some 50 participants from foreign countries.

A student organization affiliated with the central faction repeated protest activities demanding the retraction of the expulsion/suspension of activists from Hosei University with the aim of maintaining and strengthening their influence in this stronghold university, and six student activists who interfered with entrance examinations of the university were arrested for forcible obstruction of business, etc. in February.

In addition, a mass organization affiliated with the faction tried to infiltrate specific segments of society by conducting protests in many parts of the nation throughout the year, appealing for the

immediate removal of the US Marine Corps Air Station Futenma and abolition of the lay judge system.

Meanwhile, the anti-central faction worked to reinforce its organizational bases with a focus on mass movements. Namely, placing high priority on preventing the construction of a substitute facility for the Futenma Air Station, the faction sent its activists to Okinawa for an exchange with local oppositions. In addition, while developing activities against “right-wing groups” that insisted on the deportation of Korean residents in Japan, and street campaigns appealing for a “solution” to the wartime comfort women issue, the faction sought collaboration with citizen’s groups that engage in supporting foreign residents in Japan.

It is anticipated that the central and the anti-central fractions will continue to make efforts to extend their influence by working on labor and mass movements concerning various social issues.

“Kakumaru-ha” expanded its efforts to win the minds of workers and students.

“Kakumaru-ha” continued to give the top priority to building its organization.

In order to build the group’s organization within existing labor unions, the group tried to bring in members of public workers unions by taking up the issues of civil-service reform and the revision of the Worker Dispatch Law, appealing for improvement of working conditions throughout the year. In addition to making efforts to hold the “National Rally of Angry Workers” (February, Tokyo) and the “Student and Laborer Joint Actions” in major cities (January, June and October), the group mobilized activists in the areas around meeting halls where the Japan Postal Group Union and the All Japan Prefectural and Municipal Workers’ Union held regular meetings (June and August respectively) to conduct propaganda activities including the distribution of leaflets to the meeting attendants, appealing for the “blocking of major wage cuts and privatization.”

Meanwhile, the national diet discussed the relation between “Kakumaru-ha” and the Japan Confederation of Railway Workers’ Unions in August, but there was no comment on this issue in the official or other publications of the “Kakumaru-ha.”

In an effort to win students’ minds, on the other hand, the group worked to recruit newly enrolled students in April, focusing on the student circles led by activists of the group in its stronghold universities. They solicited students to join the circles by holding lecture meetings on issues such as employment and the construction of a substitute facility for the Futenma Air Station. Furthermore, the group sent student activists from across the nation to Okinawa to attend an anti-base rally (May) and mobilized student activists from its stronghold universities, etc. in major cities in Japan to participate in the above-mentioned “Student and Laborer Joint Actions” conducted in the respective cities.

It is anticipated that “Kakumaru-ha” will continue its efforts to extend and reinforce its organization by winning the minds of workers and students.

The “Kaiho-ha” group of the Revolutionary Workers’ Association firmly maintained policies based on armed struggle and committed a guerilla activity.

Both the mainstream and anti-mainstream factions of the “Kaiho-ha” group of the Revolutionary Workers’ Association announced an appeal titled, “Determination of the Revolution Army” in January, displaying their stance to firmly maintain policies based on armed struggle, urging a “Blow of red terrorism on the Japanese imperialist state power” (mainstream faction) and an “Opening of the door to violent revolution” (anti-mainstream faction) respectively. In November the anti-mainstream faction launched a metal projectile at Camp Omiya of the Ground Self-Defense Force.

Both factions used their energy to bring in workers through livelihood support activities, such as a soup kitchen for day-laborers and homeless people at so-called *yoseba* (urban day-labor markets) and requesting administrative bodies to improve labor conditions.

Of these two factions, the mainstream faction, in response to a trial for violation of the Act on Punishment of Organized Crimes and Control of Crime Proceeds that was brought against seven of its activists for conspiring to deceitfully receive livelihood assistance benefits for disabled people (May 2008; Fukuoka), mobilized activists from all over the country for propaganda activities claiming that the trial was “political suppression.” Additionally, against the construction of the third taxiway of the parallel runway at Narita Airport (work began in July), the faction conducted “surveillance” of people involved in the construction work, etc. from a turret built by the Union to Oppose the Airport, which was supported by the faction, and pursued a national assembly and demonstration on the spot (March, October).

Meanwhile, the anti-mainstream faction placed the highest priority on antiwar/anti-military-base struggles, developed protest activities throughout the year at ports where the Japan Maritime Self-Defense Force’s ships sailed out toward the coast of Somalia, and pursued propaganda activities in Okinawa and other places against the construction of a substitute facility for the Futenma Air Station.

It is anticipated that both the mainstream and anti-mainstream factions will firmly maintain their policies based on armed struggle and pursue the Narita struggle and antiwar/anti-military-base struggles.

- (2) Radical leftist groups staged protest movements targeting important national policies
- Staged criticism of the government on employment policies and nuclear power generation issues as well as the realignment of the US forces.

Staged movements demanding the “immediate removal” of the Futenma Air Station.

Throughout the year, radical leftist groups conducted activities mostly in Okinawa Prefecture to protest the construction of a substitute facility for the US Marine Corps Air Station Futenma. An organization affiliated with the Chukaku-ha group’s central faction and the Kakumaru-ha group, in particular, mobilized large numbers of activists to a “prefectural assembly” to protest the transfer of the Futenma Air Station facilities inside Okinawa Prefecture (April) and to participate in an "Encircling Action" to surround the station with a “human chain” (May).

Antiwar groups led by radical leftist groups also sent activists to anti-military-base assemblies in the prefecture. In addition, during a Nago city assembly election (September) and Okinawa gubernatorial election (November) they called for the support of candidates who opposed the transfer inside the prefecture.

Appealed for abolition of the Worker Dispatch Law and decommissioning/dismantlement of the Monju reactor.

The radical leftist groups criticized the bill to revise the Worker Dispatch Law submitted by the government to the Diet in April, complaining that it would increase contingent workers among other things, and engaged in gatherings and street campaigns demanding the abolition of the law.

The radical leftist groups also pursued activities against nuclear power generation. They criticized the Monju fast-breeder reactor, which resumed operations after 14 years in May, stating that “its purpose is to extract high purity plutonium with potential for diversion to nuclear weapons” (the Chukaku-ha group’s central faction), it is “aimed at the improvement of the potential ability to develop nuclear weapons” (the Kakumaru-ha group), for example, and appealed for “reactor decommissioning” and “dismantlement” through their street campaigns and official publications.

Against the lay judge system, the Chukaku-ha group’s central faction, especially a mass organization affiliated with the group, actively staged activities to appeal for the abolition of the system, conducting street campaigns to call for lay judge candidates and others to choose to “fail to appear” at areas surrounding district courts where a lay-judge trial was to be held.

(3) Moves of the “Yodo-go” group and the Japanese Red Army

- The “Yodo-go” group continued to demand the retraction of the arrest warrants on the charge of kidnapping Japanese nationals.
- The Japanese Red Army maintained its dangerous nature, including its attempt to justify the Lod Airport Massacre in Tel Aviv.

The “Yodo-go” group tried to gain expanded support toward its members’ return to Japan, taking advantage of the 40th anniversary of their leaving for North Korea.

The “Yodo-go” group, including Japan Airline “Yodo-go” hijackers who are in North Korea, had been demanding the retraction of arrest warrants on the charge of kidnapping Japanese nationals as a precondition for the members’ return to Japan. In 2010, too,

Internationally wanted “Yodo-go” group members

| | |
|---------------------|---------------------------------------|
| Shiro Akagi | Suspicion of hijacking |
| Kimihiro Uomoto | Suspicion of hijacking and kidnapping |
| Takahiro Konishi | Suspicion of hijacking |
| Moriaki Wakabayashi | Suspicion of hijacking |
| Junko Mori | Suspicion of kidnapping, etc. |
| Sakiko Wakabayashi | Suspicion of kidnapping, etc. |
| Takeshi Okamoto | Suspicion of hijacking |

*The Yodo-go group claims that Okamoto is “dead.”

it appealed for further support of its point of view through a gathering (April) held by supporters in commemoration of the 40th anniversary of the hijacking (March 31, 1970) and in its official publication, for example, stating that “this is a struggle to achieve a review of the kidnapping allegation and arrest warrants.”

It is anticipated that the “Yodo-go” group will continue to demand the retraction of the arrest warrants on the charge of kidnapping Japanese nationals and make approaches to every level in every sector in order to gain expanded support for their assertion.

Fusako Shigenobu of the Japanese Red Army made statements to justify the Lod Airport Massacre.

The Japanese Red Army has attempted to justify the Lod Airport Massacre in Tel Aviv (May 30, 1972; 100 casualties) committed by three of its members, including Kozo Okamoto, who is in exile in Lebanon, calling the incident the “Lydda Struggle.” As in previous years, Japanese Red Army members and supporters held a gathering to commemorate the incident in 2010 (May).

Japanese Red Army members on trial or serving time
(as of the end of November)

| | |
|--------------------|---|
| Fusako Shigenobu | Serving time (20 years imprisonment) |
| Yukiko Ekita | Serving time (20 years imprisonment) |
| Hiroshi Sensui | Serving time (life imprisonment) |
| Osamu Maruoka | Serving time (life imprisonment) |
| Haruo Wako | Serving time (life imprisonment) |
| Tsutomu Shiroasaki | Serving time in a US jail (30 years imprisonment) |
| Jun Nishikawa | On Supreme Court trial (sentenced to life imprisonment by High Court) |

Fusako Shigenobu, the top leader of the Japanese Red Army, whose 20-year prison sentence was finalized

Japanese Red Army members on the international wanted list

| | | | |
|--------------|-----------------|---------------|-------------|
| Kozo Okamoto | Junzo Okudaira | Norio Sasaki | Akira Nihei |
| Kunio Bando | Hisashi Matsuda | Ayako Daidoji | |

in August, sent a statement to the gathering stressing that the incident was justified (May).

There has been no change in the Japanese Red Army's dangerous nature, as it continues to try to justify the incident, and also as seven of its members, including Kozo Okamoto, who committed a heinous crime in the past, remain on the international wanted list.

3. The Japan Communist Party

The JCP worked to demonstrate its own identity but lost seats in the Upper House Election

- The JCP developed activities for the Upper House Election from the beginning of the year.
- The party makes efforts to expand its power and plans to regain lost ground in future elections.

The Japan Communist Party held its 25th Congress at the beginning of the year. At the Congress the party placed the top priority on victory in the Upper House Election in July and made efforts to demonstrate its own identity by stressing its confrontational stance against the Democratic Party of Japan (DPJ) government. After the Upper House Election, the party concentrated on expanding its power in order to regain lost ground in the unified local elections in 2011 and in the next national election.

The JCP held its 25th Congress at the beginning of the year.

In January the JCP held its 25th Congress, which was the first Congress in the four years since 2006. At the Congress, the JCP used the examples of the construction of a substitute facility for the Futenma Air Station and the revision of the Worker Dispatch Law to criticize the DPJ government, stating that “it betrayed the public’s hope.” Based on that criticism, the JCP stressed that “the public is looking for a party in which to place its hope for change in politics, preparing the right condition for the party to make a leap forward in the Upper House Election,” and decided to focus on expanding its power toward the election.

Regarding the selection of party personnel, JCP Chairperson Kazuo Shii, Head of the Secretariat Tadayoshi Ichida and Standing Executive Committee member Tetsuzo Fuwa (former Chair) stayed in office while local leaders in their 30s were promoted to the central team.

JCP demonstrated to the public its efforts regarding employment issues and the chairperson’s visit to the United States.

In response to the government’s submitting a proposal for revision of the Worker Dispatch Law to the Diet in April, the JCP criticized the proposal, stating “this is a nominal ‘amendment bill’ that would place almost 80 percent of dispatched workers outside of the dispatch prohibition” and Chairperson Shii appealed for realization of the party’s proposed amendment (announced in May) through dialogue with workers who claimed to be victims of “haken-giri” (temporary-worker cutback) (June).

As Prime Minister Kan announced in June that he would use the “10% increase proposed by the Liberal Democratic Party (LDP) as a reference” for a consumption tax hike, the JCP engaged in activities to call for a “leap of the communist party to stop the consumption tax hike” in various locations.

Regarding the construction of a substitute facility for the Futenma Air Station, when a Japan-US joint statement on replacing Futenma with a base at Henoko was issued in May, the JCP criticized this as “a breach of the DPJ’s policy pledge” and stated that there is no justification for “forcing military bases” on Okinawa citizens. From the end of April to early May, Chairperson Shii visited the United States for the first time as the head of the JCP. During his visit he asked US government officials and congressional representatives for an unconditional removal of the Futenma Air Station and demonstrated his approach to the United States through its organ *Shimbun Akahata* and other means.

Votes for the JCP greatly declined in both the number and the share, reducing the seats.

In the July Upper House Election the JCP had sought to gain more than 6.5 million votes and five seats in proportional-representation constituencies and one seat in the Tokyo district, but both the number and the share of the votes declined significantly, resulting in a reduction in the party’s contested seats from 4 to 3 and no seat in Tokyo.

Following the election, the JCP gathered opinions widely from in and outside the party and Chairperson Shii apologized at the JCP Central Committee’s 2nd Plenum in September, stating “I apologize on behalf of the Standing Executive Committee.” Then, after reflecting that only the protest against the consumption tax increase had stood out while the appeal of the party’s solution to the issue had been weak during the election campaign and that the party lacked “its own power,” in terms of both the party’s strength and members’ competence, the party decided on a policy to concentrate on expanding its power and learning activities in order to build “a strong party.”

The JCP worked to expand its power, aiming to strengthen its competence.

After the 2nd Plenum, the JCP focused its efforts on expanding its power. Specifically, the party reinforced its efforts to increase members using labor/livelihood consultation for contingent workers that had started at the beginning of the year and expansion of the readership of *Shimbun Akahata*. The JCP also tried to raise the party’s profile by presenting its position on the Senkaku Islands and the northern territories upon the incident of the Chinese fishing boat collision off the coast of the Senkaku Islands (September) and the Russian president’s visit to Kunashiri Island (November). The party also put energy into learning its program, holding workshops where central committee members served as lecturers in many parts of the nation.

However, there has been no major change in the number of its members since its announcement of

some 406,000 in the 25th Congress in January, and the circulation of *Shimbun Akahata* continued to drop, from some 1.45 million at the beginning of the year to less than 1.40 million at the end of November.

Attention becomes focused on activities to regain lost ground in the future election campaigns.

It is anticipated that the JCP, while trying to reinforce the party's competence, will stress the break down of the DPJ government's "abnormal dependency on the United States" and of the "repressive domination by big companies" while concentrating on bringing in independent voters and those critical of the DPJ in preparation for the unified local elections and the next national election.

4. Right-Wing Groups

Right-wing groups conducted activities focused on criticism of China and the government

- Right-wing groups conducted illegal acts to counter the Chinese response to a Chinese fishing boat collision incident.
- Right-wing groups developed activities to criticize the government/dignitaries in various locations, stressing “defeat of the DPJ government.”

There was no major change in the organizational strength of right-wing groups, partly because they tried to maintain their organization on guard against increased efforts to combat illegal acts. Against this background, they focused their activities on territorial issues, including the responses of Chinese and Japanese governments to the incident of a Chinese fishing boat collision off the coast of the Senkaku Islands, and the Northern Territories and Takeshima issues, while developing activities to call for the “defeat of the DPJ government” in relation to the issue of “politics-and–money scandals.”

Right-wing groups took advantage of Chinese dignitaries’ visits to Japan and the collision of a Chinese fishing boat to conduct activities critical of China.

Taking the opportunity of Premier Wen Jiabao’s visit to Japan (May 30 to June 1), right-wing groups staged protests in areas surrounding the hotel where the premier stayed, demanding China to “stop illegal drilling in gas fields of the East China Sea.”

When a Chinese fishing boat crashed into Japan Coast Guard patrol vessels within Japan’s territorial waters off the coast of the Senkaku Islands and the captain of the Chinese fishing boat was arrested for obstructing official duties (September 8), right-wing groups staged protests in areas surrounding Chinese diplomatic offices, etc. in various locations in Japan.

Later, when the captain of the Chinese fishing boat was released (legal action deferred, September 25) right-wing groups staged protests against government organizations, including the Cabinet Office, asserting that “they bowed to the pressure from the Chinese government” in addition to their criticism of China.

In addition, on the “9.29 (the day when the Japan-China Joint Communiqué was signed in 1972) Anti-Communist-China Day,” which has been held every year since 2002, right-wing groups conducted street protests, gatherings and demonstrations criticizing China primarily in the cities hosting Chinese diplomatic offices, including Tokyo and Osaka, and a number of groups participated.

Meanwhile, members of a right-wing group threw smoke bombs into the premises of Chinese

diplomatic offices in Nagasaki (September 26) and Fukuoka (September 28).

Right-wing groups strengthened their demand for the “return of the Northern Territories” in response to the Russian president’s visit to Kunashiri Island and other issues.

Taking the opportunity of the incident in which Russia’s Border Guard Service fired at Japanese fishing boats off Kunashiri Island (January), right-wing groups staged protests in areas surrounding Russian diplomatic offices in Tokyo and Osaka, in addition to protests stressing the “return of the Northern Territories” on the Day of Northern Territories (February 7) in various locations.

Protesting Russia’s military exercise on Etorofu Island and its July decision to designate September 2 as “the Day of the End of the Second World War,” a large number of groups engaged in activities to criticize Russia and demanded a resolute diplomatic stance from the government in areas surrounding Russian diplomatic offices in various locations and the Ministry of Foreign Affairs on “Anti-Russia Day” (August 9).

Arguing that President Medvedev’s visit to Kunashiri Island (November) was a “situation invited by the government’s soft response to territorial issues,” right-wing groups staged protests against the Cabinet Office, Ministry of Foreign Affairs, etc. in addition to activities to criticize Russia.

They also engaged in activities to appeal for the “return of Takeshima” in Tokyo and Shimane, focusing on “Takeshima Day” (February 22), which was designated by Shimane Prefecture. Some of them threw a shovel (about 1m long) on the road in front of the vehicles of a Korean group which had come to Japan to protest Takeshima Day.

Column: Some groups put emphasis on exchange with overseas far-right parties

While many right-wing groups engage in activities to criticize Russia on the Northern Territory issue, some groups focus on exchange with far-right parties in Europe, including those in Russia.

- A right wing group that visited Russia in May responding to the call by the Liberal Democratic Party of Russia met with ranking officials of the Russian Foreign Ministry through the intermediation of Zhirinovskiy, the leader of the party, and exchanged their point of views on the Northern Territory issues.
- In August, inviting some 20 members of far-right parties, etc. of eight European countries, including Le Pen, who is the leader of the French Front National and a Euro MP, the groups held a conference named “Gathering of Patriots Who Bring World Peace” and confirmed the necessity of “international solidarity against globalism, which destroys national cultures and traditions.”

Right-wing groups developed protest activities against the policy stance of the government and key figures of the ruling party.

Criticizing the DPJ government as an “anti-Japanese traitor government,” etc. right-wing groups actively developed protests calling for the “defeat of the DPJ government.”

Especially against Ichiro Ozawa, the DPJ Secretary General (resigned in June; hereafter referred to as “the secretary general”), a large number of groups engaged in protests criticizing “his political exploitation of the Emperor” before the DPJ headquarters and the private house of the secretary general when it was reported that “the secretary general urged the government to allow Chinese vice president Xi Jinping to meet the Emperor as a special case when he visited Japan” (December 2009). Taking up the issue of “politics-and–money scandals,” such as the land-acquisition-related violation of the Political Funding Regulation Law by a fund-management organization of the secretary general (January) and the violation of the same law by a retired secretary of Prime Minister Hatoyama (resigned in June) (December 2009), right-wing groups protested against the DPJ headquarters and local organizations, demanding the secretary general and others to resign from the Diet.

In addition, right-wing groups staged protests in areas surrounding government organizations and the DPJ headquarters against the government’s move to submit “a bill to grant local suffrage to permanent foreign residents” to the Diet (January) and the Ministry of Justice’s announcement of a bill to revise the Civil Law allowing married couples the option of keeping separate family names (February).

When the Kan cabinet was formed (June), right-wing groups criticized the cabinet, arguing that “in effect this is the same DPJ government that is ruinous to the nation and is to be defeated.” Against the Prime Minister’s statement announced in commemoration of the 100th year after Japan’s annexation of the Korean Peninsula (August), they criticized it as a “humiliating statement” and engaged in activities such as submitting protest letters to government organizations and the DPJ headquarters to demand a retraction of the statement.

Right-wing groups will continue their activities focusing on criticism of the government.

It is anticipated that right-wing groups will continue their activities, taking up various issues with neighboring states, including China and Russia, while staging active protests calling for the “defeat of the DPJ government” and criticizing the government’s diplomatic stance, for example. Since their protest activities may develop into illegal acts, their moves require careful vigilance.

Column: Right-wing-affiliated groups developing insistent condemnation with anti-foreign contentions

In recent years there have been increased activities of “right-wing-affiliated groups that express right-wing views and engage in insistent protests while calling for participation through the Internet and taking the form of mass movements, such as gatherings and demonstration marches. Some of the groups that demand the deportation of Koreans in Japan were arrested for repeated slander and defamation using discriminatory language.

- Some group(s) criticized an American film, “The Cove” (started showing in July), which took up dolphin hunting in Taiji-cho, Wakayama prefecture, as an “affront to one of the traditional Japanese food cultures, revealing the racism of Caucasians” and “Western people’s one-sided and unfair criticism of dolphin hunting.” They staged protests from early April demanding distributing agencies and movie houses to cancel the showing of the film (June) and some movie houses actually did so.

- Alleging that “a Korean school is using public park facilities without permission,” some groups cried out using loudspeakers that a “school of North Korea, which kidnapped Japanese citizens, is not worthy of being called a school,” and this “spy-training school should get out of Japan,” for example (December 2009, Kyoto), and four members were arrested for illegal acts, including forcible obstruction of business (August). Some members barged into the office of the teachers’ union stating “we condemn the anti-Japan organization that paid donations to Korean schools (April, Tokushima) and seven members were arrested for illegal acts, including forcible obstruction of business (September).

IV Moves concerning APEC Japan

Radical leftist groups and others developed activities against APEC Japan

- Radical leftist groups and anti-globalization forces staged protests against the APEC summit meetings, and invited overseas organizations.

During APEC Japan 2010, ministerial meetings were held at various locations (since June) and the summit meetings took place in Yokohama (November 13 to 14, 2010). Protests were staged at various locations, but there was no major trouble such as arrests.

Radical leftist groups and others cried out “smash the summit meeting” and “stop the liberalization of farm products.”

Radical leftist groups and anti-globalization forces led by the former criticized APEC as a “conference to strengthen the exploitation and control of people of Asia and the Pacific” and started protest gatherings even before the summit meeting to increase the momentum of the protest.

On the day of the summit meeting, a total of some 1,800 people, including participants from abroad such as those from a South Korean labor organization, gathered in Yokohama City, the venue of the meeting, and staged protests. The central faction of “Chukaku-ha” and a mass organization affiliated with the faction, in particular, mobilized a total of about 600 activists from all over Japan for their protest gathering and demonstration. Anti-globalization forces also staged protest gatherings, etc. in five locations in the city, mobilizing a total of about 1,000 activists.

During the ministerial meeting on food security held before the summit meeting (October 16 and 17, Niigata) a farmers organization affiliated with JCP criticized APEC, stating that “it would shatter agriculture in Japan by advancing the liberalization of farm product imports,” and held a gathering and demonstration to demand a “stop to the agreement on import liberalization” and an “increase of the food self-sufficiency ratio,” and invited leaders of a South Korean agricultural organization to attend.

Right-wing groups developed activities stressing “protect Senkaku at all costs.”

Taking the opportunity of the visit of Chinese, South Korean and Russian leaders to Japan for the summit meeting, right-wing groups staged street campaigns in Yokohama City and in areas surrounding respective countries’ diplomatic offices in Japan, stressing “protect Senkaku at all costs,” “return the Northern Territories” and “return Takeshima.”

Recent Major Security Developments

Major Security Developments in International Relations

| | | |
|-----|----|--|
| Jan | 24 | The Qatar-based satellite television station Al Jazeera broadcasts a recorded audio statement believed to be by Osama bin Laden of al-Qaeda. This statement praises the perpetrator of the attempted bombing of a US airliner on December 25, 2009, as a “hero,” and warns of attacks on the United States. |
| Feb | 6 | Wang Jiarui, Director of the International Department of the Central Committee of the Communist Party of China visits North Korea (until Feb 9). Holds talks with General Secretary Kim Jong Il, Workers Party of Korea Secretary Choe Thae Bok, and Workers Party of Korea Director of International Department Kim Yong Il. |
| | 21 | The Philippine army carries out a clean-up operation in the southwestern province of Sulu, targeting the radical Islamist group Abu Sayyaf Group (ASG); the army announces that 6 people have been killed, including senior leaders of the organization. |
| Mar | 26 | The South Korean corvette <i>Cheonan</i> sinks while sailing in the waters southwest of Baengnyeong Island, in western South Korea; 46 of the 104 crew members lose their lives. |
| Apr | 12 | In the United States, the Nuclear Security Summit takes place (until Apr 13). 47 countries, including Japan, and 3 international organizations participate. Prime Minister Hatoyama and Chinese President Hu Jintao hold talks during the summit, and reach an accord that the two countries should further enhance their “strategic and mutually beneficial relationship” through meetings between the two leaders (Apr 13). |
| | 26 | In Sana’a, Yemen, a suicide bomber attacks a convoy escorting the British ambassador to Yemen, injuring three local citizens in the vicinity. Al-Qaeda in the Arabian Peninsula (AQAP) issues a statement claiming responsibility. |
| May | 1 | In New York’s Times Square, in the United States, an attempted bombing takes place using a car carrying explosives. The US authorities arrest Pakistani-American Faisal Shahzad and indicate that Tehrik-i-Taliban Pakistan (TTP) is deeply involved in this incident. |
| | 3 | North Korea’s General Secretary Kim Jong Il visits China (until May 7). As well as holding talks with President Hu Jintao, Chairman of the Standing Committee of the National People’s Congress Wu Bangguo, and Premier Wen Jiabao, Kim visits the cities of Dalian, Tianjin, Beijing and Shenyang. |
| | 20 | A joint international civilian-military investigation team announces that the cause of the sinking of the South Korean corvette <i>Cheonan</i> was “a North Korean-manufactured torpedo exploding underwater.” The same day, a spokesperson for the National Defence Commission of North Korea issues a statement, criticizing the results of the investigation as “a fabrication.” |
| | 22 | Chongryon holds its 22nd Congress (until May 23, Korean Cultural House, Kita Ward, Tokyo). |
| | 30 | Chinese Premier Wen Jiabao visits Japan (until Jun 1). Holds talks with Prime Minister Hatoyama (May 31) in which they agree to commence negotiations as soon as possible, concerning the conclusion of an international agreement on the development of resources in the East China Sea. |
| Jun | 7 | The 3rd session of the 12th Supreme People’s Assembly is held in North Korea, with General Secretary Kim Jong Il in attendance. As well as selecting National Defense Commission member Chang Song Taek as National Defense Commission Vice-chairman, various other personnel changes take place, including the dismissal of Premier Kim Yong Il, with alternate member of the Workers’ Party of Korea Central Committee Politburo Choe Yong Rim being elected as the new Premier. |
| | 9 | UN Security Council adopts Resolution 1929, which includes additional sanctions on Iran, relating to the issue of its nuclear development initiative. |
| | 27 | In the United States, 10 people are arrested for posing as American citizens to conduct activities for the Russian intelligence services. |
| Jul | 11 | In Kampala, Uganda, a series of bombings take place targeting citizens watching the soccer World Cup final on television, causing 76 deaths. Somalia’s al-Shabaab, an organization that has pledged allegiance to al-Qaeda, issues a statement claiming responsibility. |

| | | |
|-----|--|---|
| | 20 | Former North Korean spy Kim Hyun Hui visits Japan from South Korea (until Jul 23). She meets with Hiroshi Nakai, the minister in charge of the abduction issue, as well as family members of Japanese citizens kidnapped by North Korea. |
| Aug | 9 | The Indonesian authorities arrest Abu Bakar Bashir, said to be the founder of Southeast Asian Islamic extremist organization Jemaah Islamiyah (JI), on charges of involvement in providing financial support for the armed group of Aceh. |
| | 17 | In Baghdad, Iraq, suicide bombings targeting military-related facilities take place, causing the deaths of more than 60 army recruits. The al-Qaeda-affiliated organization Islamic State of Iraq (ISI) issues a statement claiming responsibility. |
| | 25 | Former US President Jimmy Carter visits North Korea (until Aug 27). He holds talks with Chairman of the Presidium of the Supreme People's Assembly of North Korea Kim Yong Nam, and Foreign Minister Pak Ui Chun. North Korea releases US citizen Aijalon Mahli Gomes, whom it had detained. |
| | 26 | North Korea's General Secretary Kim Jong Il visits China (until Aug 30). As well as holding talks with President Hu Jintao and State Councilor Dai Bingguo, Kim visits the cities of Jilin and Changchun in Jilin Province, and Harbin in Heilongjiang Province. |
| Sep | 1 | The US government designates Tehrik-i-Taliban Pakistan (TTP) as a Foreign Terrorist Organization (FTO). |
| | 2 | President Netanyahu of Israel and President Abbas of the Palestinian Authority resume direct peace negotiations aimed at resolving major issues, such as the question of the status of Jerusalem and the issue of the repatriation of Palestinian refugees. |
| | 3 | Terrorist attacks targeting Shiites in Quetta, in Pakistan's Balochistan Province, kill more than 60 people. Tehrik-i-Taliban Pakistan (TTP) and Lashkar-e-Jhangvi (LJ) issue statements claiming responsibility. |
| | 7 | A Chinese fishing trawler operating in the waters off the Senkaku Islands ignores a warning to stop from patrol boats from the 11th Regional Coast Guard Headquarters, and collides with the patrol boats when it tries to escape. |
| | 18 | The election for the lower house of the Afghan parliament takes place. More than 130 acts of terrorism aimed at obstructing the elections are carried out in various areas of the country; these are believed to be the responsibility of the anti-government armed insurgent group Taliban. |
| | 23 | China's Xinhua news agency announces that "the Chinese authorities have detained 4 Japanese in the city of Shijiazhuang, in Hebei Province, for 'illegally making a video recording for military purposes.'" 3 of the 4 are released on Sep 30, with the remaining 1 being released on Oct 9. |
| | 25 | China's Foreign Ministry issues a statement demanding that Japan provide "an apology and recompense" for the Chinese fishing trawler collision incident. |
| 28 | North Korea holds a meeting of representatives of the Workers' Party of Korea; as well as Kim Jong Il being re-elected as General Secretary, members of the Party Central Committee and alternate members of the Committee are elected and the party constitution is revised. In addition, a full meeting of the Party Central Committee takes place, with personnel changes being implemented in the Politburo, Secretariat and Central Military Commission. Kim Jong Un is selected as Vice-chairman of the Central Military Commission. | |
| Oct | 10 | On the occasion of the 65th anniversary of the founding of the Korean Workers' Party, various commemorative events take place with General Secretary Kim Jong Il and Vice-chairman of the Central Military Commission Kim Jong Un in attendance, including a central report meeting and a performance of the Arirang Mass Games (Oct 9, May Day Stadium), and a celebratory military parade and "Grand Evening Gala" (Oct 10, Kim Il Sung Square). Guests attending the military parade include Member of the Politburo Standing Committee of the Communist Party of China Zhou Yongkang, who is on a visit to North Korea (visiting Oct 9 - 11). |
| | | Security staff discover that former Korean Workers' Party Secretary Hwang Jang Yop, who defected to South Korea, has died at his home in Seoul. The police announce the estimated time of death as after 15:00 on Oct 9. The South Korea government award Hwang the Order of Civil Merit (First Class) (Oct 12) and he is buried at Daejeon National Cemetery (Oct 14). North Korea criticizes him, declaring his death to be "divine retribution" (Oct 14). |
| | 13 | Japan participates in the maritime intercept drill "Eastern Endeavor 10," as part of the South Korean-organized PSI (Proliferation Security Initiative) (until Oct 14, Busan). This is the first time that South Korea has organized a PSI intercept drill. |

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| | 15 | The Fifth Plenum of the 17th Politburo Standing Committee of the Communist Party of China takes place in Beijing (until Oct 18). The “Proposal for the Formulation of the 12th Five-year Plan for the Economic and Social Development of China” (2011 – 2015) is debated and adopted. Vice-president Xi Jinping is elected as Vice-Chairman of the Central Military Commission. |
| | 16 | Large-scale “anti-Japanese” demonstrations take place in Chengdu, Sichuan Province, Xi’an, Shaanxi Province, and Zhengzhou, Henan Province. “Anti-Japanese” demonstrations subsequently continue in various parts of China. |
| | 25 | On the occasion of the 60th anniversary of China’s participation in the Korean War, a mass commemorative convention takes place, with General Secretary Kim Jong Il and Vice-chairman of the Central Military Commission Kim Jong Un in attendance (Oct 25, Pyongyang Gymnasium). This convention is also attended by Guo Boxiong, Vice-chairman of the Central Military Commission of China, who is on a visit to North Korea (visiting Oct 23 - 26). |
| | 29 | Explosives are found at airports in the United Kingdom and the United Arab Emirates, in air freight being transported from Yemen to the United States. Al-Qaeda in the Arabian Peninsula (AQAP) issues a statement claiming responsibility (Nov 5). |
| Nov | 1 | President Medvedev of Russia visits Kunashiri Island in the Northern Territories. After visiting facilities including a geothermal power plant on the island, he announces that Russia will “continue to invest in the development of the Kuril Islands” and will “raise the standard of living of the inhabitants of the Southern Kurils.” This is the first time that a Russian head of state has visited the Northern Territories, even including the Soviet era. |
| | 9 | Former Director of the Los Alamos National Laboratory Siegfried Hecker and others visit North Korea (until Nov 13). North Korea shows the group around the Yongbyon nuclear facility and explains that it is “manufacturing low-enriched uranium at the newly-completed uranium enrichment facility” and is “constructing a small-scale experimental light water reactor.” |
| | 13 | The APEC Japan 2010 summit takes place. Prime Minister Kan holds talks with Chinese President Hu Jintao. The two leaders agree on a shared awareness, including the fact that “the development of strategic relationships of mutual benefit accords with the interests of the people of both countries and is important for regional and global peace and development.” Moreover, Prime Minister Kan holds talks with Russia’s President Medvedev. With regard to the Northern Territories issue, President Medvedev asserts that “it is Russian territory and this will not change in the future.” |
| | 23 | North Korea fires approximately 170 shells from shore-based artillery towards the South Korean island of Yeonpyeong and surrounding waters, close to the Northern Limit Line (NLL). Approximately 80 shells hit Yeonpyeong Island, killing 2 members of the South Korean military and 2 civilians. |
| | 28 | The United States and South Korea conduct a joint military exercise, including anti-aircraft defense and marine surface warfare capacity-strengthening drills (until Dec 1, Yellow Sea). The US nuclear-powered aircraft carrier <i>George Washington</i> and other vessels participate. |

Details concerning international relations are based on various media reports.

Major Security Developments in Domestic Relations

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| Jan | 1 | The mainstream group and the Joyu group of Aum Shinrikyo each hold year-end and new-year seminars (Dec 26, 2009 to Jan 3; Tokyo, Saitama, Osaka, etc.). |
| | | Right-wing groups stage protests demanding the DPJ Secretary General Ozawa (at that time) to resign from the Diet around the private house of the secretary general and other places (Tokyo). Later they continue protests on and off in areas surrounding DPJ-related facilities in various locations. |
| | 13 | Japan Communist Party holds its 25th Congress (until Jan 16, Shizuoka). |
| Feb | 5 | Student activists, etc. of the central faction of the “Chukaku-ha,” who interfered with university entrance examinations, are arrested for forcible obstruction of business, etc. (Tokyo) |
| | 7 | Northern Territories Day. Right-wing groups conduct street campaigns, etc. stressing the “return of the Northern Territories.” |
| | 22 | Members of a right-wing group throw a shovel on the road in front of a vehicle of a South Korean group that has come to Japan to protest Takeshima Day (Shimane). |
| Mar | 20 | 15th year after the sarin gas attacks on the Tokyo subway system |

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| Apr | 3 | “Yodo-go” group supporters and others hold a symposium: “Let’s talk about the Yodo-go issue 40 years after the incident” (Kyoto). |
| | 24 | The Joyu group of Aum Shinrikyo holds an intensive Golden Week seminar (until May 5; Tokyo and Osaka). |
| | 25 | A “Prefectural assembly” is held to protest the transfer of the US Futenma Air Station inside Okinawa Prefecture, and radical leftist groups mobilize activists (Okinawa). |
| | 29 | The mainstream group of Aum Shinrikyo holds an intensive Golden Week seminar (until May 5; Saitama, etc.). |
| | 30 | The Japan Communist Party Chairperson Shii visits the United States (until May 8). |
| May | 3 | Constitution Memorial Day. Right-wing groups stage street campaigns (various locations nationwide) |
| | 15 | “Encircling action” to surround the US Futenma Air Station with a “human chain” is staged, and radical leftist groups mobilize activists (Okinawa). |
| | 30 | Chinese Premier Wen Jiabao visits Japan (until June 1). Right-wing groups stage protests (Tokyo). |
| Jun | 3 | The central faction of the “Chukaku-ha” and a labor union affiliated with the faction send activists to a convention of left-wing labor unions in Brazil (until 10; Brazil). |
| | 13 | A labor union, etc. affiliated with the central faction of “Chukaku-ha” holds the kick-off rally for the “National movement to resist the privatization and separation of the Japanese National Railways and to support struggles against the dismissal of 1047 workers.” |
| Jul | 11 | The 22nd regular Upper House Election |
| | 15 | The Supreme Court turns down an appeal from Fusako Shigenobu, the top leader of the Japanese Red Army, who has been charged with attempted murder, abduction, confinement, etc. in the French embassy seizure in The Hague, the Netherlands, etc. (Aug 5, 20-year prison sentence for the first and second instances was finalized.) |
| Aug | 7 | The Joyu group of Aum Shinrikyo holds an intensive summer seminar (until Aug 15; Tokyo and Osaka). |
| | 9 | Right-wing groups conduct street campaigns, etc. stressing the “return of the Northern Territories” on their “Anti-Russia Day” (various locations across the nation). |
| | 15 | The central faction of the “Chukaku-ha” and others stage a demonstration “to prevent visits to Yasukuni Shrine” (Tokyo). |
| | | Right-wing groups visit Yasukuni Shrine and Shinto shrines designated as places of worship for those who died in the war, and attend memorial services for the war dead (various locations across the nation). |
| Sep | 9 | Right-wing groups stage protests against Chinese diplomatic offices in Japan after a Chinese fishing boat collision incident (Hokkaido, Osaka). Later they continued protests on and off against Chinese diplomatic offices in Japan and government organizations in various locations. |
| | 13 | The Supreme Court dismisses the special appeal concerning the appeal for a new trial of Chizuo Matsumoto, also known as Asahara Shoko, who has been sentenced to death. |
| | 17 | The mainstream group of Aum Shinrikyo holds an intensive Autumn seminar (untill Sep 20; Saitama, etc.). |
| | 25 | The JCP holds the Central Committee’s 2nd Plenum (until Sep 27, Tokyo). |
| | 26 | A member of a right-wing group throws a smoke bomb into the premises of a Chinese diplomatic office (Nagasaki). |
| | 28 | A member of a right-wing group throws a smoke bomb into the premises of a Chinese diplomatic office (Fukuoka). |
| Nov | 1 | Public Security Intelligence Agency conducts on-site inspection of 32 Aum Shinrikyo facilities in 15 prefectures. |
| | 2 | The anti-mainstream faction of the “Kaiho-ha” group of the Revolutionary Workers’ Association launches a metal projectile at Camp Omiya of the Ground Self-Defense Force (Saitama). |
| | 7 | A Labor union, etc. affiliated with the central faction of “Chukaku-ha” holds the National Workers’ Rally (Tokyo). |

The APEC Japan 2010 summit meeting is held. Extreme leftist groups, anti-globalization forces led by extreme leftists, right-wing groups and others stage protests (until Nov 14, Kanagawa).

Afterword

Looking back over the international situation in 2010, we can see that the situation in which Japan found itself was a very difficult one, with tensions growing on the Korean Peninsula, due to such developments as the sinking of South Korea's corvette and the shelling of Yeonpyeong Island; moreover, China took a hardline stance towards Japan over the Chinese fishing trawler collision incident in the waters off the Senkaku Islands. In addition, the threat of international terrorism proliferated, as al-Qaeda-affiliated organizations expanded the scope of their activities.

At the same time, within Japan, both the mainstream and Joyu-led factions of Aum Shinrikyo strengthened the defenses of their organizations, under the influence of Shoko Asahara, while continuing to carry out intensive activities. Accordingly, there remains a sense of unease amongst Japanese citizens across the country with regard to the cult.

The need for intelligence about situations both within Japan and overseas that could have an impact on our national security seems set to increase further, so it is necessary for the government to reinforce its intelligence functions.

The PSIA will continue to strive to ensure the security of Japan and the safety of its people, by means of restrictions on subversive organizations and further promoting investigations for the purpose of implementing control measures. Moreover, as a member of the government's intelligence community, the PSIA will make unremitting efforts to further enhance and reinforce its information-gathering and analysis systems, gathering and analyzing security-related intelligence from within Japan and overseas more swiftly and accurately, and providing relevant organizations with useful intelligence in a timely and appropriate manner, thereby contributing to the policy decisions of the Japanese government.