

# CHINA-JAPAN TENSIONS, 1995-2006

## WHY THEY HAPPENED, WHAT TO DO

**B** | Foreign Policy  
at BROOKINGS

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# ACKNOWLEDGMENTS

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The Brookings Institution is pleased to acknowledge the support of the MacArthur Foundation, the Smith Richardson Foundation, and an anonymous donor for the author's study on China-Japan security relations, of which this essay is a part. The author is grateful to Jiyoung Song and Jennifer Mason for their research assistance, and to Theodore Piccone, Michael O'Hanlon, and Muthiah Alagappa for reading drafts of the paper.



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# INTRODUCTION

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Without question, China-Japan relations deteriorated for a decade after 1995. On a number of issues the two countries took different positions.

- China regarded the policies adopted by Taiwan's democratically elected leaders as a challenge to its fundamental interests.
  - Japan worried both that it might get drawn into a Taiwan conflict on the side of the United States and that a PRC takeover of Taiwan would threaten its energy lifeline to the Middle East.
  - A long festering conflict over who owned the Japan-controlled Senkaku/Diaoyu Islands threatened to spin out of control.
  - A common desire to exploit oil and gas resources in the East China Sea fostered competing claims on how to divide up the ocean floor and, as the two sides moved toward drilling, the danger of conflict grew.
  - In the six-party talks on North Korea's nuclear program, Tokyo and Beijing differed on the salience of accounting for Japanese citizens that Pyongyang had abducted in the 1970s and on how much China should inflict economic pressure on the Kim Jong Il regime.
- Koizumi Junichiro, Japanese Prime Minister from 2001 to 2006, made repeated visits to the Yasukuni Shrine. Because the spirits of fourteen Class A war criminals were enshrined there, China made the visits an obstacle to normal political relations.<sup>1</sup>
  - Because of Yasukuni, China vigorously opposed a Japanese bid in 2005 to become a permanent member of the UN Security Council.

In the background was the gradual yet systematic growth of Chinese military power, particularly the acquisition of air and naval capabilities would give Beijing the option of projecting power east towards Japan. Complicating matters was the politicization of the relationship by publics in both countries. In China, public opinion was emerging as a potent factor in the conduct of foreign policy. China's victimization at the hands of Japan during the first half of the twentieth century affected how ordinary Chinese viewed Tokyo's twenty-first century actions. In Japan, generations who did not remember the war grew tired of China's criticizing their country for its awful deeds before 1945 and its disregard for the good things Japan had done since.<sup>2</sup>

Identifying the negative trend and the issues is relatively easy. But explaining why it occurred is harder. Possible answers are: leaders' choices, public nationalism,

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<sup>1</sup> In this essay, both Chinese and Japanese names are rendered as they are in those countries: surname first, given name second.

<sup>2</sup> The most comprehensive documentation of the deterioration is Ming Wan, *Sino-Japanese Relations: Interaction, Logic, and Transformation* (Washington, D.C. and Stanford, Cal.: Woodrow Wilson Center Press and Stanford U. Press, 2006).



and the dynamics of domestic politics. Or does the reason for the tensions lie deeper? Is it in some sense structural, driven by dynamics over which the two nations' leaders have limited control, or bound up in conflicting ways that China and Japan define themselves and each other?

The most cogent case for structural causes comes from Michael Green. For the first time in over a century, he argues, China and Japan have similar levels of national power and face unanticipated realities. Tokyo expected China to accept its leadership of Asia based on its economic prowess (and assumed it would always have the larger economy). China assumed that Japan would remain an "economic power" and not seek to be an Asian political power or military power, leaving those roles to China. Each had to face the fact that old accustomed levers—Japan's economic assistance and China's history card—no longer had much pull.<sup>3</sup> And both worried that Northeast Asia wasn't big enough for two major powers. As the Chinese say, "Two tigers can't lie on the same mountain" (*Yishan burong ehrhu*).

In this paper, I argue the tensions have a structural basis and can be best understood with the concept of the security dilemma, as a growing number of scholars on Japanese and Chinese foreign policy have suggested.<sup>4</sup> This concept, from the defensive realism school of international relations theory, seems

appropriate because it elucidates the dynamic between two actors who objectively have significant reasons to cooperate but whose relationship becomes dominated by mutual fear. But I go beyond the tendency of most scholars to simply assert that a security dilemma exists. Instead, I explore whether the concept can be operationalized in a meaningful way that clarifies what was going on between Beijing and Tokyo.

I conclude that a narrow version of the concept—a general spiral of mutual fear and capability-acquisition—is only moderately helpful in understanding these bilateral tensions. I argue that the interaction of China and Japan on specific issues was also important in fostering mutual suspicion and response. In addition to this more materialist approach, I suggest in a more constructivist vein that the two countries view these security interactions through lenses defined by their historical experience. Each side interprets today's relations more negatively because of their memories of the past.

Finally, how we explain the decade of deterioration is more than a subject for intellectual speculation. If Japan and China wish to stop or reverse the deterioration, they must do so in a way that targets why it occurred in the first place. If they address issues that are in fact symptoms rather than causes, then any improvement in relations may be ephemeral and temporary.

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<sup>3</sup> Michael J. Green, "Understanding Japan's Relations In Northeast Asia," testimony for the House Committee on International Relations Hearing on "Japan's Tense Relations with Her Neighbors: Back to the Future," September 14, 2006, <http://www.csis.org/media/isis/congress/ts060914green.pdf> [accessed February 1, 2009].

<sup>4</sup> For example, see Wan, *Sino-Japanese Relations*; Michael J. Green, *Japan's Reluctant Realism: Foreign Policy Challenges in an Era of Uncertain Power* (New York: Palgrave, 2001), especially p. 93; Kenneth B. Pyle, *Japan Rising: The Resurgence of Japanese Power and Purpose* (New York: Public Affairs, 2007); Richard J. Samuels, *Securing Japan* (Ithaca: Cornell Press, 2007); Thomas J. Christensen, "China, the U.S.-Japanese Alliance and the Security Dilemma in East Asia," *International Security*, vol. 23, no. 4 (Spring 1999), pp. 49-80; Kent Calder, "China and Japan's Simmering Rivalry," *Foreign Affairs* 85 (March-April 2005): pp. 1-11, especially p. 2; Denny Roy, "The Sources and Limits of Sino-Japanese Ties," *Survival*, vol. 47, no. 2, (Summer 2005): pp. 191-214; Mike M. Mochizuki, "Japan's Shifting Strategy toward the Rise of China," *Journal of Strategic Studies* 30 (Aug.-Oct. 2007): pp. 739-776; Susan L. Shirk, *China: Fragile Superpower* (New York: Oxford Press, 2007).

# ENHANCING EXPLANATORY POWER— UNPACKING THE CONCEPT

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A materialist understanding of a security dilemma contains the following essential elements:

- a) In an anarchic international system, there exists the objective possibility that states can enjoy mutual security and cooperation but there is no hegemon that requires them to do so.
- b) Each state must guard against the possibility of future aggression by another and is unable to persuade the other of its peaceful intentions.
- c) Each state's efforts to prudently prepare to defend against aggression by the other is likely also to provide the ability to threaten the other and the other will perceive it as such.
- d) The other state will acquire military capabilities and alliances as defensive measures and come to see the first state as hostile.<sup>5</sup>

A couple of issues stem from a defensive realist approach. First of all, how does one state judge the “motives, intentions, and capabilities” of another, particularly whether they are for defensive or offensive purposes? Second, how does State A respond in addressing the possibility of State B's potential aggression—with reassurance or firmness or greed? Hence, both psychological and material factors are in play. Third, to what extent can State A appreciate that its own actions may have created the other's fear and act on that realization?<sup>6</sup> Amid these dilemmas, it appears that a security dilemma might be mitigated if the nature of warfare favored the defense; if actors tended to acquire defensive rather than offensive weapons; and if they deployed their capabilities in a defensive way.<sup>7</sup> Moreover, there is a difference between security dilemmas which are more the result of misunderstanding (and therefore remediable by effective reassurance) and those that reflect some measure of opportunistic greed on the part of one or both of the two parties (and which therefore are much more difficult to mitigate).<sup>8</sup>

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<sup>5</sup> Based on Robert Jervis, “Was the Cold War a Security Dilemma?” *Journal of Cold War Studies*, 3 (Winter 2001): p. 36.

<sup>6</sup> Ken Booth and Nicholas H. Wheeler, *The Security Dilemma: Fear, Cooperation, and Trust in World Politics* (New York: Palgrave Macmillan, 2008), pp. 4-5, 7.

<sup>7</sup> Robert Jervis, “Cooperation under the Security Dilemma,” *World Politics* 30 (January 1978): pp. 167-214.

<sup>8</sup> I am grateful to Alastair Iain Johnston for pointing out this distinction. The contrast between these two types of dilemmas is similar to that between the two game-theory scenarios, Stag Hunt and Prisoner's Dilemma.



# APPLYING THE SECURITY-DILEMMA CONCEPT TO JAPAN-CHINA RELATIONS

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It is easy to compose a narrative about recent China-Japan relations that is consistent with the security-dilemma concept. Japan and China have many reasons to cooperate, economic complementarity being the most obvious. By that logic, they have no inherent reason to end up in a hostile relationship. Indeed, Japan *and* the United States would prefer to maximize the shared benefits of cooperation with China and so manage its return to great-power status. But Tokyo may read malevolent intentions into China's military build-up even if they did not exist, and Beijing can see containment in Japan's already large military establishment and its enhanced alliance with the United States (even if China is not the true driver). Each will take steps to counter the actions and motivations of the other, creating a downward spiral of insecurity. So, according to this narrative, the future is structurally determined, tragically shaped by mutual fear.

Yet defining a concept is one thing; operationalizing it and applying it to a real-world situation is another. It is one thing to assert that a realist-style security dilemma is emerging between Japan and China, and that each is acquiring capabilities because the other's actions create a growing sense of vulnerability. It is another to test that hypothesis in a rigorous way.<sup>9</sup> We turn to that task now, looking at how Tokyo and Beijing each assess the other's actions and then how they respond.

## ASSESSMENT

In this section, we look at indicators of Chinese and Japanese assessments of each other. I rely on authoritative government statements that are formulated through a systematic and periodic institutional process because that process increases confidence in their validity as indicators.

*Leadership Characterizations* Gauging the views of Chinese and Japanese leaders is easier said than done, for they do not necessarily have an interest in revealing what they think. Their subordinates often have reasons to misrepresent their superiors' views (if they know them). Scholars outside officialdom often claim to know what leaders think but do not have any real basis for their assertions.

One indicator of Chinese and Japanese *leaders'* views are their periodic formal statements about the bilateral relationship. On the Japanese side, the best hypothetical candidate is the set of policy speeches that the prime minister gives at the opening of most sessions of the Diet, which occur every three to six months. The speech is prepared by the Cabinet Councilor's Office based on ministry drafts.<sup>10</sup> Unfortunately, these statements do not always cover China. When they do, they are often formulaic in their content. For example, in January 2006, when relations were at their nadir, Prime Minister Koizumi pledged

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<sup>9</sup> In my *Untying the Knot: Making Peace in the Taiwan Strait* (Washington, D.C.: Brookings Press, 2005), I asserted that a security dilemma exists between China and Taiwan and assembled evidence to support that idea, but did not make a systematic effort at hypothesis testing.

<sup>10</sup> Tomohito Shinoda, *Leading Japan: The Role of the Prime Minister* (New York: Praeger, 2000), p. 49.

that Japan would “work to strengthen our cooperation [with China] from a broad perspective and develop our future-oriented relations built on mutual understanding and trust.”<sup>11</sup>

On the Chinese side, we can use the answer that the PRC premier gives to the question about China-Japan relations in his press conference after the closing of the annual meeting of the National People’s Congress in March of each year. There is always such a question, and, although they can distort the response, the essence of the answer is probably well scripted to reflect current policy.<sup>12</sup> Taken together, they present a revealing trend from 1998 through 2006.

All these statements placed emphasis on developing bilateral relations based on mutual positive interests. But a negative counterpoint first appeared in March 1999, when Premier Zhu Rongji criticized what he asserted was inclusion of Taiwan in the U.S.-Japan missile-defense system and the resulting “interference in China’s internal affairs.” The counterpoint disappeared for a few years and then came back in 2003 and 2004, with Premier Wen Jiabao focused on Koizumi’s visit to Yasukuni, interpreted as a mis-handling of “the history of Japan’s aggression against China.”<sup>13</sup>

Wen was even more negative in 2005. He praised developments in the economic and people-to-people realms and again laid down a marker on the history issue. But he also introduced a security dimension to China’s concern.<sup>14</sup> The month before, the U.S.-Japan meeting among the U.S. secretaries

of state and defense and their Japanese counterparts had issued a joint statement that labeled peaceful resolution of the Taiwan Strait issue as a “common strategic objective.”<sup>15</sup> Wen responded: “The security alliance between Japan and the United States is a bilateral matter between the two countries. China is concerned because it [the security alliance] involves the Taiwan issue. The Taiwan issue is China’s internal affair, which allows no direct or indirect interference by any foreign forces.”<sup>16</sup>

Moving one level below the top leaders, the most extensive and authoritative statements on China developments from the civilian side of the Japanese government are the assessments in the *Diplomatic Blue Book* that the Ministry of Foreign Affairs (Gaimusho) publishes every spring about the events of the previous year.<sup>17</sup> China is covered in a couple of paragraphs in the summary overview and then at great length in the chapter on Japan’s relations with Asia. The latter reviews China-Japan diplomatic and economic relations, people-to-people exchanges, the status of Japan’s aid and loan programs, and any significant problems that have occurred. It also describes developments in China in the past year, both domestic and external.

Early in the 2000s decade, the emphasis in the *Blue Books* was definitely on the positive. Although problems of concern to Japan were definitely mentioned, the emphasis was on the value of bilateral cooperation. The 2002 version stated: “Having China play a constructive role in the international community is essential not only for the stability and prosperity

<sup>11</sup> “General Policy Speech by Prime Minister Junichiro Koizumi to the 164th Session of the Diet,” [http://www.kantei.go.jp/foreign/koizumispeech/2006/01/20speech\\_e.html](http://www.kantei.go.jp/foreign/koizumispeech/2006/01/20speech_e.html) [accessed June 20, 2007].

<sup>12</sup> Interestingly, the government work report that the premier gives to the NPC is less useful. There is not a comprehensive work report every year, and even if there is there is not always included a formulation on Japan-China relations.

<sup>13</sup> The quoted section is from “Full Text of PRC Premier Wen Jiabao’s News Conference,” CCTV-1, March 18, 2003, OSC, CPP20030318000222 [accessed June 22, 2007]. Denny Roy observes that China’s leaders chose to downplay the history issue after 1998 to prevent a further deterioration; Roy, “The Sources and Limits of Sino-Japanese Tensions,” p. 195.

<sup>14</sup> Up until 2005, the Chinese concern about history related to the “shadow of the past.” This was not irrelevant to current security concerns (“the shadow of the future”). But Wen Jiabao’s statements before 2005 were more in the realm of identity rather than warnings of a threat.

<sup>15</sup> “Text of PRC Premier Wen Jiabao’s News Conference After NPC Closing,” March, 14, 2005, Beijing *CCTV-1*, OSC, CPP20050314000075 [accessed June 22, 2007].

<sup>16</sup> Japan Ministry of Foreign Affairs, *Diplomatic Blue Book 2002*, May 2002, <http://www.mofa.go.jp/policy/other/bluebook/2002/chap1-e.pdf> [accessed January 27, 2008].

<sup>17</sup> According to Professor Iwashita Akihiro of Hokkaido University, the various elements of the *Blue Book* are prepared by section chiefs of the foreign ministry and then coordinated.

of Japan and China, but for the Asia–Pacific region and the world as well. Accordingly, Japan will continue to promote cooperation with China in a range of areas and encourage China’s active participation in international frameworks.”<sup>18</sup> By 2005, however, the Gaimusho began to signal serious unhappiness with the dispute over energy resources in the East China Sea and Chinese ships conducting research of the sea floor. Particularly irritating was an incident in November 2004 where a PLA Navy submarine went through a strait in the Ryukyu Island chain. This was in Japanese territorial waters where Japan asserted that the Chinese vessel had no right to be. “Serious problems arose that infringed on Japan’s security and rights, including its right of sovereignty.”<sup>19</sup> And in 2006, for the first time a Blue Book mentioned China’s military modernization and the uncertainty that surrounded its ultimate purpose. “The situation related to the modernization of Chinese military power and increases in its national defense expenditures is also still partially unclear.”<sup>20</sup> It also for the first time pointed to the Taiwan Strait as an issue that warranted close observation.

A Chinese analogue to the Japanese *Diplomatic Blue Book* is the annual security assessment prepared by the China Institutes for Contemporary International Relations (CICIR). In terms of its function, this organization is analogous to the Directorate of Intelligence in the U.S. Central Intelligence Agency. So its judgments carry an authoritative cachet. In the early years after the September 11 attack on the United States, after which the Koizumi administration

increased its flexibility regarding the use of the Self-Defense Forces (SDF) and aligned Tokyo more closely with Washington, the CICIR assessments presented a factual account of these changes but interpreted them as evidence of Japan’s intention to become a “normal country.” It offered a mixed picture of the evolution of China-Japan relations but focused on the regional implications of the shift in Japanese security policy: the sudden rise (*juēqi*) of Japan’s military power directly affected the security and stability of the Northeast Asian region.<sup>21</sup>

The reports published in the spring of 2005 and 2006 presented a more alarmist picture of Japan’s security posture. There was, as might be expected, an extended discussion of the strengthening of the U.S.-Japan alliance, particularly in 2005, and related Japanese documents (the Araki Report and the new National Defense Program Guidelines) that identified China as a security problem.<sup>22</sup> The 2006 report also offered an unusually negative analysis of the evolution of China-Japan relations. Speaking in security dilemma terms, it argued that, “East Asia for the first time manifested the strategic configuration of Japan and China both standing up and competing at the same time. China’s economic rise created a challenge for Japan and fostered psychological defensiveness. It sought to restrain China’s rise and maintain Japan’s strategic leading right. The China-Japan contradiction grew and Japan regards China as its principal strategic adversary.”<sup>23</sup> The analysis also cited the rightward shift of the Japanese political mainstream and growing nationalism in both countries. The idea

<sup>18</sup> Japan Ministry of Foreign Affairs, *Diplomatic Blue Book 2002*, May 2002, <http://www.mofa.go.jp/policy/other/bluebook/2002/chap1-e.pdf> [accessed January 27, 2008].

<sup>19</sup> Japan Ministry of Foreign Affairs, *Diplomatic Blue Book 2005*, April 2005, <http://www.mofa.go.jp/policy/other/bluebook/2005/ch1.pdf> [accessed January 27, 2008].

<sup>20</sup> Japan Ministry of Foreign Affairs, *Diplomatic Blue Book 2006*, April 2006, <http://www.mofa.go.jp/policy/other/bluebook/2006/02.pdf>, <http://www.mofa.go.jp/policy/other/bluebook/2006/03.pdf> [accessed January 27, 2008].

<sup>21</sup> China Institutes of Contemporary International Relations, *Guoji Zhanlue yu Anquan Xingshi Pingku* (国际战略与安全形势评估, *Strategic and Security Review*) (Beijing: Shishi chubanshe, 2003), pp. 52–54, 161. The term *juēqi* is the same one that Zheng Bijian used in early 2003 to refer to China, but in the case of Japan it refers more to the removal of restrictions on the deployment of Japanese military forces and their use in overseas missions.

<sup>22</sup> The Araki Report, a private-sector study authorized by the Prime Minister, and the National Defense Program Outline, were significant steps in the revision of Japan’s security strategy and partnership with the United States.

<sup>23</sup> China Institutes of Contemporary International Relations, *Guoji Zhanlue yu Anquan Xingshi Pingku* (国际战略与安全形势评估, *Strategic and Security Review*) (Beijing: Shishi chubanshe, 2006), p. 140. Another example of alarmist thinking in a Chinese government think tank was the reported study of the Chinese Academy of Social Sciences, completed in late 2005 or early 2006, that did not “rule out the possibility of a regional clash between China and Japan” over oil and gas fields in the East China Sea. See “China Has No Room for Compromise, Rough Sailing Unavoidable at Future Negotiations,” *Kyodo Chue II*, January 6, 2006, OSC, JPP20060110017001 [accessed February 9, 2008].

that Japan's intention was to contain China was a new element in this Chinese assessment.

In short, these statements by leaders and high-level civilian institutions do convey a growing security concern. On the Chinese side, the premier expressed it only at specific times (1999 and 2005) and only with particular respect to the Taiwan Strait issue. CICIR displayed a stepped-up concern about the character of Japanese intentions after 2003. On the Japanese side, the Foreign Ministry cited security problems before 2005; thereafter it began interpreting them more broadly. And it was in 2006 that it first conveyed concern about China's military buildup.<sup>24</sup>

*Defense Assessments* Defense ministries have special responsibility for assessing threats to national security. And they often do so in a formal and periodic fashion. Since 1998, China's Ministry of National Defense has published a white paper every two years. Japan's Ministry of Defense (formerly the Self-Defense Agency) does so on an annual basis. They differ in their focus: the China paper does not have a separate section on Japan but mentions it when discussing several specific topics: security trends in East Asia; defense spending by major powers; regional cooperation and institutions; missile defense; and chemical weapons. The Japan paper has an extensive and specific discussion of China that covers domestic developments; cross-strait relations; relations with the United States and other countries; defense policy, budgets, capabilities, posture, and maritime activities. But looking at how the two have changed over time gives some indication of how each defense establishment views the other country.

We may take the China white paper for 1998 and the Japan one for 2000 as base lines of sorts. The trend is displayed in Table 1.

By mid-decade, therefore, each country's defense white papers expressed growing anxiety about the actions of the other and the motivations that lay behind it. The language may be restrained, but each shift in a negative direction is the result of an institutional decision to make the shift. This suggests that the agencies that produced these documents each believed that the other country posed an increasing security challenge to its interests.

## RESPONSES

Based on this growing anxiety, as expressed by top leaders and defense establishments, what can we say about China's and Japan's response? What indicators are available to reveal reciprocal actions?

*Defense Spending* If China and Japan feel vulnerable about the power of the other, it might show up in trends in acquisitions. We look at spending that is relevant to some sort of security dilemma: equipment, and specifically power-projection equipment. These are the systems that would be militarily relevant for two countries that are separated by five hundred miles of water at the shortest point.<sup>25</sup> The most accessible figures for Japan are the "equipment," which includes all equipment, and "research and development" categories in the annual defense white paper. The trend is displayed in Table 2. The most useful data available for China are figures collected by the Stockholm International Peace Research Institute on weapons it purchased from foreign countries (mainly Russia). Although China has its own indigenous arms industry, the quality of the systems produced has hitherto been low. It is the more advanced, imported systems that extend Chinese power in ways that are relevant to Japan. The two categories are not exactly commensurate, but the important thing is the trend.

<sup>24</sup> The 2007 edition of the Japan *Diplomatic Blue Book*, reviewing events of 2006, moderated its views concerning China. This reflected the reduction of tensions following Prime Minister Abe's visit to Beijing in October 2006. I am grateful to Professor Iwashita Akihiro for summarizing the differences between the 2006 and 2007 sessions.

<sup>25</sup> Overall military spending is not so useful in measuring a response to a perceived vulnerability, for it includes large categories, such as personnel, that may have nothing to do with the threat.

**TABLE 1: SECURITY ASSESSMENTS BY CHINESE AND JAPANESE DEFENSE ESTABLISHMENTS**

YEAR	“China’s National Defense”	Defense of Japan
1998	Relatively brief on the security situation of East Asia with a positive outlook. Criticized the persistence of hegemonism, power politics, a cold-war mentality, military alliances, and the tendency of “some countries” to engage in armed intervention—a criticism of the United States.	Factual account of increase in China’s Taiwan-related exercises, strengthened presence in the South China Sea, and expanding maritime interests. Specifically mentions oceanographic research near the Senkakus. Asserts that official Chinese defense does not represent all expenditures. Stresses need to follow PLA modernization.
2000	Highlighted stronger U.S.-Japan alliance, advocacy of theater missile defense, Japanese Diet’s passage of the revised defense guidelines (specifically criticized for not <i>excluding</i> Taiwan from application). These trends made it harder for China to deter “separatist forces in Taiwan.”	Factual account, but did call for more Chinese transparency. Noted missile units near Taiwan, construction of facilities in the South China Sea, and maritime activities near Japan for oceanographic research, training, and information gathering.
2002	Less anxiety than 2000; did not mention Japan by name but stated “certain countries” were “enhancing military deployment and strengthening military alliances”; reference to “a handful of countries [that] have interfered in China’s internal affairs” (i.e. Taiwan).	Speculated on motivations behind China’s military modernization; dwelt on PRC actions to prepare for a war against Taiwan; asserted need to judge whether “the objective of the modernization exceeds the scope necessary for Chinese defense” and to study PRC maritime moves “because China may aim at building the so-called ‘blue water’ Navy in the future.”
2004	Cited increase in “complicated security factors”; criticized U.S. for reinforcing its presence, strengthening its alliances, and deploying TMD; criticized Japan for constitutional overhaul, “adjusting its military and security policies,” developing TMD, and increasing military activities abroad.	Almost the same as 2002.
2006	Noted that: U.S. and Japan were strengthening the alliance, specifically “in pursuit of operational integration”; Japan was seeking to revise the constitution and exercise collective self-defense and was shifting to a more externally oriented military posture. Cited a “small number of countries” that had “stirred up a racket about ‘a China threat,’ and intensified their preventive strategy against China”; referred to “complex and sensitive historical and current issues in China’s surrounding areas [that] still affect its security environment.”	In addition to prior years’ coverage, noted that: the <i>official</i> Chinese defense budget would exceed Japan’s by 2008; China was advancing in the development of cruise missiles; the PLA air force has increased reconnaissance flights against Japan; China’s defense industrial base was improving. Offered reasons for PLA maritime activities vs. Japan: defend PRC territory and territorial waters, deter Taiwan independence, protect maritime rights and interests at oil and gas fields, and protect sea lanes

**Sources:**

[Japan] Defense Agency, *Defense of Japan 1998* (Tokyo: Japan Times, 1998).  
 Japan Defense Agency, *Defense of Japan 2000* (Tokyo: Japan Times, 2000).  
 Japan Defense Agency, *2002 Defense of Japan* (Tokyo: Urban Connections, 2002).  
 [Japan] Defense Agency, *2004 Defense of Japan* (Tokyo: Inter Group, 2004).  
 “Defense of Japan 2006,” Japan Ministry of Defense website, <http://www.mod.go.jp/e/publications/wp2006/pdf/1-2-2.pdf> and <http://www.mod.go.jp/e/publications/wp2006/pdf/1-2-3.pdf> [accessed May 28, 2007].  
 “*White Paper on China’s National Defense*,” issued by the Information Office of the State Council, July 27, 1998, OSC, FTS19980727001561 [accessed March 31, 2009].  
 “China’s National Defense in 2000,” Xinhua, October 16, 2000, OSC, CPP20001016000018 [accessed May 28, 2007].  
 “China’s National Defense in 2002,” issued by the Information Office of the State Council, December 9, 2002, Xinhua, OSC, CPP20021209000216 [accessed May 15, 2007].  
 “China’s National Defense in 2004,” issued by the Information Office of the State Council, December 27, 2004,” Xinhua, OSC, CPP20041227000034 [accessed May 15, 2007].  
 “China’s National Defense in 2006,” issued by the Information Office of the State Council, December 29, 2006, Xinhua, OSC, CPP20061229968070 [accessed May 15, 2007].



**TABLE 2: JAPAN' ACQUISITION OF DEFENSE-RELATED EQUIPMENT AND CHINA'S IMPORT OF MAJOR CONVENTIONAL WEAPONS**

YEAR	JAPAN	CHINA
	Defense-related equipment acquisition and R&D	Major conventional weapons imports
	US\$ m. at constant 1990 prices	US\$ m. at constant 1990 prices
1997	7379	741
1998	6598	292
1999	7567	1684
2000	7283	1874
2001	6399	3234
2002	6093	2636
2003	6439	2068
2004	6729	2906
2005	6282	3346
2006	5746	3719

**Source:** Stockholm International Peace Research Institute's Arms Transfers Database, [http://armstrade.sipri.org/arms\\_trade/values.php](http://armstrade.sipri.org/arms_trade/values.php) [accessed March 31, 2009]; *Defense of Japan 2006*, Japan Ministry of Defense website, [http://www.mod.go.jp/e/publ/w\\_paper/pdf/2006/7-1-1.pdf](http://www.mod.go.jp/e/publ/w_paper/pdf/2006/7-1-1.pdf) [accessed March 31, 2009]; *Defense of Japan 2008*, Japan Ministry of Defense website, [http://www.mod.go.jp/e/publ/w\\_paper/pdf/2008/44Reference\\_1\\_80.pdf](http://www.mod.go.jp/e/publ/w_paper/pdf/2008/44Reference_1_80.pdf) [accessed March 31, 2009]. Calculations made using [www.oanda.com](http://www.oanda.com) and US Bureau of Labor Statistic's CPI Inflation Calculator, [http://www.bls.gov/data/inflation\\_calculator.htm](http://www.bls.gov/data/inflation_calculator.htm) [accessed March 31, 2009].

And the trend is clear. In 1990 prices, Japan's acquisitions declined significantly, whereas China's acquisition of advanced equipment began to accelerate in the late-1990s and rose to between US\$2.5 and \$3 billion a year for most of this decade. The Pentagon's 2006 report on the Chinese military reports that the PRC signed agreements with external suppliers worth almost \$13 billion from 2000-2005, with deliveries during that period estimated at \$11 billion.<sup>26</sup>

The flat figures for Japan are somewhat deceiving because of reallocation of resources. Planned procurement includes transport ships, destroyer-helicopter ships, replacement patrol-and-surveillance aircraft, the F-2 interceptor, transport aircraft, tanker aircraft, in-flight refueling capability, and perhaps cruise missiles. The defense budget proposed for 2008 was 0.5 percent less than the previous year, but

it included new funds for upgrading F-15 fighters, for the explicit purpose of dealing with "the buildup of the Chinese military," and to acquire more patrol airplanes.<sup>27</sup>

Moreover, defense missions can change within a constant resource stream. Some of the new tasks identified in Japan's National Defense Program Guidelines of 2005 included ones for which China might be the aggressor: defense against ballistic missiles, special operations forces, and an invasion of Japan's remote islands. That expansion of missions then prompted a reengineering of force structure in the ground, maritime, and air self-defense forces, as well as the development of plans and new training exercises.<sup>28</sup> Still, the absolute ceiling does impose limits. In 2004, the Japan Defense Agency announced it would have to cut back procurement of destroyers and tanks in order to pay for missile defense.<sup>29</sup>

<sup>26</sup> Office of Secretary of Defense, "Military Power of the People's Republic of China, 2006," p. 21.

<sup>27</sup> Hughes, "Japanese Military Modernization," pp. 120-121; "Japan's Defense Budget to Fall for 6<sup>th</sup> Straight Year," Kyodo World Service, December 20, 2007, OSC, JPP20071220969008 [accessed December 20, 2007].

<sup>28</sup> Evan S. Medeiros, Keith Crane, Eric Heginbotham, Norman D. Levin, Julia F. Lowell, Angel Rabassa, Somi Seong, *Pacific Currents: The Responses of U.S. Allies and Security Partners in East Asia to China's Rise* (Santa Monica, Cal.: Rand Corporation, 2008), pp. 51-55.

<sup>29</sup> Roy, "The Sources and Limits of Sino-Japanese Tensions," p. 209.

But the situation is even more complicated. First of all, Japan and China do not necessarily acquire power-projection systems with each other in mind. In fact, much of China's equipment acquisition has been designed to deter Taiwanese leaders from permanently separating the island from China. In the mid-1990s, Beijing decided that Taiwan President Lee Teng-hui had a separatist agenda and the PLA lacked the means to stop him. So it set out to acquire the tools to deter the island's leaders or punish Taiwan if deterrence failed. It intensified the modernization campaign after Chen Shui-bian, whom it was assumed was pursuing independence, succeeded Lee in 2000. This deterrence motivation was reflected in the systems the PLA acquired and how they were deployed. Ballistic and cruise missiles were consistent with a coercive strategy. Most of the advanced air-defense systems that China purchased from Russia were based opposite Taiwan (as well as around the main cities of Beijing and Shanghai), not where one would expect if Japan were a serious concern.<sup>30</sup>

Similarly, Japan's primary motivation for developing a missile-defense capability is to defend against North Korea, which has sought both nuclear weapons and the means to deliver them. One exception was the growth of the coast guard, which justified its budget increases on concerns about Chinese activities in the East China Sea.<sup>31</sup> Another is the upgrade of F-15s, mentioned above.

Second, even though China may not have had Japan in mind as the primary target of its acquisitions, it may have had it as a secondary reason. The same is

true for Japan. Or each may have used the other's threat as convenient yet covert justification, whatever the public rationale. Moreover, what is important is not so much why one side acquired the capabilities in question but the other side's perception of its motivation. If Japan *believes* that China was acquiring power-projection equipment with it in mind, or if China *believes* that the Japanese missile defense system has a Taiwan or anti-China mission, then the reality is immaterial.

Time horizons come into play here. Even though China's recent build-up may have a Taiwan focus (and may be perceived as such), the long-term effect may be something else again. It might also have the goal of regional dominance, which would affect directly Japan's interests. As the Pentagon's 2008 report on Chinese military power put it, "Current trends in China's military capabilities are a major factor in changing East Asian military balances, and could provide China with a force capable of prosecuting a range of military operations in Asia—well beyond Taiwan."<sup>32</sup> And Chinese writers and spokespersons have been increasingly frank saying that military power should increase along with the growth of the economy, and that it should be used to create a geopolitical maritime buffer to better guarantee their country's security.<sup>33</sup> China perceived that Japan's missile-defense hedge vis-à-vis North Korea complicated its deterrence efforts concerning Taiwan. Thus, gross numbers concerning defense spending are not very revealing about how a deepening and mutual sense of vulnerability might have led China and Japan to respond by acquiring more equipment.<sup>34</sup>

<sup>30</sup> Sean O'Connor, "The Chinese SAM Network," IMINT & Analysis, January 30, 2008 (<http://geimint.blogspot.com/2008/01/chinese-sam-network.html> [accessed March 17, 2008]).

<sup>31</sup> Samuels, "New Fighting Power!," p. 101.

<sup>32</sup> Office of Secretary of Defense, "The Military Power of the People's Republic of China, 2008," Annual Report to Congress, p. 29.

<sup>33</sup> Fu Liqun, "Detailed Analysis of Growth of National Defense Expenditure," *Liaowang*, March 12, 2007, OSC, CPP20070316710017 [accessed March 16, 2007]; Huang Ruixin and Zhang Xibin, "Understand Anew the Nature of the Growth of China's Military Spending," *Jiefang Junbao*, February 26, 2008, OSC, CPP20080226710001 [accessed March 11, 2008]; Meng Xiangqing, "When Periphery is Stable, China is at Peace," *Huanqiu Shibao*, April 4, 2007, OSC, CPP20070420455004 [accessed April 24, 2007]; Chen Xiangyang, "Draw Up New 'Great Periphery' Strategy As Soon As Possible," *Liaowang*, July 17, 2006, OSC, CPP20060720710009 [accessed July 18, 2006]. Ellis Joffe concludes that Taiwan aside, "It is a safe bet that the military buildup will continue"; Ellis Joffe, "China's Military Build-Up: Beyond Taiwan?," in *Shaping China's Security Environment: The Role of the People's Liberation Army*, ed. by Andrew Scobell and Larry M. Wortzel (Carlisle, Pa.: U.S. Army War College, 2006), p. 43.

<sup>34</sup> Time horizons are important in another way. Both China and Japan plan their acquisitions on a five-year basis, China according to a government-wide five-year plan and Japan based on a mid-term defense program. Thus, the significant jump in China's purchases came in the tenth five-year plan that began in 2001.

Finally, China's sense of a Japanese threat stemmed less from the SDF's acquisition of new equipment than from the relaxation of controls over the use of existing capabilities. Up to the 1990s, Beijing took comfort from the legal and policy constraints imposed on Japan's military. These included Article 9 of the constitution with its prohibition on war, threats of force, and belligerency; and policies like an exclusively defensive strategy, defense spending below one percent of GDP, no collective self-defense (i.e. coming to the aid of the United States), no nuclear weapons, no dispatch of troops overseas, and so on. Then, China began to worry as it perceived that this structure was being dismantled and the scope for SDF activities expanded.<sup>35</sup>

*Enhancing the U.S.-Japan Alliance* Expanding one's own force structure is not the only way a country can accumulate capabilities in response to a perceived threat. It may acquire allies or improve the alliances it already possesses.<sup>36</sup> The 2006 China defense white paper called attention—accurately—to the deepening of the U.S.-Japan alliance. Some Chinese strategists regarded the combination of U.S. military power in the Western Pacific and Japan's already significant military establishment as a potential obstacle to China's rise. For example, Central Party School scholars Liu Jianfei and Liu Xiaoguang reportedly concluded: "If 'dependence on the alliance to constrain China' does not embody the entire significance of the Japan-US alliance, it is at least one of their common interests and strategic objectives."<sup>37</sup> Jin Xide of the Chinese Academy of Social Sciences was more explicit: "The United States and Japan feel that the realistic danger of war has increased, and China also poses a challenge to the US-dominated East Asia order, and so strengthening the US-Japanese military

alliance to inhibit China has become an inevitable move in the chess game."<sup>38</sup>

Tokyo had indeed taken a number of steps to enhance its defense relationship with Washington: in 1997, revision of the defense guidelines to allow the SDF more flexibility in assisting the U.S. military in a regional crisis; their passage by the Diet in Spring 1999; Diet passage of anti-terrorism legislation two months after the September 11th attacks, which, among other things, allowed the dispatch of Maritime SDF units to the Indian Ocean for rear-echelon support; dispatch of Ground SDF units to Iraq in January; increasing cooperation on ballistic-missile defense, which entailed relaxing policies on transfer of defense technology; charting a vision for the alliance for the twenty-first century; and so on.

So we have two trends that began in the mid-1990s. On the one hand, the PLA increased its capabilities, by acquiring equipment and strengthening institutional structures that turn equipment into capabilities (command and control, personnel, training, exercises, logistics, and so on). This caused concern in Tokyo, which tightened its security alignment with the United States, a trend that China noted.<sup>39</sup>

But there is a correlation-versus-cause problem here. Even though the U.S.-Japan alliance was deepening *at the same time as* China's military build-up, it is more difficult to treat it as *the cause* of the build-up—and vice versa—through some sort of security-dilemma dynamic. Indeed, the reasons for deepening the alliance had very little to do with China. Christopher Hughes argues persuasively that Japanese leaders chose to shift national security policy in favor of strengthening the alliance (and away

<sup>35</sup> For an example of a focus on legal and policy prohibitions and their relaxation, see Jin Xide, "Ribei Anquan Zhanlue Mianlin Shizilukou" ("Japan's Security Strategy Faces a Crossroads"), *Guoji Zhanlue Yanjiu* 65 (July 2002): pp. 18-25.

<sup>36</sup> In the IR vocabulary, building one's military capabilities to respond to a threat is termed "internal balancing;" responding by strengthening alliances is "external balancing."

<sup>37</sup> Xu Wangsheng, "Transformation of the Japan-US Alliance: From 'Post Cold War' to 'Post September 11,'" *Guoji Luntan* (International Forum), November 10, 2005, OSC, CPP20051215329001 [November 16, 2008]. Xu was citing a manuscript by the two Lius.

<sup>38</sup> Wang Te-chun, "Strengthening of US-Japanese Alliance Explicitly Aimed at China," *Ta Kung Pao*, February 2005, OSC, CPP20050219000027 [Accessed March 12, 2007].

<sup>39</sup> See, for example, David Shambaugh, "China's Military Modernization: Making Steady but Surprising Progress," in *Strategic Asia 2005-06: Military Modernization in an Era of Uncertainty*, ed. by Ashley J. Tellis and Michael Wills (Seattle, Wash.: National Bureau of Asian Research, 2005), pp. 67-103, especially pp. 94-101.

from the comprehensive security approach) in two phases. The first phase was triggered by the North Korea nuclear crisis of 1993-94. The second was stimulated by the George W. Bush Administration's change in the role of regional alliances in American global security strategy. In the former case, the Clinton Administration awoke to the reality that Japan was a weak platform from which to wage war against North Korea. In the latter case, bases like those in Japan would play a greater role in the Rumsfeld Pentagon's mobility-intensive approach to meeting global threats.<sup>40</sup> The only exception was Taiwan where alliance strengthening and China's acquisitions interacted.

What is important, of course, is not the actual motivation for enhancing an alliance but what the potential adversary perceived the motivation to be. If Beijing *believed* that Washington and Tokyo drew closer together in order to defend Taiwan, even though the driver was North Korea, its perception and its response is what counts. And one aspect of China's build-up has been to develop capabilities designed to keep the United States out of the fight.

There is an alternative explanation for China's military build-up. David Finkelstein, among others, makes a compelling case that Jiang Zemin and his colleagues watched the American victory in the first Gulf War—against an adversary whose capabilities were very similar to those that China possessed—and were appalled by what they saw. It was that assessment that led to a set of decisions in 1993 that in turn translated into the acquisition of advanced equipment, the reform of institutions, and the revision of doctrine.<sup>41</sup> In this interpretation, the need for a deterrent vis-à-vis Taiwan only accelerated a trend that was already underway. If there was a security dilemma, it was between China and the United States and for China at least, Taiwan and Japan were

only subsidiary elements. It is this more profound way that Japan's alliance link with America may be relevant to China.

Second, there is a case to be made that *in the medium term* the security problem between China and Japan is not in the conventional military sphere. A substantial body of water and the Korean peninsula provide each country with a strategic buffer against the other. True, China is building up its power-projection capabilities in the naval and long-range strike areas (Japan really lacks the offensive capability to strike targets on the Chinese Mainland). If this build-up continues despite the cooling of tensions between China and Taiwan, Japan will be more anxious. But it would have to continue for some time before China could, hypothetically, mount a naval blockade of the Japanese home islands. And China would still have to consider the U.S. security commitment. So even if Japan may exaggerate the Chinese threat, its current concern is not the PLA Navy and Air Force. If the two sides maintain a relatively defensive orientation in their acquisitions and deployments, it will contribute to stability. But a Chinese quest for an aircraft carrier, which seems likely, will unsettle Japan.

If there is a problem in the medium term it is the PLA Second Artillery, that is, China's nuclear forces. That is the one area where Japan does not have an equivalent offensive or defensive capability. Yet Japan's annual defense white papers treat these capabilities in a realistic way, interpreting their purpose as "ensuring deterrence, supplementing its conventional forces, and maintaining its voice in the international community." Still, the development of delivery systems is charted carefully.<sup>42</sup>

Ironically, Bush Administration initiatives to improve command and control, missile defense, and

<sup>40</sup> Christopher W. Hughes, "Japanese Military Modernization: In Search of 'Normal' Security Role," in *Strategic Asia 2005-06: Military Modernization in an Era of Uncertainty*, ed. by Ashley J. Tellis and Michael Wills (Seattle, Wash.: National Bureau of Asian Research, 2005), pp. 112, 114.

<sup>41</sup> See David M. Finkelstein, "China's National Military Strategy: An Overview of the 'Military Strategic Guidelines,'" in *Right-Sizing the People's Liberation Army: Exploring the Contours of China's Military*, ed. by Roy Kamphausen and Andrew Scobell (Carlisle, Pa.: U.S. Army War College, 2007), pp. 69-140, especially pp. 95-132.

<sup>42</sup> *Defense of Japan 2008*, Ministry of Defense, September 2008, [http://www.mod.go.jp/e/publ/w\\_paper/pdf/2008/part1/Chap2.pdf](http://www.mod.go.jp/e/publ/w_paper/pdf/2008/part1/Chap2.pdf), p. 29 [November 16, 2008].

advanced conventional strike weapons (the “new triad”) may spur Beijing to increase and improve its warheads and missiles. The most likely Japanese response will not be what China most fears—that Japan develops its own nuclear weapons—but to seek greater clarity regarding U.S. extended deterrence. That has been its default response to past changes in its strategic environment, but this time, “Japan will expect more of the United States in terms of information about and management of the extended nuclear deterrent and will be less easily satisfied.”<sup>43</sup>

For *the long term*, the point at which a classic, capabilities-intention security dilemma between China and Japan becomes manifest may come when Japan concludes that the U.S.-China military balance *in the East Asia region* has tilted in China’s favor, thus placing Japan’s interests at risk. It will then face the question of how to respond: deepen the alliance even

more? engage in an arms race? appease China?<sup>44</sup> But that day is still in the future.

To sum up, viewing Japan-China tensions between the mid-1990s and the mid-2000s through the lens of the realist concept of security dilemma yields a blurred picture. Each country’s assessment of the military power of the other, as conveyed by senior leaders and defense ministries, does reflect growing anxiety and suspicion about the motivations of the other. It is not a continuous trend, but the slope is upward, particularly during the Koizumi years. Yet this mutual sense of vulnerability does not always appear to fuel actions to increase capabilities. Each was growing stronger in selective ways but not necessarily because of fear of the other. Still, each may have *believed* that it was the other’s growing power that drove its actions. Our findings are suggestive but not definitive. So we must look further for an explanation.

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<sup>43</sup> Michael J. Green and Katsuhisa Furukawa, “Japan: New Nuclear Realism,” in *The Long Shadow: Nuclear Weapons and Security in 21<sup>st</sup> Century Asia*, ed. by Muthiah Alagappa (Stanford, Cal.: Stanford Press, 2008), pp. 349-368, cited passage on p. 365.

<sup>44</sup> Mochizuki, “Japan’s Shifting Strategy toward the Rise of China,” pp. 771-772.

## EXPLAINING THE DETERIORATION: A SECOND CUT

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Let us turn from a general link between mutual fear of future intentions and the acquisition of capabilities, to the interaction between China and Japan on *specific issues*. One of those was the Taiwan Strait dispute. Another was the competition in the East China Sea for sea-floor oil and gas deposits. The interaction on Taiwan was regular, mutually disturbing, and increasingly intense. On the East China Sea, a political and economic dispute took on a military dimension. Each case led each to conclude over time that the other's intentions were not benign.

### TAIWAN

Table 3 outlines the initiatives and interaction between Beijing and Tokyo from 1996-2000. Over this period, each learned negative lessons about the stance and intentions of the other. Japan saw the growing danger of a conflict over Taiwan, one that would test its commitment to its ally and threaten its economic lifeline. China viewed Japan's steps to strengthen its alliance with the United States, particularly its growing cooperation on missile defense, as a disregard for a core interest—ensuring national unification, encouraging those who would frustrate that goal, and making it more difficult for China to enforce its rights. Japan saw China's opposition to missile defense as insensitivity to the threat posed by North Korea.

After the election of Chen Shui-bian in March 2000, the primary focus of China-Japan relations was on politics; security was secondary. The main issue was the travel by former Taiwan President Lee Teng-hui to Japan and visits by Japanese political leaders to Taiwan, which Beijing claimed was encouraging Chen Shui-bian's separatist tendencies.<sup>45</sup> On the security side, Taiwan was eager to upgrade ties with Japan as a supplement to those with the United States. Retired senior officers traveled both ways, sometimes to observe military exercises. China, of course, was critical of these developments.<sup>46</sup> Still, leaders' statements and defense ministry assessments were relatively mild and China's rhetorical sense of alarm that the alliance and the TMD component would encourage Taiwan to challenge its interests receded. The reason, it seems, was that Beijing gained confidence by supporting Chen Shui-bian's opponents, believing they would be strong enough to defeat him in the March 2004 presidential election. Simultaneously, the PLA would build up its military power.

If that was Beijing's assumption, it proved to be a miscalculation. Through formidable political skill, including some provocations of China, Chen won re-election by a narrow margin. When it came time for the authors of the PRC defense white paper to describe the Taiwan Strait situation later that year,

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<sup>45</sup> James J. Przystup, "Japan-China Relations: Trouble Starts with 'T'," *Comparative Connections* 2 (July 2001): pp. 96-99, (<http://www.csis.org/media/isis/pubs/0102q.pdf> [accessed August 13, 2007]); James J. Przystup, "Japan-China Relations: A Volatile Mix: Natural Gas, a Submarine, a Shrine, and a Visa," *Comparative Connections* 6 (January 2005): p. 128-129 (<http://www.csis.org/media/isis/pubs/0404q.pdf> [accessed August 13, 2007]);

<sup>46</sup> Brian Bridges and Che-po Chan, "Looking North: Taiwan's Relations with Japan under Chen Shui-bian," *Pacific Affairs* 81 (Winter 2008): pp. 577-596.

**TABLE 3: CHINA-JAPAN INTERACTIONS CONCERNING TAIWAN, 1996-2000**

TIME	INITIATIVE	RESPONSE
March 1996	PRC fires missiles in Taiwan vicinity to influence outcome of presidential election. U.S. responds by sending two carrier battle groups.	One missile lands not far from Okinawa group. PM Hashimoto worried about evacuation. Incident “left a big scar on Japan’s security psyche and led many Japanese to doubt the credibility of China’s no-first-use nuclear pledge.” <sup>47</sup> Japanese air travel and shipping in the area is disrupted. <sup>48</sup>
April 1996	Clinton-Hashimoto joint declaration. Mentions “situations that may emerge in the areas surrounding Japan and which will have an important influence on the peace and security of Japan”	China views it as response to missiles and as including Taiwan within the scope of the alliance. Attacks it as “containment” and an instrument of American domination and Japanese militarism.
Fall 1997	New U.S.-Japan defense guidelines focus on “situations surrounding Japan.” Some Japanese officials say Taiwan included.	China attacks inclusion of Taiwan Strait into “sphere of Japan-U.S. security cooperation.”
Fall 1998	In response to North Korean missile launch over Japan, Tokyo increases cooperation with U.S. on missile defense.	China views MD as negating the deterrent power of its missiles and mounts a sustained campaign of criticism.
November 1998	China mounts a campaign to get Japan to explicitly deny that Taiwan is covered under the new defense guidelines.	Japan refuses. Beijing’s attacks cause Tokyo to question whether Chinese government still had a basically positive view of the alliance.
May 1999	Japan passes defense guidelines legislation.	China criticizes, on assumption that Taiwan was covered.
March 2000	Chen Shui-bian, candidate of the pro-independence Democratic Progressive Party, wins the Taiwan presidency, in spite of Chinese hints that his election would mean war. China later says United States and Japan together had “inflated the arrogance of the separatist forces in Taiwan, seriously undermined China’s sovereignty and security and imperiled the peace and stability of the Asia-Pacific region.”	Japan pleased at Taiwan’s democratic transition but worries about getting drawn into a conflict pursuant to the guidelines. FM Kono urges peaceful resolution through PRC-Taiwan dialogue.

they chose the word “grim” and portrayed the U.S. role in far more agitated terms than two years before.

All of this was prelude to a series of exchanges that deepened China-Japan suspicion over Taiwan. The policy context was the preparation of the new National Defense Program Guidelines (NDPG), itself part of a larger process of re-engineering the U.S.-Japan alliance. As later reported by the media, the Self-Defense Agency in September 2004, as part

of the NDPG exercise, developed three scenarios under which China might attack Japan; one was a conflict between China and Taiwan. The study reportedly concluded that Beijing’s imperative to defend China’s sovereignty and territorial integrity might override its usual caution about the use of force. The NDPG was released on December 10th and said this: “China . . . has been modernizing its nuclear and missile capabilities, as well as naval and air forces, and expanding its area of opera-

<sup>47</sup> Kori J. Urayama, “Chinese Perspectives on Theater Missile Defense: Policy Implications for Japan,” *Asian Survey* 60 (July-Aug. 2000): 616.

<sup>48</sup> Alessio Patelano, “Shielding the ‘Hot Gates’: Submarine Warfare and Japanese Naval Strategy in the Cold War and Beyond (1976-2006),” *Journal of Strategic Studies* 31 (Dec. 1008): p. 878.

tions at sea. We will have to remain attentive to its future actions.”<sup>49</sup> China responded to the NDPG with “strong dissatisfaction” and concern about “the great changes of Japan’s defense strategy.”<sup>50</sup>

Meanwhile Chinese vessels conducted more oceanographic research and intelligence gathering in Japanese territorial waters, contrary to bilateral understandings and international law. In early November, SDF elements discovered a PLA Navy submarine submerged near Okinawa. The incident, which occurred just before Koizumi was to meet Chinese President Hu Jintao at the Asia-Pacific Economic Cooperation meeting in Chile, caused a media firestorm and general public concern in Japan. It was perhaps no coincidence that in mid-December Tokyo approved a visa for Lee Teng-hui to visit Japan for sight-seeing; Beijing used harsh language to criticize the move.<sup>51</sup>

Conservative scholars in Japan devoted considerable analysis to the maritime encroachment of PLA Navy surface and subsurface vessels and sought to draw strategic implications from activities like undersea surveying. Hiramatsu Shigeo of Kyorin University was the most definitive: “China was convinced [after the Taiwan Strait crisis of 1996] that in order to prevent the United States from interfering in the event of an emergency in Taiwan, it must build a submarine-based defense system to keep U.S. aircraft carriers from being deployed near Taiwan. To this

end, China is supposed to be conducting surveys for submarine navigations in the Pacific near Japanese waters.” Hiramatsu was one of several scholars to stress the strategic value of Taiwan for Japan. As he put it: “If Taiwan unifies with China, East Asia including the sea lanes will fall entirely under the influence of China. The unification of Taiwan will by no means matter little to Japan.”<sup>52</sup> Hiramatsu worked for many years as an analyst in the National Institute of Defense Studies, the think tank of the Japanese defense establishment, and his views were echoed by Furusho Koichi, former chief of the Japan Maritime Self-Defense Forces: “If you assume that conditions are balanced now, they would collapse as soon as Taiwan unifies with China. The sea lanes would turn all red.”<sup>53</sup> (Note that this anxiety exists even though China’s own proposal for Taiwan unification does not seem to contemplate the PLA Navy operating out of Taiwan ports. Even if they did, Japanese ships could simply bypass the Taiwan Strait.)

The next step in the interaction came in February 2005. As part of the process of deepening their alliance, for which Japan’s completion of the NDPG was a preparation, the United States and Japan on the 19th announced strategic objectives. One of these was “peaceful resolution of issues concerning the Taiwan Strait through dialogue.”<sup>54</sup> Although stated in a benign form, China read this formulation as making explicit what had been implicit in the 1997 defense guidelines—that Japan would join

<sup>49</sup> Conservative Japanese scholars emphasized that the PLA’s build-up was creating tensions in East Asia and changing the regional balance of power. They believed that Japan had responded too passively to China’s rise and needed to demonstrate greater firmness. See Kayahara, “A Sense of Caution”; remarks of Morimoto Satoshi in Hanzawa Naohisa, Noguchi Toshu, Aoki Nobuyuki, and Noguchi Hiroyuki, “U.S. Military Reform, Transformation,” *Sankei Shimbun*, May 3, 2005, OSC, JPP20050505000009 [accessed March 30, 2007]; Kayahara, “Military Aims of China’s Ocean Foray”; Nakajima Mineo, “Easy Compromise Will Have Contrary Effect on China Relations,” *Sankei Shimbun*, December 30, 2004, OSC, JPP20050104000049 [accessed March 30, 2007]; and remarks by Morimoto Satoshi in “Japan’s New National Defense Program Outline Turns a Blind Eye to Threats Posed by the Chinese Military,” *Shokun*, January 1, 2004, pp. 42-54, OSC, JPP20041216000008 [accessed March 30, 2007].

<sup>50</sup> James J. Przystup, “Japan-China Relations: A Volatile Mix: Natural Gas, a Submarine, a Shrine, and a Visa,” *Comparative Connections* 6 (January 2005): p. 127 (<http://www.csis.org/media/csis/pubs/0404q.pdf> [accessed August 13, 2007]); “National Defense Program Outline for FY 2005 and After,” Adopted by the Security Council and the Cabinet, December 10, 2004, p. 3, [http://www.mod.go.jp/e/d\\_policy/pdf/national\\_guideline.pdf](http://www.mod.go.jp/e/d_policy/pdf/national_guideline.pdf) [accessed December 28, 2008].

<sup>51</sup> James J. Przystup, “Japan-China Relations: A Volatile Mix: Natural Gas, a Submarine, a Shrine, and a Visa,” *Comparative Connections* 6 (January 2005): p. 128-129 (<http://www.csis.org/media/csis/pubs/0404q.pdf> [accessed August 13, 2007]).

<sup>52</sup> On maritime encroachment, see “Threat of ‘Marine Strategy’ China is Steadily Pushing Against Backdrop of ‘Anti-Japanese Uproar,’” *Yomiuri Weekly*, May 1, 2005, pp. 21-24, OSC, JPP20050421000021 [accessed March 30, 2007]; and Kayahara Ikuo, “Military Aims of China’s Ocean Foray—Objective Not Just Resources,” *Chuo Koron*, October 1, 2004, pp. 62-69, OSC, JPP20040917000002 [accessed March 30, 2007]. On the strategic value of Taiwan, see “Threat of ‘Marine Strategy,’” “Japan’s New National Defense Program Outline”; and Nakajima Mineo, “Illusion of an Immense China,” *Seiron*, March 1, 2004, pp. 306-318, OSC, JPP20040225000013 [accessed March 30, 2007].

<sup>53</sup> “Japan’s Rivalry with China is Stirring a Crowded Sea,” *New York Times*, September 11, 2005.

<sup>54</sup> The phases are explained in “Defense of Japan 2006,” Japan Ministry of Defense website, pp. 221-223 ([http://www.mod.go.jp/e/publ/w\\_paper/pdf/2006/4-2-1.pdf](http://www.mod.go.jp/e/publ/w_paper/pdf/2006/4-2-1.pdf) [accessed August 14, 2007]).



Washington in coming to Taiwan's defense—and thus complicating its security task of opposing separatism. *People's Daily* questioned the motivation and effect of this move by the alliance to “interfere in China's internal affairs.” “If the United States and Japan genuinely want to do something to preserve Asia-Pacific regional security and stability, they should abide by their commitments on the Taiwan issue, resolutely uphold the one China principle, do nothing that encourages the ‘Taiwan independence’ forces, and refrain from adding to the Taiwan Strait turmoil.”<sup>55</sup> A month later, Premier Wen Jiabao reiterated China's criticism of the U.S.-Japan step (he termed it an interference in China's internal affairs by “foreign forces”) in his National People's Congress press conference.<sup>56</sup>

Simultaneously, Beijing itself was deepening Japanese and American concerns. That same National People's Congress passed an “anti-secession law” that asserted China's desire for a peaceful resolution concerning Taiwan but, more ominously, established a legal basis for military action. Tokyo issued a statement expressing its concern about the Law because it “might exert a negative influence over peace and stability in the Taiwan Straits [sic] and also relations between the two sides of the Straits.”<sup>57</sup> Then, to Beijing's annoyance, Japan joined the United States in lobbying European governments not to abandon their embargo on the sale of arms to China. For example, Foreign Minister Machimura Nobutaka told Javier Solana of the European Union that lifting the ban would “have a negative effect on security not only in Japan, but also in East Asia.”<sup>58</sup> (In the event, the EU decided not to lift the embargo.)

Japan-China tensions over Taiwan then relaxed somewhat, even as they increased concerning the

East China Sea. PRC President Hu Jintao made overtures to the leaders of the island's opposition parties and took other initiatives that improved China's image after the set-back caused by the anti-secession law. But Japan's *Diplomatic Blue Book* for 2006 raised Taiwan for the first time: “While China is expanding its economic interaction with Taiwan, it adopted the Anti-Secession Law. It is necessary to observe closely . . . cross-strait relations.”<sup>59</sup> And the assessment for 2005 by the China Institutes of Contemporary International Research made a categorical inference based on the U.S.-Japan 2+2 statement in February: “If there were a Taiwan conflict, Japan would act in cooperation with the United States.”<sup>60</sup>

## EAST CHINA SEA

On a conceptual level, China and Japan disagree on just about everything when it comes to who has the rights to undersea oil and gas resources in the East China Sea. China says that its exclusive economic zone (EEZ) is made up of the entire continental shelf, out to the Okinawa Trough. Japan argues that a) the continental shelf is a structure shared between the two countries; b) the western extent of its territory is defined by the Senkaku and other islands; and c) therefore a median line between the coasts of China and Japan (around fifty miles west of the Okinawa Trough) should delineate the exclusive economic zones between the two countries. Beijing and Tokyo also differ on sovereignty over the Senkaku/Diaoyu Islands, and with good reason. Japan's claim is important in pushing westward the baseline for drawing any median line.

Based on this legal dispute, Japan and China disagreed increasingly on exploitation of oil and gas resources on the East China Sea bed. The dispute

<sup>55</sup> Yu Shan, “The United States and Japan Should Not Add to the Taiwan Strait Turmoil,” *Renmin Ribao*, February 21, 2005, p. 3, OSC, CPP20040221000049 [accessed August 11, 2007].

<sup>56</sup> “Text of PRC Premier Wen Jiabao's News Conference After NPC Closing,” March, 14, 2005, *CCTV-1*, OSC, CPP20050314000075 [accessed June 22, 2007].

<sup>57</sup> “Statement by the Press Secretary /Director-General for Press and Public Relations, Ministry of Foreign Affairs, on the Anti-Secession Law,” Ministry of Foreign Affairs WWW, March 14, 2005, OSC, JPP20050315000105 [accessed August 11, 2007].

<sup>58</sup> “Foreign Minister Machimura Expresses Concern on EU's Lifting of Arms Embargo on China,” *Tokyo Shimbun*, February 9, 2005, OSC, JPP20050210000005 [accessed August 11, 2007].

<sup>59</sup> *Blue Book 2006*.

<sup>60</sup> China Institutes of Contemporary International Relations, *Guoji Zhanlue yu Anquan Xingshi Pingku: 2005/2006* (国际战略与安全形势评估, *Strategic and Security Review: 2005/2006*) (Beijing: Shishi chubanshe, 2006), p. 144.

began to get serious in the spring of 2004 and deteriorated thereafter. This occurred parallel to tensions over Taiwan; Chen Shui-bian's re-election; Chinese surveys of the ocean floor to give its submarines the ability to block American carriers from intervening in a Taiwan war; the new NDPG with their heightened concern about Chinese intentions; the U.S.-Japan declaration of common strategic objectives in February 2005; and the PRC's anti-secession law in March (see in Taiwan section above).<sup>61</sup>

In late May 2004, the Japanese press revealed that Chinese energy companies had begun building an exploration rig in the Chunxiao gas field, near the line that Japan asserted demarcated its and China's exclusive economic zones. The problem for Tokyo, however, was that Beijing did not recognize its demarcation line. The Japanese government, facing pressure from members of the Diet and the press, sought to manage the issue through diplomatic means, but to no avail. Its ploy, which China rejected, was to request data on the exploration (on the grounds that future Chinese drilling might draw gas from the Japanese side of the line). Beijing proposed joint exploration of the gas fields but Tokyo spurned that offer out of concern for its sovereignty claims over the Senkaku/Diaoyu Islands. In July, Japanese companies began exploring on the Japanese-claimed side of the median line. In October, working-level talks occurred that made no progress on the issues in dispute. There were also rumors that the Chinese government had granted its companies exploration rights on the *Japanese* side of the median line, which Tokyo regarded as an escalation.<sup>62</sup>

On New Year's Day, 2005, a Japanese newspaper reported that Chinese exploration was indeed occurring

on the Japanese side of its claimed demarcation line, and the government subsequently confirmed that report. Tokyo then demanded that Beijing cease the exploration and provide data on the activities; China refused. On March 2nd, the opposition Democratic Party of Japan introduced legislation on exploration in the East China Sea. The bill called for the Japanese Coast Guard to support Japanese companies in the area.<sup>63</sup> At the end of March, the China National Offshore Oil Company announced that production at the Chunxiao field would begin in five to six months.

It was at this point, as tensions were declining somewhat over Taiwan, that the maritime issue became more complicated. Tokyo made a flawed diplomatic effort to gain a seat on the United Nations Security Council and the Education Ministry approved textbooks that downplayed issues of wartime responsibility. These two steps, which Chinese interpreted as signals of Japanese future intentions, combined to trigger violent demonstrations in Chinese cities in the spring of 2005.

In mid-April, the Japanese government announced that it would begin accepting exploration applications from Japanese companies, a move that Beijing said was a "serious provocation." Working-level talks were held in May, and each side offered a proposal for joint development that the other quickly rejected. Even before the talks, Japanese Minister of Trade, Economics and Industry Nakagawa Shoichi (a conservative even by LDP standards) spoke to Tokyo's weak negotiating position by comparing China's simultaneously exploring and drilling to a person "shaking hands with someone with the right hand and striking with the left."<sup>64</sup>

<sup>61</sup> For one analysis of the East China Sea encounter along these lines, see, James Manicom, "The interaction of material and ideational factors in the East China Sea dispute: impact on future dispute management," *Global Change, Peace & Security* 20 (October 2008): pp. 375-391.

<sup>62</sup> James J. Przystup, "Japan-China Relations: Not Quite All about Sovereignty – But Close," *Comparative Connections*, vol. 6, no. 2 (2004): pp. 125-126, <http://www.csis.org/media/isis/pubs/0402q.pdf>; "Japan-China Relations: Not The Best Of Times," *Comparative Connections*, vol. 6, no. 3 (2004): pp. 118-120, <http://www.csis.org/media/isis/pubs/0403q.pdf>; "Japan-China Relations: A Volatile Mix: Natural Gas, a Submarine, a Shrine, and a Visa," *Comparative Connections*, vol. 6, no. 4 (2004): pp. 119-121, <http://www.csis.org/media/isis/pubs/0404q.pdf>, [all August 13, 2007].

<sup>63</sup> James J. Przystup, "Trying to Get Beyond Yasukuni," *Comparative Connections*, vol. 7, no. 1 (2005): pp. 115-116, <http://www.csis.org/media/isis/pubs/0501q.pdf> [August 13, 2007].

<sup>64</sup> James J. Przystup, "Japan-China Relations: No End to History," *Comparative Connections*, vol. 7, no. 2 (2005): pp. 125-127, <http://www.csis.org/media/isis/pubs/0502q.pdf> [August 13, 2007].

Still, the East China Sea matter remained a diplomatic issue through mid-2005. Amid evidence that Chinese production would soon begin at Chunxiao and had already begun at the Tianwai field further west, and that a pipeline had connected the fields to the east coast of China, a military dimension emerged for the first time. On September 9th, right before parliamentary elections in Japan, PLA naval vessels were seen patrolling on the Chinese side of Japan's median line. After the Teikoku Oil Company completed its exploration license registration process in August, its president sought a commitment that the government would protect his workers if they were bothered by China. The METI Minister pledged on September 21st that "Japan will do its duty."<sup>65</sup> In November, the Liberal Democratic Party's (LDP) special committee on maritime interests proposed legislation to protect exploration in Japan's EEZ. A key element of the plan was to establish a 500-meter zone around exploration platforms and forbid entry by unauthorized ships into safety zones. Clearly, some enforcement mechanism was contemplated. The LDP adopted these recommendations in December and the Diet approved a version in March 2006.<sup>66</sup>

In the field, the military dimension took on greater salience as well. The number of times that planes of the Japanese air self-defense forces scramble to address possible violations of territorial airspace jumped from 141 in Fiscal Year 2005, which ended on March 31, 2005, to 229 in Fiscal Year 2006. As *Defense of Japan 2006* explained, "The increase was mainly attributed to more scrambles against Chinese jet fighters." The number of episodes was 239 in Fiscal Year 2007.<sup>67</sup>

Aside from scrambles by ASDF jets, there was no more activity of a military sort throughout 2006. Cooler heads in both countries saw the looming danger and worked to manage the issue politically. When Abe Shinzo replaced Koizumi as prime minister in September, the opportunity emerged to put the relationship on a more positive basis. Yet Japanese anxiety that it would face a *fait accompli* in the East China Sea was slow to fade.<sup>68</sup>

One result of these interactions was a significant shift in public attitudes in each country about the other. This is the trend for the Japanese public's "affinity" towards China:

Around 70 percent before the Tiananmen Incident;

After Tiananmen, dropping to the high fifties; Descending into the high forties after the Taiwan crisis of 1995;

In 2004, before concern about Taiwan waned and as the East China Sea heated up it dropped sharply to 37.6 percent and fell to the high thirties thereafter.<sup>69</sup>

A similar trend occurred in China, as manifest in a series of polls conducted by *Asahi Shimbun* and the Chinese Academy of Social Sciences. In 1997, 40 percent of Chinese surveyed agreed that relations with Japan were positive while 29 percent disagreed. Five years later, in 2002, 50 percent of Chinese respondents thought relations were "not good," in contrast to 22 percent who had favorable views.<sup>70</sup> In 2005, the situation was even worse. A poll

<sup>65</sup> James J. Przystup, "Japan-China Relations: Summer Calm," *Comparative Connections*, vol. 7, no. 3 (2005): pp. 119-120, <http://www.csis.org/media/isis/pubs/0503q.pdf> [August 13, 2007].

<sup>66</sup> James J. Przystup, "Japan-China Relations: Yasukuni Stops Everything," *Comparative Connections*, vol. 7, no. 4 (2005): n.p., <http://www.csis.org/media/isis/pubs/0504q.pdf> [August 13, 2007].

<sup>67</sup> "Defense of Japan 2006," October 2006, Japan Ministry of Defense website, [http://www.mod.go.jp/e/publications/w\\_paper/pdf/2006/3-2-2.pdf](http://www.mod.go.jp/e/publications/w_paper/pdf/2006/3-2-2.pdf) [July 12, 2007] (the cited passage is on page 174); "Hot Scrambles," Japan Air Self-Defense Force, <http://www.mod.go.jp/asdf/en/mission/bouei.htm> [July 12, 2007]. Ross Liemer provided the research on this point.

<sup>68</sup> James J. Przystup, "Japan-China Relations: Spring Thaw," *Comparative Connections*, vol. 8, no. 2 (2006): n.p., [http://www.csis.org/media/isis/pubs/0602qjapan\\_china.pdf](http://www.csis.org/media/isis/pubs/0602qjapan_china.pdf); "Japan-China Relations: Searching for a Summit," *Comparative Connections*, vol. 8, no. 3 (2006): n.p., [http://www.csis.org/media/isis/pubs/0603qjapan\\_china.pdf](http://www.csis.org/media/isis/pubs/0603qjapan_china.pdf); "Japan-China Relations: Ice Breaks at the Summit," *Comparative Connections*, vol. 8, no. 2 (2006): n.p., [http://www.csis.org/media/isis/pubs/0604qjapan\\_china.pdf](http://www.csis.org/media/isis/pubs/0604qjapan_china.pdf) [all August 13, 2007].

<sup>69</sup> "Affinity for Japan 1978-2008," Polls by the Cabinet Office of Japan, <http://www8.cao.go.jp/survey/h20/h20/gaiko/images/z10.gif> [accessed March 10, 2009].

<sup>70</sup> Qiu Jin, "The Politics of History and Historical Memory in China-Japan Relations," *Journal of Chinese Political Science*, 11 (Spring 2006): p. 27.

conducted by different Chinese and Japanese organizations found that only 11 percent of the Chinese surveyed believed that relations were good or very good and 55 percent said that relations were bad or very bad. Thirty-one percent replied that they were “normal.” In that same poll, only 12 percent claimed an affinity for Japan while 53 percent said that they lacked an affinity (23 percent said “normal”).<sup>71</sup>

These two cases illustrate a pattern in which both China and Japan each felt growing insecurity and saw greater risk of conflict. But the primary reason for the insecurity was that each side was increasing capabilities, although that was part of the calculation. The declining spiral of mutual fear and compensatory responses stemmed from each side’s assessment that the other might *use* its capabilities to challenge its own fundamental interests.

Regarding Taiwan, China feared that Japan, along with its American ally, was emboldening the island’s leaders. That increased the probability that China might have to go to war to stop Taiwan independence. The United States and Japan would be part of that fight (why else were they strengthening their alliance?). Many in Japan were increasingly afraid that Taiwan provocations, Chinese belligerence, and its own alliance obligations would draw it into an unwanted war with China. The loss of Taiwan, if it happened, would have dire consequences for the security of their island nation because it would put at risk the sea lanes of communications on which Japan depends for some of its energy supplies.<sup>72</sup> On the East China Sea, each side saw the need to protect drilling operations and the growing presence of air and naval assets increased the risk of some sort of accidental clash.

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<sup>71</sup> “Genron NPO First Sino-Japanese Opinion Poll, 2005,” [http://www.genron-npo.net/forum\\_pekintokyo/000897.html](http://www.genron-npo.net/forum_pekintokyo/000897.html) [accessed March 12, 2009].

<sup>72</sup> Japan’s demand for fuel from overseas, and therefore its dependence on the sea lanes, is predicted to remain constant for the foreseeable future. But China’s booming demand for energy—for example, imports are likely to constitute 60 to 80 percent of its oil consumption by 2020—is causing concern in Japan that its energy security will be placed at a relative disadvantage. See page 1 of Erica Downs, “China,” and page 1-2 of Peter C. Evans, “Japan,” both in the Brookings Foreign Policy Studies Energy Security Series, December 2006, <http://www.brookings.edu/-/media/Files/rc/reports/2006/12china/12china.pdf> and <http://www.brookings.edu/-/media/Files/rc/reports/2006/12japan/12japan.pdf>, [accessed April 10, 2009].



## A THIRD CUT: HISTORICAL LENSES

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We could cite other cases on which interaction breeds suspicion: denuclearization of the Korean peninsula comes to mind. These interactions on specific issues probably shape more general assessments of security policies. Yet a case can also be made that views of general trends and specific cases are refracted through lenses ground by memories of the wartime past.<sup>73</sup> How Chinese policy-makers regard what Japan does on Taiwan and the East China Sea and changes in SDF capabilities is skewed by recollections of the War of 1894-95, the invasion of Manchuria in the early 1930s, and the take-over and occupation of North and East China in the late 1930s. For example, a Chinese military commentator asserts that Japan's prewar seizure of the Ryukyu Islands drives its disagreement with Beijing on delineation of the East China Sea continental shelf.<sup>74</sup> A recurring theme in Chinese discussions of this past "is the need for China to remain strong to prevent a recurrence of such predations."<sup>75</sup> How Japanese view the revival of Chinese power and its behavior at points of bilateral friction is biased by their own understanding of the China adventure, how Japan

regards its postwar role, and how it would like to be regarded in the future. They have been "frustrated" at China's long term refusal to give Japan credit for its peaceful postwar development; to express gratitude for Japan's contribution to Chinese economic development after 1972; and to claim that Japan is unrepentant about the war.<sup>76</sup>

Using "historical lenses" to explain security outcomes is complicated. Sometimes it is clear that policy-makers let these filters shape their security calculus. Thus, Jiang Zemin, China's former president, clearly dwelt on Japan's "path of militaristic aggression" against China, in part, no doubt, because he "personally experienced the anguish of seeing the country's territory being annexed and the nation's very survival hanging in balance."<sup>77</sup> Prime Minister Koizumi likely kept visiting the Yasukuni Shrine, with its fourteen Class A war criminals, because he both felt obligated to honor Japan's war dead and was determined not to let China dictate the terms of how Japan recognized its past.<sup>78</sup> But usually we do not know what is in leaders' minds.

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<sup>73</sup> On this more constructivist approach, see Alexander Wendt, "Anarchy is what states make of it: social construction of power politics," *International Organizations* 46 (Spring 1992): 396-399; and Michael Alan Brittingham, "The 'Role' of Nationalism in Chinese Foreign Policy: A Reactive Model of Nationalism & Conflict," *Journal of Chinese Political Science* 2 (2007): 147-166. For an application of this approach to foreign policy conflicts, see Alastair Iain Johnston, "Beijing's Security Behavior in the Asia-Pacific: Is China a Dissatisfied Power?" in *Rethinking Security in East Asia: Identity, Power, and Efficiency*, ed. by J.J. Suh, Peter J. Katzenstein, and Allen Carlson (Stanford: Stanford Press, 2004), pp. 34-96.

<sup>74</sup> Dai Xu, "Donghai Zhengduan shi Riben Qinlue Yichan" (The East Sea Dispute is the Legacy of Japan's Aggression), *Huanqiu Shibao*, January 14, 2009, p. 11.

<sup>75</sup> International Crisis Group, "North East Asia's Undercurrents of Conflict," Asia Report No. 108, December 15, 2005, p. 19.

<sup>76</sup> Okamoto Yukio and Tanaka Akihiko, "Can the World Exist with China?" *Japan Echo*, October 2008, p. 53; this statement of Japan's frustration is provided by Tanaka. For a good analysis of how history has played as an issue in China-Japan relations, see He Yanan, "National mythmaking and the problems of history in Sino-Japanese relations," in *Japan's Relations with China: Facing a Rising Power*, ed. by Lam Peng Er (New York: Routledge, 2007), pp. 69-91.

<sup>77</sup> "Take Warning From History and Usher in the Future," speech by Jiang Zemin at Waseda University, November 28, 1998, Xinhua, OSC, FTS19981129000092 [accessed May 25, 2007].

<sup>78</sup> Green, "Understanding Japan's Relations In Northeast Asia."

Issues of history and national identity are more often observable in the behavior of intellectuals and publics. Yet such non-governmental views are still relevant for our purposes. In both China and Japan, elite and mass opinions do have an impact on foreign policy, if only by imposing restraints on policymakers. And as we have suggested, positive views in each country toward the other deteriorated in the 1995–2005 decade. So teasing out the possible impact of historical lenses is at least instructive.

If we summarize the various and competing views at play, we can delineate several identities for China and Japan about the past that shape how they look at the present. On the Chinese side, there are three:

- *China as the Victim of an Evil Japan*: This has become the predominant theme of Chinese thinking about Japan's aggression. Ironically, it came to the fore in the 1990s, likely as a part of a post-Tiananmen effort by the Beijing regime to re-legitimize itself by playing up the Communist Party as the 20<sup>th</sup> century savior of China. This narrative required an enemy, and prewar Japan was the obvious choice. (A retired Chinese general, in a conversation with me, likened Japan to a fierce tiger whose "teeth and claws" had been removed after the war. Why, he asked, was the United States now restoring the teeth and claws?).<sup>79</sup>
- *China as Judge of Japan's Atonement Sincerity*: Japan has sought to find a way to address the history issue through apologies for its wartime actions. The most convincing to Chinese was probably that of Prime Minister Murayama Tomiichi in August 1995,

which a senior Chinese scholar termed "a sincere expression, still a model for his successors."<sup>80</sup> Since then, other apologies have been more routinized,<sup>81</sup> yet the question remains whether Beijing would be willing to accept a fulsome one. For example, in 1998, prior to Jiang Zemin's state visit to Japan, Tokyo appeared willing to go beyond what they had done before *if* there was assurance from China that the issue would be buried. The model here was a similar arrangement with South Korean President Kim Dae Jong. But in the end Jiang refused to accommodate. A fear that the public would attack the government for softness probably was a factor. But Beijing perhaps did not wish to abandon leverage of the moral high-ground. There may be a parallel with the regime's approach to criminals under the principle of "lenience to those who confess, severity to those who resist." The regime, of course, reserves the right to judge when criminals are sincere in their confession and when they are resisting.

- *China as the Frustrated Surging Power*: China believes that it is regaining its rightful place in the world and that other powers should accept its return as a major power. Beijing interprets Washington's and Tokyo's actions as an effort to frustrate that rightful trend. "Due to . . . the relatively strong [Japanese] feeling of vigilance over, and resistance to, China's rise . . . the Japanese government has evidently decided to generally refrain from taking the initial step in offering major concessions in Sino-Japanese political and strategic disputes, or even from offering any major concessions at all."<sup>82</sup>

<sup>79</sup> On the need for an enemy, see Yu Jie, "The Anti-Japanese Resistance War, Chinese Patriotism and Free Speech. How Can We Forgive Japan," <http://chinaelections.net/PrintNews.asp?NewsID+15503> [accessed February 19, 2008]. I interviewed the retired officer in January 2008.

<sup>80</sup> Feng Zhaokui, "Koizumi Goes Backward on Historical Issue, but Acts with Premature Haste in Bid for a Permanent Seat on UN Security Council," *Shijie Zhishi*, May 16, 2005, OSC, CPP20050606000191 [accessed June 19, 2005].

<sup>81</sup> "Commentary: Correct Handling of History Important To China-Japan Ties," *Xinhua*, April 30, 2005, OSC, CPP20050430000078 [accessed April 4, 2009]; Feng Zhaokui, "Koizumi goes backward on historical issue, but acts with premature haste in bid for a permanent seat on UN Security Council," *Shijie Zhishi*, May 16, 2005, OSC, CPP20050606000191 [accessed June 19, 2005].

<sup>82</sup> Shi Yinhong, "The Immediate and Remote Causes of Deterioration in Sino-Japanese Relations," *Ming Pao*, April 21, 2005, OSC, CPP20050421000089 [accessed June 5, 2005].

These conceptions of what China *is* color how Chinese view what Japan *does*. Supplementing them are Chinese assumptions about Japan: that it wishes to move beyond being an economic power, to becoming a political power (through, for example, gaining a permanent seat on the UN Security Council), and even become a military power again; that Japanese are psychologically disturbed by the prospect of becoming Number Two in Asia; and that right-wing, nationalist political forces grew in strength during the 1990s.<sup>83</sup>

On the Japanese side are an opposite set of identities:

- *Japan as the World War II Victim*: Polls over the last two decades indicate that a significant majority (around 85 percent) take the view that “militarist Japan brought suffering and hardship to Asia.”<sup>84</sup> Counter-balancing that admission is the conviction that the Japanese people were themselves victimized. The agents are both the Japanese military that took the country into war and the United States which used inhumane means to bring victory. “The only kind of death that is being discussed in this narrative is the death of Japanese civilians.” Non-Japanese victims and even Japanese soldiers are ignored.<sup>85</sup> The implication is that Japan stands on the same moral level as China.
- *Japan as the Falsely Accused Defendant*: This view rejects the idea that Japan was an aggressor at all and disputes the facts regarding specific wartime episodes. A

recent and notorious example is an essay that Tamogami Toshio, the ASDF chief of staff, wrote for a contest sponsored by a conservative magazine. Tamogami asserted that Japan’s entry into China was based on treaty rights and in response to provocations by the Comintern-influenced Chinese government (the general neglected the Imperial Army’s takeover of Manchuria).<sup>86</sup> Once his essay became public, Tamogami was quickly fired for his frankness. A corollary of this perspective is that the Tokyo war-crimes tribunal rendered “victors’ justice.”

- *Japan as a Civilian or Middle Power*: The core here is that Japan does not have to act itself on the implications of its security environment. Because the United States, for its own interests, has committed to protect Japan, Tokyo does not need to have a robust defense establishment (that would raise fears in the region about its intentions). Instead, it can devote itself to its own economic growth and the economic development and welfare of others. To the extent that Japan engages in security activities abroad, they occur either under the aegis of the United Nations or are subject to domestically derived limitations. This approach, it is argued, is consistent with the pacifist and anti-militaristic values that have dominated public consciousness since the war and it should not be threatening to other powers.<sup>87</sup>

<sup>83</sup> For these themes, see selected articles by Jin Xide views during 2004 and 2005: “Japan’s Motives in Proposing Scenarios in Which China Might Attack Taiwan Are Extremely Insidious,” *Zhongguo Tongxun She*, November 9, 2004, OSC, CPP20041109000147; Jin Xide, “Does Koizumi’s New Cabinet Have Any New Policies Toward China,” *Shijie Zhishi*, November 1, 2004, pp. 32-33, OSC, CPP20041110000199; “Beijing Scholar Says Sino-Japanese Exchange Visits Are To Be Far Away,” *Hsiang Gang Shang Pao*, November 23, 2004, p. A2, OSC, CPP20041123000106; Jin Xide, “Shrine Visit Leads to Cold Ties,” *China Daily*, February 3, 2005, OSC, CPP20050203000016; Wang Te-chun, “Strengthening of U.S.-Japan Alliance Explicitly Aimed At China,” *Ta Kung Pao*, February 19, 2005, OSC, CPP20050219000027 [all March 12, 2007].

<sup>84</sup> Matthew Penney and Bryce Wakefield, “Right Angles: Examining Accounts of Japanese Neo-Nationalism,” *Pacific Affairs* 81 (Winter 2008): p. 51.

<sup>85</sup> Kiichi Fujiwara, “Remembering the War—Japanese Style,” *Far Eastern Economic Review*, December 2005, pp. 51-56.

<sup>86</sup> Tamogami, Toshio, “Was Japan an Aggressor Nation?” APA Group website, October 2008, [http://www.apa.co.jp/book\\_report/images/2008jyusyou\\_saiyuusyuu\\_english.pdf](http://www.apa.co.jp/book_report/images/2008jyusyou_saiyuusyuu_english.pdf) [accessed March 12, 2009].

<sup>87</sup> For the civilian/middle power viewpoint, Yoshihide Soeya, “Japan’s ‘Middle Power’ Strategy and the U.S.-Japan Alliance,” in *Asia Eyes America: Regional Perspectives on U.S. Asia-Pacific Strategy in the Twenty-first Century*, ed. by Jonathan D. Pollack (Newport, R.I.: Naval War College Press, 2007), pp. 135-138. Yoichi Funabashi, “Japan and the New World Order,” *Foreign Affairs* 70 (Winter 1991/1992): pp. 58-74. This perspective is a post-Cold War extrapolation of the Yoshida Doctrine, on which see Kenneth Pyle, *Japan Rising*, pp. 225-277; Samuels, *Securing Japan*, pp. 34-59.



- *Japan as Vulnerable Island Nation*: Because Japan has few natural resources, its economic prosperity and survival depend on access to international markets and on the freedom of navigation. If the sea lanes of communication are obstructed, as they were in World War II, Japan faces a fundamental threat to its existence. A pamphlet issued by the Japan Defense Agency in 1970 put it this way: “The removal of threats against our sea lanes of communication is vital in securing survival of the nation. All threats, including the direct invasion of our homeland, could be more easily prevented in advance if the attack from the sea is stemmed or thwarted.”<sup>88</sup> And recall the prediction of the former chief of the Japan Maritime Self-Defense Forces in the event that Taiwan unifies with China: “The sea lanes would turn all red.”

These conceptions of what Japan *is* bias how Japanese interpret what China *does*. Accompanying them are views about special features of the Chinese system—that it is not democratic, and that its leadership cynically manipulates anti-Japanese nationalism in order to maintain its hold on power.<sup>89</sup>

Obviously, the two sets of identities are at odds with each other (and, by the way, Japan’s identities are in conflict). Japan’s wish to be accepted as a normal, even civilian, power conflicts with China’s preference that it remains just an “economic power.” For Japan to advance to the status of “political power” and even “military power” is contrary to the Chinese belief that it has not sufficiently atoned for its past aggression that made victims of the Chinese people. That sense of grievance conflicts with a Japanese feeling that it was also the victim too; that its virtuous behavior since the end of the war has wiped the slate clean; and that China is manipulating the history

issue. Part of Japan’s sense of virtue is its democratic system, which contrasts with China’s authoritarian system. China’s desire to shed the weakness of the past and be recognized and accepted as a great power conflicts with Japan’s self-conception as Asia’s most successful country. Thus, “shadows of the past” darken the “shadow of the future.”



Pulling together these various threads, we end up with an eclectic answer to the question with which we began—what was the source of the deterioration in China-Japan relations?<sup>90</sup>

First of all, the interaction between China and Japan does not yet fully exhibit the dynamic of a security dilemma, as conceptualized by realist scholars. The two countries have worried about the future intentions of the other, as evidenced by the formal statements of leaders and assessments in defense white papers. China is engaged in a systematic effort to build up its military power and acquiring power-projection capabilities. Japan is modernizing in selected areas and strengthening its alliance with the United States. Yet the connection between perceptions of vulnerability and strengthening of capabilities is not direct and strong.

Second, there is a case to be made that within the context of this *general* situation there have also occurred more *specific* negative spirals which cause each side to be more suspicious about the other’s intentions. The Taiwan Strait and the East China Sea are two cases where this dynamic is obvious, but there are others. The lessons learned in specific cases inform conclusions about broader trends. Third, how the two countries view that past shapes how they think about the present. Japan’s aggression in the first half of the twentieth century colors how

<sup>88</sup> Graham, *Japan’s Sea Lane Security*, p. 108.

<sup>89</sup> For example, see Okamoto and Tanaka, “Can the World Exist with China?”

<sup>90</sup> On the value of eclecticism in the study of complex international issues, see Peter Katzenstein and Nobuo Okawara, “Japan and Asian-Pacific Security,” in *Rethinking Security in East Asia: Identity, Power, and Efficiency*, ed. by J.J. Suh, Peter J. Katzenstein, and Allen Carlson (Stanford: Stanford Press, 2004), pp. 97-129; Alagappa, “Rethinking Security: A Critical Review and Appraisal of the Debate,” in *Asian Security Practice: Material and Ideational Influences*, ed. by Muthiah Alagappa (Stanford: Stanford Press, 1998), p. 62.

Chinese think about Japan's military power today and how it might be used, as well as Tokyo's actions on specific issues. China's long-term refusal to acknowledge that Japan's postwar record is fundamentally different from its prewar one shapes how Japanese interpret both the growth of the PLA and Beijing's behavior on matters like Taiwan. (Note both power calculations and historical memories can inform the lessons learned on specific issues.<sup>91</sup>)

Weaving these together into a generalized causal statement, we arrive at this result. Each country's acquisition of capabilities (including strengthening alliances) and its behavior on specific issues work together to form the other country's sense of vulnerability. So far, although Japan's general concern that China is

closing the capability gap is real, the interaction between the two countries between China and Japan on specific issues like Taiwan and the East China Sea appears to have had more impact on those assessments than the mere acquisition of capabilities.<sup>92</sup> What to do about North Korea and which country will take the lead in East Asian institution building are other litmus-test issues. Moreover, perspectives on the past modify and intensify the lessons learned from specific interactions and views of general trends. At any point in time, these three factors (lessons on specifics, views of broader trends, and historical factors) work together in complicated ways to create future interactions. How they work together may change over time (and it would be useful to have precise indicators for measuring relative impacts).

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<sup>91</sup> Takagi Seiichiro observes that China would react "more fiercely" to Japan's involvement in a war over Taiwan because of the island's place in the larger narrative of China's twentieth century; see his "The Taiwan factor in Japan-China relations," in *Japan's Relations with China*, p. 124.

<sup>92</sup> That Asia-Pacific powers have not embarked on an arms race is a principal conclusion of Medeiros, Crane, et al., *Pacific Currents*.



## WHAT TO DO?

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After enduring the strain of the 1995-2006 tensions, Chinese and Japanese leaders chose to follow a path of emphasizing the positive and showing restraint on sensitive issues. Hu Jintao and a series of Japanese prime ministers, including the “nationalists” Abe Shinzo and Taro Aso, have worked to remove the obstacles to a more normal relationship.<sup>93</sup> Thus Japanese prime ministers no longer go to Yasukuni, which makes regular summits possible, and the two militaries are operating more cautiously in the East China Sea. Tensions have definitely declined. Beijing and Tokyo have also tried to enhance the areas of cooperation, particularly in the economic sphere.<sup>94</sup> Where possible, they have sought to address substantive problems—for example, reaching a “political agreement” regarding the East China Sea. They have tried to foster broader public support in order to reduce the prospect that negative public

opinion will again block the pursuit of common interests. Identities are less likely to be articulated in mutually exclusive terms.<sup>95</sup>

The two governments’ approach since 2006, therefore, has targeted the various factors that obviously contributed to the deterioration while building on common interest. Yet there is a nagging sense that this approach only papers over problems without resolving them. On the East China Sea, there is the appearance of progress but the tough questions remain unanswered.<sup>96</sup> New problems emerge, such as the Japanese public outcry caused by unsafe dumplings produced in China.<sup>97</sup> Elements in each government often have a reason to block implementation of agreements. Gone are the days when Foreign Ministry bureaucrats and special envoys alone could quickly resolve sensitive incidents.<sup>98</sup>

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<sup>93</sup> For the specifics, see the quarterly reports on China-Japan relations in the *Comparative Connections* series by James J. Przystup. They are accessible at <http://www.csis.org/pacfor/ccejournal.html>.

<sup>94</sup> Thus the May 2008 Hu-Fukuda summit pledged cooperation in the fields of energy, environment, trade, investment, information and communication technology, finance, farming, forestry, fishery, transportation, tourism, water resources, medical care, food and product safety, and protection of intellectual property rights and the business environment. See “China, Japan Sign Joint Statement on Promoting Strategic, Mutually Beneficial Ties,” Xinhua, May 7, 2008, OSC, CPP20080507968227 [accessed December 12, 2008].

<sup>95</sup> Thus, China has acknowledged Japan’s contribution to international society since 1945 and to China’s development since 1972 and has hinted it might accommodate Tokyo’s desire for a permanent seat on the UN Security Council, a key step in what China has regarded as Japan’s ambition to be a “political power.”

<sup>96</sup> “Plan for Joint Development of Gas Field At a Standstill; Even Foreign Ministerial Meeting Fails To Make Progress -- Chinese Public Opinion Is Hampering Project from Moving,” *Nihon Keizai Shimbun*, August 19, 2008, OSC, JPP20080819045002 [accessed August 19, 2008].

<sup>97</sup> On the dumpling conflict, see James J. Przystup, “Japan-China Relations: All About Gyoza, Almost All the Time,” *Comparative Connections*, vol. 10, no. 1 (April 2008), [http://www.csis.org/media/isis/pubs/0801qjapan\\_china.pdf](http://www.csis.org/media/isis/pubs/0801qjapan_china.pdf) [accessed December 24, 2008]; James J. Przystup, “Japan-China Relations: Progress in Building a Strategic Relationship,” *Comparative Connections*, vol. 10, no. 2 (July 2008), [http://www.csis.org/media/isis/pubs/0802qjapan\\_china.pdf](http://www.csis.org/media/isis/pubs/0802qjapan_china.pdf) [accessed December 24, 2008]; and James J. Przystup, “Japan-China Relations: The Gyoza Caper: Part II,” *Comparative Connections*, vol. 10, no. 3 (October 2008), [http://www.csis.org/media/isis/pubs/0803qjapan\\_china.pdf](http://www.csis.org/media/isis/pubs/0803qjapan_china.pdf) [accessed December 24, 2008].

<sup>98</sup> Kokubun Ryosei, “Can the Gap Between Japan and China Be Bridged?—Toward Rebuilding Japan-China Relations in the New Era,” *Gaiko Forum*, July 1, 2005, pp. 10-21, JPP20050822000033 [accessed March 30, 2007]. On the dumpling issue, the actions of law-enforcement and product-safety agencies of the two governments made matters worse; see “President Hu Jintao Furious With ‘Poisonous Gyoza’; Expresses Displeasure to Quality Supervision Bureau; ‘Have You Thought About International Public Opinion?’” *Zakzak*, March 5, 2008, OSC, JPP20080305026005 [March 9, 2008].

On the East China Sea, there is evidence that the PLA, which wants to preserve as much freedom and flexibility for the navy as possible, has been a key actor behind the scenes in shaping China's tough negotiating position. Regarding public opinion, there is evidence that Beijing has sought to suppress or contain nationalistic sentiment rather than change it.<sup>99</sup>

Moreover, although the forces for moderation and cooperation in each system have worked hard to restore stability to the Japan-China relationship, they do not necessarily have time on their side. Increasingly, the two militaries will be operating closer to each other, increasing the possibility of accidental clashes. At some point, China's military power will exceed Japan's. Longer term, Japan could conclude that the U.S.-China military balance *in East Asia* has tilted in China's favor. Japan's security choices then become quite stark. Facing those future choices will be more difficult, we surmise, because of the history of tensions over Taiwan and the East China Sea, and because of history.

Thus our understanding of the structural causes of the 1995-2006 tensions suggests that a more comprehensive approach to the relationship than the one pursued so far will be necessary to prevent future episodes and even conflict. We suggest a nested set of steps to address the various dimensions of the problem.

First of all, the warming of relations since Koizumi left office is certainly not trivial, because it creates incentives for restraint, builds mutual confidence and expands the constituencies in each country for positive ties. Therefore:

*Chinese and Japanese leaders should continue what they are doing to take into account the feelings of the other side and to expand areas for cooperation.*

Second, however, there remain aspects of each country's domestic system that make fragile the current rapprochement and have the potential to undermine the progress achieved so far. Therefore:

*Because the Chinese and Japanese publics have each become more deeply involved in the making of foreign policy, leaders on each side need to shape in a positive way how their own public views the other country and how the other country's actions affect their own.*

*Because the publics of each country are often inclined to view the actions of the other through distorting historical lenses, leaders should make the case to their respective publics why the bilateral relationship is valuable and why memories of past events should not color the present in negative tones. This is particularly important when incidents arise that have the potential to agitate public opinion.*

*Leaders must ensure that they vest with sufficient power agencies in each government that are best capable of taking into account the views and sense of insecurity of the other, in order to ensure that other agencies do not hijack the broader relationship. In this regard, civil-military relations in China are particularly important.*

*Leaders should resist the impulse to define their policy toward the other country based on misleading indicators, or let elements in their society do so for them. For example, Chinese inside and outside the regime cite worrisome indicators about Japan's current evolution: the power of "right-wing political forces," about revisions to Japanese textbooks that "white-wash" past aggression, and about future revision of the pacifism clause of the constitution. It is true that such phenomena are present in*

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<sup>99</sup> James J. Przystup, "Japan-China Relations, Politics in Command," *Comparative Connections*, vol. 9, no. 3 (Oct. 2007), [http://www.csis.org/media/isis/pubs/0703qjapan\\_china.pdf](http://www.csis.org/media/isis/pubs/0703qjapan_china.pdf) [accessed December 10, 2008].

*the Japanese system, but the evidence indicates that their impact ranges from modest to minimal (for example, the textbooks to which Chinese object are used only by a small percentage of Japanese schools).*<sup>100</sup>

Third, specific disputes like Taiwan, the East China Sea, and North Korea can have a significant impact on broader threat perceptions and in some cases have the potential for conflict. Moreover, each dispute is both substantively complicated and linked to broader and conflicting historical memories. Therefore:

*Leaders must address specific issues on both levels. On the one hand, they must work hard to resolve or effectively manage them, emphasizing the interests that the two countries share. On the other, they should work to alter the prisms that end up distorting how each views the actions of the other. For example, Japanese fear Taiwan's unification with China would ipso facto affect the security of the Taiwan Strait as an international waterway. Yet even the current PRC offer to Taiwan does not contemplate the stationing of PLA military units on the island. A bilateral effort to address the underlying bases for mutual fears may change the way that each assesses threats.*

*In particular, China and Japan, along with South Korea and the United States should engage in intensive contingency planning to prepare for change in North Korea after the death of Kim Jong Il. If change is rapid and destabilizing, and if the four countries do not manage the situation well, it threatens to warp their relations for a long time.*

Fourth, Japan and China lack the institutions that can help mute conflicts, avoid misunderstanding, and address new problems effectively. The more in-

stitutionalized the interaction between two suspicious parties, the more each may appreciate that its own actions and self-identification can cause the other to view it in a negative light, the more each can foster trust in each other's intentions and lessen the impact of "the shadow of the future."<sup>101</sup> Therefore:

*Leaders should seek to foster institutionalization on the history issue. Clearly, this is a toxic question. There is no easy answer and the obstacles to de-politicization are manifold: the limited scope of the war-crimes exercise in Japan; the Tokyo trials' continuing lack of legitimacy among the Japanese right wing; the waning of anti-militarism in some quarters; the passing of Chinese who were adults when the invasion and occupation occurred (that is, those who could best legitimize reconciliation in their local communities); the need of the Communist Party to use wartime victimization to validate its current rule; the difference between the two political systems (private organizations in China are not necessarily private); and so on.*<sup>102</sup>

*If there is a solution, it will probably have to follow the model of German reconciliation with Israel and the European countries the Nazi regime invaded. This has been a multi-faceted and multi-leveled process that involves not only political leaders but also a wide array of private organizations in each society. It requires the formal, governmental acknowledgment of grievances on more than one occasion, but it also entails continual reaffirmation of the principles of reconciliation at a society-to-society level. It needs a favorable international context. But above all it requires a dense web of institutions that are committed to the goal of reconciliation and to resisting its*

<sup>100</sup> See Matthew Penney and Bryce Wakefield, "Right Angles: Examining Accounts of Japanese New-Nationalism," *Pacific Affairs* 81 (Winter 2008-2009): pp. 537-555.

<sup>101</sup> For a discussion of institutionalization and the value of security regimes, see Booth and Wheeler, *Security Dilemma*, pp. 94-106.

<sup>102</sup> Roy, "The Sources and Limits of Sino-Japanese Tensions," p. 205.

adversaries.<sup>103</sup> In the China-Japan case, for example, it might include partnerships between each prefecture in Japan with a group of Chinese counties that the Imperial Army invaded and occupied after 1937 and a set of regular, ritual activities in which the peoples concerned both recall the invasion and occupation and commit to a future of peace.

Leaders should create institutional mechanisms to reduce present and future insecurity. Tokyo and Beijing should set up exchanges between the People's Liberation Army and the Self-Defense Forces, precisely because the mission of each is to be cautious about the intentions of the other. Those exchanges have increased since Koizumi's departure from office, including discussions on defense and security matters, ship visits, a maritime liaison mechanism, exchanges on functional issues, mutual observation of exercises, and exchanges on non-traditional security matters.<sup>104</sup> A PLA-SDF exchange mechanism could be very useful in helping each side clarify the intentions of the other on questions like their respective force structure, deployments in the East China Sea, Taiwan, the U.S.-Japan alliance, and so on. The problem is that, as one Chinese analyst put it, "defense exchanges are a barometer for political exchanges between both countries. When political relations become chilly, defense exchanges are the very first to come to a halt."<sup>105</sup>

Japan and China need a dialogue on nuclear weapons, which China possesses and which Japan has so far foresworn. China is modernizing its weapons and the prospects for denuclearizing North Korea are far from certain. So Japan's sense of vulnerability is growing. Its initial impulse will be to seek reaffirmation of U.S. extended deterrence, in order to avoid a

domestic discussion on a nuclear option. There should also be a Beijing-Tokyo dialogue where the Chinese side can better explain the motivations behind its nuclear program and why it need not fuel Japanese insecurity.

Fifth, the institutionalization of security relations will open the door to specific confidence-building measures (CBMs) that in turn will reinforce institutionalization. Otherwise, the higher probability of accidental clashes will increase. Should they occur, public opinion in each country will certainly become inflamed. Therefore:

*Because the two navies will operate increasingly close to each other, and because there are disputes over islands and the delineation of the continental shelf, an incidents-at-sea agreement would reduce the possibility of accidental clashes.*

*Similarly, the PRC needs to return to prior notification of operations to survey the sea floor.*

*The two air forces should consider a system where each side will refrain from intercepting the aircraft of the other if the latter provides prior notifications of routine flight patrols.*

Sixth, efforts to foster reconciliation on history will be for naught if the mechanisms *within* the two countries that strengthen negative perspectives continue. They should be "de-institutionalized." Therefore:

*Because Chinese take the Yasukuni Shrine so seriously, perhaps Japan could take steps to defuse that issue, either by "de-enshrining" the fourteen Class A war criminals or establishing a secular war memorial. In addition, military education and training should eliminate denials of war guilt.*

<sup>103</sup> Lila Gardner Feldman, "German-Polish Reconciliation: How Similar, How Different?" essay based on a lecture given at the German Historical Institute in Warsaw, February 25, 2008, [http://www.csm.org.pl/images/rte/File/Aktualnosci/LGFeldman\\_WarsawEssay308.pdf](http://www.csm.org.pl/images/rte/File/Aktualnosci/LGFeldman_WarsawEssay308.pdf) [accessed December 15, 2008].

<sup>104</sup> Jiang Xinfeng, "The Ups and Downs of Sino-Japanese Defense Talks," *Shijie Zhishi*, August 16, 2008, OSC, CPP20080915671003 [accessed, November 5, 2008], pp. 27-29.

<sup>105</sup> Jiang Xinfeng, "The Ups and Downs of Sino-Japanese Defense Talks."

*For China, the practice of the ministry of education and the Communist Party's propaganda department fit to promote the legitimacy of the Party by emphasizing China's victimization at the hands of Japan has probably outlived its usefulness.<sup>106</sup>*

Finally, we noted that the Japan-China security dilemma is embedded in a larger dilemma between the United States and China. Even as Beijing and Washington engage each other, they are also hedging, and this interaction may create a self-sustaining dynamic that will entrap Japan.

*The United States and China should therefore embark on a high-level security dialogue to clarify intentions and reduce the mutual fear that exists. If successful, that process will benefit Japan.*

*There should be dialogues among Tokyo and Beijing, and Washington and Beijing to reassure China that the United States and Japan are not using the alliance to contain it. Ideally, this would be a trilateral dialogue, but it could also be parallel discussions.*

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<sup>106</sup> On the victimization narrative in China and the interesting fact that it is relatively recent, see Peter Hays Gries, *China's New Nationalism: Pride, Politics, and Diplomacy* (Berkeley: California Press, 2004), pp. 69-85.





## CONCLUSION

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**H**u Jintao and the Japanese prime ministers who followed Koizumi Junichiro deserve credit for placing more stress on areas of cooperation, managing issues in dispute, and containing nationalistic public opinion. Hopefully, this process can be sustained. Yet forces are at play that can reverse this positive trend. China's military power is growing faster than Japan's. The two countries have conflicting interests on some difficult issues. History forms the lenses with which elites and publics understand the present. The potential tragedy that looms—and the tragedy of all security dilemma situations—is

that rivalry will occur in spite of the interests that China and Japan share, and more because of misunderstanding than malice. Our understanding of why relations deteriorated after 1995 suggests that the two governments are targeting symptoms rather than underlying structural causes.<sup>107</sup> The foundation for a stable relationship remains to be laid. That foundation will require Tokyo and Beijing to address the fundamental assumptions that they bring to the relationship, particularly regarding identities and the root sources of disputes, and to build institutions to cushion future times of tension.

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<sup>107</sup> Based on my interviews in both countries, scholars tend to agree that the atmospherics of China-Japan relations have improved a lot more than structural contradictions.



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