

MyVision **No.11** 2015.7

The Future of **Japan-China Relations**

2015, marking the 70th anniversary of the end of World War II, is also a year in which Japan will give fresh consideration to its relations with the rest of the world, with reference to both pre-war and postwar history. Given that China, already a superpower and continuing its expansion, must form part of these reflections, how should Japan approach its relations with its neighbor in the future? In this issue of My Vision, we ask what stance Japan should adopt in relation to China.

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About this Issue

What Approach should Japan Take to China?

Displaying expansionist tendencies both economically and politically/militarily, China has called for a "new superpower relationship" with the United States. As China's presence on the world stage continues to increase, what stance should Japan adopt towards the nation in the future? In this issue of *My Vision*, we discuss this question with Japanese and American experts in contemporary Chinese politics and economics and China-Japan diplomatic relations.

Interviewers: Yuya Nishiyama, Naoko Mori Editor: Kazuyoshi Harada Period of interviews: February - March 2015

Maintain a "hedge and engage" approach to dialogue

Shinichi Kitaoka

President, International University of Japan

China's expansion is consequential not only to Japan but rather has global implications. Historically, there are few examples of such an enormous power rising so rapidly. When dealing with China, Japan should take advantage of collective wisdom gained by working with the rest of the world. It is important not to view China as an adversary, but rather to welcome it as a positive member into the international community.

To facilitate this process, it will be important for Japan to strengthen both the Japan-U.S. alliance and its self-defense capacity, to improve its relations with China, and to build relations with other countries. Balance is the key. In relations with China, it will be essential to adopt a "hedge and engage" approach. Engagement is implemented to ensure that China does not become a threat, while remaining vigilant. Hedging is applied in order to prepare for any threat. That is basically the essence. The summit diplomacy pursued by Prime Minister Abe is receiving praise from all quarters, but it is important for Japan to further broaden understanding from other countries. While building a network that can influence China, Japan should improve economic and political relations and strengthen its own cooperative relationship with China.

At the same time, it is also important to persist with dialogue on historical issues. With regard to the understanding of historical issues, China claims that there is a country that does not recognize its invasion into Chaina, suggesting Japan, but Japan has admitted the facts of its actions on numerous occasions, including in the report of the Japan-China Joint History Research Project. Further, Japan has made a consistent contribution to world peace in the postwar period. When what is being argued is not factual, Japan should not give ground and be firm in its refutation. However, needless provocation should be avoided and a spirit of friendly dialogue be maintained. We should always speak the truth.

An accurate understanding of historical facts will also facilitate

deepening mutual understanding between Japan and China, and promote mutual recognition and education as neighboring countries about each other's features that are worthy of respect. Perhaps the publication of books presenting the perspectives of both countries would be useful. An initiative of this type would work to achieve the goal stated in the UNESCO Constitution: "it is in the minds of men that the defences of peace must be constructed."

Professor Kitaoka provides commentary on a broad range of contemporary political and diplomatic issues. He also advises the Abe Cabinet regarding foreign policy. From 2006 to 2008, he was the Japanese Chairperson of the Japan-China Joint History Research Committee.

Japan should continue its efforts to incorporate China into the international system

Roderick MacFarquhar

The Leroy B. Williams Professor of History and Political Science, Harvard University

The US is likely to elect either Hillary Clinton or a Republican as president in 2016. In either case, the US will continue to strengthen and modernize its military with China's own increased defense spending as a major reason. US strategic analysts see China as a potential antagonist in some kind of conflict. With China pursuing a forward policy in its surrounding seas, Washington is also well aware of its need to reassure allies and friends in Asia that it will not let them down.

But the US has always wanted its allies to play a significant role in their own defense, and would therefore welcome a considerable strengthening of Japan's self-defense forces. The key issue would be for Japan to stress that its measures were designed to strengthen the alliance rather than to portray its increased defense effort as an attempt to go it alone. The latter posture would worry both Washington and Beijing and would be counter-productive.

Japan should strengthen the Japan-US relationship and continue its efforts to incorporate China into the international system, always being aware that this may be more difficult under the present Chinese leadership. Japan should therefore firm up its relations with other Asian countries such as India, Indonesia and the smaller countries of SE Asia. Prime Minister Abe has been making moves of this type, and it is important that they are seen in those countries not simply as designed to increase Japan's economic penetration but as genuine efforts to increase understanding and friendship. Perhaps Japan could enlarge its Japanese Overseas Cooperation Volunteers program so as to expose more Asians to idealistic Japanese youth.

Professor MacFarquhar has engaged with China's contemporary history as both journalist and academic, and his considerations regarding China's Cultural Revolution and Chinese politics more generally are highly regarded. Professor MacFarquhar took up his present position following a term as the Director of the John King Fairbank Center for East Asian Research.

We must develop an accurate awareness of the reality of China

Toshiya Tsugami

President, Tsugami Workshop, Ltd

The expectation that China's high level of growth will continue is an illusion. The Xi Jinping system is facing a powerful sense of crisis occasioned by the correction of China's high growth trajectory, and the nation has changed significantly in the last two and a half years. Japan, however, has not corrected its own trajectory in this regard, and still possesses an excessively overblown view of China and an excessively inflated sense of apprehension in relation to China.

The inflation of China's own image commenced in 2009, with the nation's rapid recovery from the financial crisis and the role it then played as an engine of the world economy. The Chinese public also believed that the day was near when China would become the world's greatest economic power, producing a sense of euphoria.

However, since a couple of years ago, China has experienced severe after-effects from an investment bubble. If the economic brakes were put on too hard, there would be the chance that the country might fall into negative growth, potentially shaking the foundations of its political system; if the brakes were applied softly, it would be feared that the nation's balance sheet would continue to deteriorate and might eventually collapse. At the brink of a precipice, China is seeking to proceed so as to prevent either of these eventualities from manifesting. A further consideration is the fact that in another 10 years, the nation's working population will decline by seven to eight million per year, and its productive power will consequently decline significantly.

Prioritizing the continuation of the nation's political system, China's leaders wish to correct their past hardline foreign policy stance, but at the same time do not wish to damage the pride of the Chinese public, which has become inflated over the previous several years. The AIIB initiative can be viewed as a means of satisfying that pride through "economic superpower diplomacy" rather than hard power.

It will take some time for the illusion of China's high growth to be dispelled. Because the momentum of China's military expansion will not decline immediately, it can be predicted that the East Asian security environment will continue to experience instability. Both China and Japan will require wisdom and effort to navigate a course through this period of instability marked by a disjunction between illusion and reality.

Mr. Tsugami heads a consulting company concentrating on the contemporary Chinese economy, and offers wide-ranging commentary on the reality of modern China. On the political front, he favors a "cool head, warm heart" approach, which focuses on realizing an accurate understanding of the other nation rather than falling into emotional arguments.

Recognizing wartime tragedies, emphasize Japan's postwar contribution to peace

Ezra F. Vogel

Henry Ford II Professor of the Social Sciences Emeritus, Harvard University

Prime Minister Abe's first order of business in his statement to mark the 70th anniversary of the end of WWII should be to emphasize Japan's unwavering commitment to peace in the postwar era, and its intention to maintain that orientation. Japan has made an enormous contribution to peace since the end of the war. The nation's contributions to the United Nations and its economic assistance to China and South Korea are particularly noteworthy. Another thing that Japan should attempt to make more widely known in China is the fact that unlike many other nations, it applied few sanctions following the Tiananmen Square incident.

With regard to historical issues, a clear apology from Japan that acknowledges its actions during WWII would be desirable. While the actual number of victims involved can be left to historians to decide, the existence of "comfort women" and the occurrence of the Nanjing incident should be recognized as facts. The government's being seen to make efforts to explain the facts of what happened during the war to the Japanese public would emphasize Japan's peaceful postwar stance. One possibility would be to visit museums in China and create war museums in Japan.

It will also be essential for Prime Minister Abe to express gratitude towards the soldiers who died for their country and their surviving family members. This is not, of course, to imply in any way that war is a good thing.

Those are my thoughts concerning Prime Minister Abe's statement. Regarding China's current military activities, Japan should communicate to China the fact that it has the right to defend itself, and that the Japanese public has the strong impression that China is being provocative, and observe China's activities with close attention. Japan should also work together with China in peaceful cooperation, seeking to enhance relations with other Asian nations via political, economic and cultural exchange. The business community and other non-governmental actors are also working to promote exchange between China and Japan, and it would be beneficial to bolster this trend on a variety of fronts.

Professor Vogel is a world authority in the study of East Asia. The publication of his book "Japan as Number One" in 1979 sparked reassessment of Japan's economic and social systems both within Japan and internationally. Professor Vogel recently wrote "Deng Xiaoping and the Transformation of China" published in 2011.

We should recognize that Japan is in a unique position

Shin Kawashima

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Within the G7, Japan tends to be isolated as a result of its stance regarding China. It has joined together with the U.S. in adopting a "hedge and engage" approach to its China diplomacy, but we should be aware that it is difficult for the international community to sympathize with this stance.

China strategically adopts different diplomatic approaches depending on the situation. With regard to global issues such as the situation in Ukraine and IS, China basically cooperates with the West, and displays no intention to oppose resolutions. Because of this, it is difficult for the Europeans, geographically distant as they are, to genuinely feel the threat of China. On the other hand, the U.S. attempts to hedge in relation to China, for instance in the South China Sea, but at the same time regards economic relations with China as an opportunity. Considered from the U.S. perspective, it is natural to seek to simultaneously improve relations with China and strengthen the Japan-U.S. alliance, and the U.S. therefore may not always act in concert with Japan's intentions.

A number of East Asian nations are involved in territorial disputes with China and feel enmity towards the country, but also depend on it economically and are unable to oppose it on the security front. Therefore, even if they sympathize with Japan's position, they may not feel the same strength of opposition as Japan, and may not be able to adopt the same course of action.

Japan is therefore in a unique position, whether in the G7 or in East Asia, and must consider carefully how to make other countries understand its perspective. What Japan has to do is to individually consider how the other country perceives Japan and China and what its particular concerns are, and offer a convincing explanation of Japan's standpoint on this basis.

China is already the world's second largest economy, and it is difficult to imagine East Asian prosperity or stability in the absence of dialogue with China. China and Japan are rivals, and public sentiment is worsening in both nations. However, the Chinese and Japanese publics each regard the other as important. What will open up a new era is the discovery of common interests and concerns and the development of a new type of cooperative relationship between the nations.

Professor Kawashima specializes in contemporary Chinese history and Asian political and diplomatic history, and conducts research from a historical perspective on approaches to be taken by the international community with regard to diplomacy towards China. He also actively makes proposals regarding approaches for Japanese diplomacy.

This is a translation of a paper originally published in Japanese. NIRA bears full responsibility for the translation presented here. Translated by Michael Faul.

About this Issue

The Future of Japan-China Relations

2015 marks 70 years since the end of World War II. To commemorate this landmark year, Japan's Prime Minister intends to issue a new statement regarding the war. Interest is focusing on the nature of Japan's future involvement in the international community, based on the nation's pre-war and postwar history. It can be expected that Prime Minister Abe will discuss the future strengthening of the Japan-U.S. alliance, which has been the fundamental pivot of Japan's postwar diplomacy.

The issue here is how Japan should relate to Asia in future, and above all to a rapidly expanding China. Naturally, given that China faces numerous complex problems, until the direction of the nation's internal and external policies is known, this question involves elements of uncertainty. However, China is already a superpower, and has called for a "new superpower relationship" with the U.S.; it seems unlikely that the nation's fundamental orientation of economic, political and military expansionism will change. The question, then, is what stance Japan should adopt in relation to China in the future given that nation's internal and external circumstances.

Should Japan assume a relative decline in U.S. power

and prepare for a threat from China by strengthening its self-defense capabilities to the greatest possible extent? Should it engage in unflagging diplomatic efforts to build a containment zone around China? Should it accept China's expansion as a given, and strengthen ties with the nation by working to improve relations not only economically, but also politically? Or should it follow its previous course, and strengthen the Japan-U.S. alliance while continuing to work to incorporate China in the international system? All of these options have already been the subject of national debate, but the 70th anniversary of the end of the war offers an opportunity to re-examine the questions.

In this issue of *My Vision*, five prominent U.S. and Japanese intellectuals offer lucid responses to these questions. Almost all feel that Japan should hedge against a potential threat, while engaging with China in order to encourage its greater participation in the international system. Some, however, see the possibility of China's conformance with the international community under its present system as low. Crystallizing their thoughts into a short space, these experts on the China question offer numerous hints regarding how Japan should approach its neighbor.

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