

The Japan-China Summit and Joint Declaration of 1998: A Watershed for Japan-China Relations in the 21st Century?

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The November 1998 state visit to Japan by Chinese President Jiang Zemin was historically significant in that it was the first visit to Japan by a Chinese head of state. However, many people, including policymakers in Japan, had the impression that the visit not only failed to promote Japan-China relations, but actually strengthened anti-Chinese sentiments among the Japanese public. Nevertheless, both governments treated the Japan-China Joint Declaration On Building a Partnership of Friendship and Cooperation for Peace and Development—issued by the two governments on the occasion of visit—as a third important bilateral document, following the 1972 Joint Communiqué and the 1978 Treaty of Peace and Friendship. The two sides repeatedly have stressed that all problems should be handled in line with these three documents. There is a belief, especially among policymakers, that the 1998 Joint Declaration will be the bilateral framework upon which a strong partnership will be built for at least the first decade of the 21st century.

Relations between China and Japan, however, were shaken—even after the Joint Declaration was issued—by incidents such as Chinese maritime research activities and Chinese criticism of a Japanese history textbook. Moreover, the tendency of the Japanese public to see China as a potential threat has not disappeared. Because the Joint Declaration was agreed to as the guidelines upon which Japan-China relations should be

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conducted in the coming century, we must examine how the document was produced, and what it means, in order to gauge the distance between aspiration and reality in Japan-China relations, and seek to best manage bilateral relations in the coming years. This examination will be done through interviews of those who were engaged in the negotiations over the Joint Declaration and by scrutinizing several classified internal Japanese government documents.²

What was the Joint Declaration intended to accomplish? What has the document achieved? How have Japan-China relations progressed and declined in the wake of the 1998 Declaration? How will the two countries manage a relationship headed in a more “normal,” more realistic and less idealized direction? Answers to these questions lead us to concrete measures the Japanese government should adopt in the first decade of this century. Also, taking into consideration that the US government has played a key role in the development of Sino-Japanese relations after World War II, and will continue to have a large influence on relations in the 21st century, any prescriptions should include policy regarding US-Japan relations and their approach to China.

Downward Trend in the 1990s

After the Tiananmen incident in 1989, Japan sought a different approach towards China than North American and European countries. Tokyo opposed isolating China because it worried about the possible reverberations a chaotic China would have in the region. Tokyo resumed Official Development Assistance (ODA) to Beijing—which had

² The author and his colleagues at the Japanese news daily, *Asahi Shimbun*, have conducted these interviews. Since Japanese officials are very reluctant to talk about sensitive issues on the record, most interviews were held on the condition of anonymity. One of the main classified documents is a draft of the Joint Declaration written by the Japanese side during negotiations. *Asahi Shimbun*'s reporting team covering Jiang Zemin's visit gained exclusive access to the draft. This is the first time details of the draft have been brought to light.

been banned as one of sanctions because of the Tiananmen crackdown—in 1990. Also, Prime Minister Toshiki Kaifu became the first Western political leader to visit China after the incident, in 1991.

However, the incident dramatically changed Japanese public sentiment towards China. Moreover, the demise of the Soviet Union, which had been regarded as the common threat against Japan, China, and the United States, also precipitated this change. According to a Japanese government survey, the percentage of those who held “close feelings” toward China dropped to 51.6 percent in October 1989 from 68.5 percent during the same period in 1988.

Seeing the bloody tragedy in Beijing, the Japanese public found that China was still an authoritarian country with very different social values from Japan. These negative feelings have not disappeared, even after the Japanese Emperor’s historic visit to China in 1992. The visit was requested by Beijing to enhance its ties with Japan, an economic superpower, and to promote a more open economy within China. On the other hand, Tokyo also thought that the Emperor’s visit was a chance to put the Japan-China wartime animosity behind them, and form an unshakable friendship with China—a powerful country in the region—in order to maintain Japan’s peace and prosperity.

Following these visits, however, relations between the two nations declined again when the People’s Liberation Army (PLA) conducted nuclear weapons tests from October 1993 to July 1996, despite fierce criticism from Tokyo. Even after the Nuclear Non-Proliferation Treaty (NPT) was indefinitely extended and the five nuclear powers including China committed themselves to restrain nuclear tests in May 1995, China

continued nuclear tests a few days later. As the only nation that has suffered from nuclear bombings, Japanese anti-nuclear feelings are so deeply rooted that these acts on the part of the Chinese caused relations to deteriorate. Taking into account overwhelming Japanese public anger towards China, Tokyo had no choice but to impose sanctions on China in the form of discontinuing ODA grants.

In reaction to Taiwan's President Lee Teng-hui's visit to the U.S. in 1995, and in hopes of affecting the outcome of Taiwan's March 1996 presidential election, the PLA carried out missile exercises which bracketed Taiwan, but which impacted near Japanese territorial waters. These exercises convinced the Japanese public that Beijing would not hesitate to use force to achieve its goals. In addition, the April 1996 Japan-U.S. Joint Security Declaration—which was released shortly after the Taiwan Straits Crisis—further cooled Sino-Japanese relations. The visit by Prime Minister Ryutaro Hashimoto in July 1996 to the Yasukuni Shrine—which is dedicated to those who died during World War II, including executed war criminals—and the construction of a lighthouse on the disputed Senkaku Island by a Japanese right-wing organization in July 1996, also jeopardized relations.

It is believed that 1995-96 marked the lowest point of Sino-Japanese bilateral relations since 1972—when the two countries normalized their relationship. A Japanese government survey in October 1996 showed those who had “close feelings” toward China dropped to 39.9 percent and those who did not have “close feelings” increased to 55.5 percent. Since the beginning of the survey in 1978, this was the first time the percentage of people with a negative view towards China was larger than those with a positive view.

However, both sides realized their economic interdependence and soon reasoned that it was essential, for the sake of peace and stability in East Asia, that Tokyo and Beijing work to rebuild relations. A meeting between foreign ministers in September 1996 marked the beginning of improvements in Japan-China relations. At the meeting, both sides agreed to avoid any behavior that would cause bilateral relations to further deteriorate. It was Prime Minister Hashimoto's 1997 visit to China that finally put relations back on track. The meeting with Chinese Premier Li Peng laid the groundwork for an annual summit to be held alternately in Japan and China. At the same time, the United States sought to improve relations with China by back-to-back summit meetings in October 1997 and June 1998, which helped produce an environment in which Tokyo could have more room to improve Japan-China relations. Jiang's visit to Japan was prepared against this backdrop.

The Apology Issue

It was Beijing that longed to produce a historical document on the occasion of Jiang's visit. In February 1998, vice-foreign minister Tang Jiaxuan visited Japan and held consultations with his Japanese counterparts. Publicly, discussions about the issue of Iraq were given as the official reason for this dialogue. However, the real topic was to prepare for Jiang's visit. At the meeting with Tanba Minoru, deputy foreign minister of Japan, Tang suggested a joint document on the occasion of the Jiang's visit. Tanba responded cautiously, saying "it would be worthy to consider the document as far as it has a forward-looking character and sets Japan-China relations in the 21st century." The Japanese side tried to avoid focusing on historical issues or on Taiwan, which could

damage relations. Tang—hoping to alleviate anxiety in Tokyo—promised to produce a forward-looking statement, and to not raise new demands on either issue. However, he was careful to mention that he did not have full permission from his superiors on this matter.

Why did Beijing want to produce a joint document? One of the reasons was implied by what Chinese Vice President Hu Jintao said during his visit in April 1998. Hu stressed to Prime Minister Hashimoto that both countries needed to make an effort to build a framework where China and Japan could cooperate in broader areas as well as on bilateral issues. The Chinese leadership wanted to establish some measures to stop the downward trend of Japan-China relations. Also, taking into consideration that the first important document—the Japan-China Joint Communiqué, which normalized relations in 1972—was agreed to during the era of Mao Zedong, and the second one—the Treaty of Peace and Friendship in 1978—emerged in the Deng Xiaoping era, it is no wonder that Jiang Zemin wanted to have the third important document concerning Sino-Japanese relations attributed to his leadership, and become a part of his legacy.

What made both sides' negotiations over the document unexpectedly difficult was, ironically, the success of another historical document between Japan and South Korea. Japan and South Korea issued a Joint Declaration during South Korean President Kim Dae-jung's visit to Japan in October 1998, a month prior to Jiang's visit. Kim strongly argued for the settlement of historical questions in the document. President Kim believed that settlement would be indispensable for rapprochement with Japan after extreme deterioration in bilateral relations during the previous administration, and that

this would allow him to reintroduce aspects of Japanese culture into South Korea for the sake of mutual understanding.

On the Japanese side, the issue of openly acknowledging Japan's wartime past has been very touchy for the conservative Liberal Democratic Party's administration, because one of their major constituencies is the war bereaved, who tend to be reluctant to admit to Japanese wartime aggression.

However, Prime Minister Keizo Obuchi, who had to settle this complex and potentially explosive issue, was allowed some room to maneuver. In 1995, Prime Minister Tomiichi Murayama, head of Japan's Socialist Party, sought to express an apology that the LDP had refused to issue for over 50 years. Murayama took the initiative on drafting the statement that would be read at the 50th anniversary ceremony of World War II. Murayama took advantage of a coalition with the LDP to get approval from his cabinet, one in which key LDP members participated.

It was the first time a government official issued an unambiguous apology for Japan's wartime actions. While prior statements had used words like "remorse" and

Murayama stated, "During a certain period in the not too distant past, Japan, following a mistaken national policy, advanced along the road to war, only to ensnare the Japanese people in a fateful crisis, and, *through its colonial rule and aggression*, caused tremendous damage and suffering to the people of many countries, particularly to those of Asian nations. In the hope that no such mistake be made in the future, I regard, in a spirit of humility, these irrefutable facts of history, and express here once again *my feelings of deep remorse and state my heartfelt apology*. Allow me also to

express my feelings of profound mourning for all victims, both at home and abroad, of that history.”³

Beijing and other Asian capitals welcomed Murayama’s statement. China’s Foreign Ministry said in a statement, “We believe the Japanese government’s expression of remorse over Japan’s past colonial rule and invasion, and its apology to the peoples of Asia, is positive.” In Japan, however, key conservative politicians such as Hiroshi Mitsuzuka, the General Secretary of the LDP, expressed discontent with the Murayama statement, thus showing that the statement was not supported by conservative elements in the coalition government.

Obuchi used Murayama’s statement to settle the fierce negotiations over the matter of historical recognition in the Joint Declaration. Thus was mainly because Kim Dae-jung promised to stop bringing up the issue of “historical recognition” at the government level. The Japan-ROK Joint Declaration stated: “Looking back on the relations between Japan and the Republic of Korea during this century, Prime Minister Obuchi regarded in a spirit of humility the fact of history that Japan caused, during a certain period in the past, tremendous damage and suffering to the people of the Republic of Korea through *its colonial rule*, and expressed *his deep remorse and heartfelt apology* for this fact.”⁴

President Kim gladly accepted Prime Minister Obuchi’s recognition of Japan’s past actions and expressed his sincere appreciation. He also called upon both countries to put the past behind them and build a future-oriented relationship based upon reconciliation as well as good-neighborly and friendly cooperation. Due to these

³ The English text of this statement was issued by the Japanese Foreign Ministry. Emphasis added.

breakthroughs, Beijing had high expectations of similar phrasing in the Japan-China Joint Declaration.

Jiang's Offensive and Obuchi's Refusal

At a November 1998 foreign ministers gathering in Malaysia, Chinese Foreign Minister Tang Jiaxuan apparently changed his earlier position and stressed that the issues of historical recognition and Taiwan were central for the issuance of a joint statement. Tang implied that Beijing wanted Tokyo to make a statement of “apology” for past military aggression. Chinese demands to bring the term “apology” into the Joint Declaration were unbending. During negotiations in Beijing, a high ranking Chinese official in the Foreign Ministry told a Japanese counterpart that the Chinese side would not continue to work on drafting a joint document unless Tokyo made an official apology in the document. Tokyo had hoped that this meeting would produce a comprehensive joint action plan that would set specific cooperation measures for the 21st century, but the Chinese official replied, “If you do not agree on the matter of apology, the action plan could be definitely meaningless.”

Theoretically, Tokyo would be able to settle the negotiation by using the Murayama statement again. However, Obuchi refused. Why? Obuchi thought that the Emperor's visit to China had effectively settled this issue. Japan expressed its remorse in the 1972 Japan-China joint communiqué, and Emperor Akihito said during a visit to China in 1992 that he “deeply deplore(s)” the “great sufferings” Japan inflicted on the

⁴ Emphasis added.

Chinese people during the war. Obuchi's deputy spokesman and one of his close aides, Akitaka Saiki, told Reuters after the meeting that Tokyo could not agree to a written apology similar to the one offered to South Korea because the cases were different: "The Emperor of Japan has already expressed remorse for the war while in China, while he had never done that before with Korea." Also, Emperor Akihito has never visited South Korea. Obuchi apparently considered that another apology to China would harm the dignity of the Emperor, which, from a conservative politician's point of view, was not possible.

Secondly, Obuchi was concerned about calls in his party, the LDP, to exclude the apology from the Joint Declaration. Some conservative politicians were already unhappy with the Japan-ROK Joint Declaration. Suffering from a low approval rating and a fragile power base in the LDP, Obuchi did not have enough clout to manage opponents to the apology.

The most important reason that an apology was not included in the Joint Declaration was that Obuchi failed to gain a critical concession from the Chinese side--by which China would announce that it would refrain from raising historical issues at future summits. At the last stage of the negotiation, Obuchi decided to include a written apology and offered a secret proposal to Beijing. He wanted an assurance similar to the one South Korean President Kim gave Obuchi during their summit in Tokyo a month earlier. But Jiang refused the idea of abandoning the "historical card," and Beijing threatened to cancel Jiang's visit if the historical issue was not settled. Considering the potentially negative impact on Japan-China relations and to his image, Obuchi offered a compromise: he would give a verbal apology during the summit.

Frustration on Both Sides

Although the most difficult issue was settled, Jiang's frustration remained. At the summit on November 26, 1998, Jiang spoke sternly, saying "the problems of history and Taiwan, which are at the root of Japan-China relations, cannot be sidestepped. I am opposed to the opinion that the problem of history has been sufficiently discussed." Jiang urged Tokyo to abide by the 1972 joint communiqué in which reiterates that Taiwan is an inalienable part of the People's Republic of China. In response to the issue of historical understanding, Obuchi referred to Murayama's statement and said, "again, as a head of the Japanese government, I express remorse and apology to China." On the issue of Taiwan, Obuchi said, "Japan's basic understanding is that China is a single entity. We have strictly maintained that position consistently. Our position of not supporting Taiwan's independence will not change from now on either."

After coming to an agreement on the issues of "historical recognition" and Taiwan, the Joint Declaration was further delayed by semantic negotiations. However, it was finally published five hours after the meeting. To placate Jiang's anger, the word "aggression" was used for the first time in an official Japan-China document:

Both sides believe that squarely facing the past and correctly understanding history are the important foundation for further developing relations between Japan and China. The Japanese side observes the 1972 Joint Communiqués of the Government of Japan and the Government of the People's Republic of China and the 15 August 1995 Statement by former Prime Minister Tomiichi Murayama. *The Japanese side is keenly conscious of the responsibility for the serious distress and damage that Japan caused to the Chinese people through its aggression against China during a certain period in the past and expressed deep remorse for this.* The Chinese side hopes that the Japanese side will learn lessons from the

history and adhere to the path of peace and development. Based on this, both sides will develop long-standing relations of friendship.⁵

Even after the summit, Jiang continued to bring up historical issues on numerous occasions. One of them was at a state banquet at the Imperial Palace. Jiang referred to the issue in his reply to the Emperor's remarks, saying "Japanese militarism tread the wrong path of invasion and expansion and caused great suffering to the people of China and other Asian nations. Both Japan and China should never forget the painful lessons of history." The remarks before the Emperor, which were televised to the Japanese public, cooled feelings towards the Chinese leader. The reason why Jiang took a strong stand on the history issue may be related with his concerns about his legacy, as well as a due to a lack of knowledge that Japan would no longer be as passive in responding to Chinese criticism as it had in the past. Also, a successful summit with US President Bill Clinton in June 1998 made Jiang overconfident.

Most regrettable of all was that Japanese public perceptions of the negotiations were tainted because the Joint Declaration was not signed at an official signing ceremony. Many major daily papers and television news broadcasts in Japan, as well as foreign media outlets, reported that the signing ceremony was cancelled because Jiang was unhappy with the negotiations. In contrast, a similar declaration between Japan and South Korea was signed in Tokyo, by Obuchi and South Korean President Kim Dae-Jung, and was followed by a joint news conference. Moreover, the official agenda for Jiang's visit, provided by the Japanese government, stated that the summit would be followed by a signing ceremony, which fuelled further speculation that the signing ceremony was canceled. As a matter of fact, the signing ceremony was intended for other documents

⁵ Emphasis added.

drafted by the two nations' foreign ministers, not specifically for the Joint Declaration.

Jiang's frustration, in addition to government mismanagement of the media, created frustration on the Japanese side.

What Was Not Achieved in the Declaration: Scrutinizing the Japanese Draft

The Joint Declaration was shaped through nine months of negotiations. Disagreements between the documents make differences in positions very clear. By comparing the final version of the Joint Declaration with the draft written by the Japanese side and presented to the Chinese, we can clearly see these differences that remained.

History Issue

Obuchi and Jiang agreed to disagree over the issue of historical recognition. Consequently, the Chinese side refused to highlight Japan's peaceful development after the World War II in the Joint Declaration. In the Japanese draft, there was the phrase below, which was later deleted by the Chinese side:

In addition, related with this [historical recognition], the Chinese side highly respects that Japan has adhered to a policy to be a peaceful nation after the war, expecting that Japan will continue to contribute to the peace and prosperity of the international community as well as the Asia Pacific region.

Chinese negotiators insisted that this part be deleted because they believed that this phrase implied that Beijing agreed to put aside historical disputes. In fact, there is a similar phrase in the Japan –ROK Joint Declaration and the phrase was included with President Kim's acceptance of putting aside historical matters:

President Kim highly appreciated the role that Japan has played for the peace and prosperity of the international community through its security policies, foremost its exclusively defense-oriented policy and three non-nuclear principles under the postwar Japanese Peace Constitution, its contributions to the global economy and its economic assistance to developing countries, and other means.

Taiwan Issue

After the historical issue, the issue of Taiwan was the most important difference between the two sides. This was a particularly critical issue for Beijing for two principal reasons. First, Beijing wanted Tokyo to exclude the Taiwan Straits from the scope of the New Guidelines for Japan-U.S. Defense Cooperation. Second, during a meeting with Jiang Zemin in June 1998, President Clinton stated the so-called “three no’s policy.” With the “three no’s policy,” China had more confidence in dealing with the issue of Taiwan. Beijing felt like it could insist on putting the “three no’s policy” in the Joint Declaration, however, Tokyo explained that Japan did not have a “three no’s policy.”

Even if China presented those demands, Japan would firmly refuse for two reasons. First as for the scope of the new defense guidelines, Tokyo had already decided to maintain a position of ambiguity, which let Japan avoid confrontation with China on this matter. Situations in the areas surrounding Japan, in which Japan can cooperate with US forces, are not based purely on geography. Thus, Japan cannot set the geographical scope until a situation arises. Tokyo also stated, “we strongly hope that the issues involving Taiwan would be resolved by peaceful means by the parties concerned.” Tokyo believed that since Clinton’s “three no’s “ were expressed verbally it was not necessary for Japan to produce a written statement on this subject.

On the other hand, Tokyo wanted the Joint Declaration to reflect its hope for a

peaceful resolution of the Taiwan Straits issue, thereby aiming to restrain Beijing from using force over the Taiwan issue—but failed to do so. The Japanese draft stated, “Moreover, the Japanese side welcomed recent progress over the cross straits talks and expressed its hope that the progress should be carried out more and the issues involving Taiwan would be resolved by peaceful means by the concerned parties’ talks.” After fierce negotiations, the section regarding Taiwan was cut down considerably to only four lines, as both sides failed to gain ground on this issue.

Japan’s Permanent Membership on the UN Security Council.

In the political sphere, Tokyo sought Chinese approval for Japan’s permanent membership on the UN Security Council. Since the debate began in the early 1990s, China is the only country among the five permanent members of the Security Council (United States, Russia, France, United Kingdom, China) to show hesitation regarding Japan’s membership. It is indispensable to Tokyo that it get approval from the Chinese leadership on this issue, because China has a veto power in amending the UN Charter.

Although both sides agreed to include a section that stresses the importance of UN activity in the area of maintaining peace in the region, and for economic and social development throughout the world, China still firmly refused to support Japan’s permanent membership on the Security Council in the joint statement. The omission is clearly illustrated by this excerpt from the Japanese draft:

Both sides positively evaluate the efforts made by the United Nations to preserve world peace and to promote the economic and social development of the world, and believe that the United Nations should play more important role. In connection with this matter, *China expresses its support for the Japan’s membership in the UN Security Council as a part of efforts for the UN Security Council’s reform.*⁶

⁶ Emphasis added.

Japanese policy makers believed that Beijing feared increased Japanese political influence in the region if it became a permanent member of the Security Council. Such an action, it is reasoned, would decrease Chinese influence in the region, as well as in the Security Council.

Toward a new framework?

After Jiang's wintry visit, and both sides failed to make progress on many key issues, have Japan-China relations further deteriorated? In fact, a mix of positive and negative developments in the wake of the visit has set the bilateral relationship in a more "normal" and realistic direction.

On the positive side, most important is Beijing's commitment to cooperation in regional and global affairs. Japanese officials believe that regional cooperation will be effective in moderating Chinese foreign policy. The Asian economic crises of 1997-98, and multilateral activities in the region, such as the ASEAN Regional Forum (ARF), have changed previously cautious Chinese attitudes toward multilateral cooperation. This change is illustrated by Beijing's willingness to participate in a trilateral summit between Japan, China and South Korea at the ASEAN+3 summit, proposed by Tokyo and first held in 1999. At the second trilateral summit in 2000, the three leaders agreed to meet annually.

In addition, the Joint Press Announcement—which was issued at the time of Jiang Zemin's visit to Japan, outlining 33 areas for Sino-Japanese cooperation—was a noteworthy achievement. The 33 areas included many things from leadership dialogue to

joint efforts to preserve the Japanese crested ibis.⁷ Although most of the 33 areas had already been agreed to before the summit, what is important is not the contents themselves but the Chinese agreement to a joint action plan by which improvements in Japan-China relations can be measured. The issuance of a Joint Press Announcement (Beijing refused to accept the term “Joint Action Plan”) was proposed by Tokyo in order to publicly recognize healthy bilateral relations.

Despite growing anti-China feelings in the 1990s, trade between Japan and China increased dramatically. Total trade in 1999 amounted to \$66 billion, 33 times the amount in 1973, and nearly four times of the amount in 1990. China has become Japan’s second largest trading partner, while Japan has been China’s largest trading partner for seven consecutive years. In addition, since 1988 the balance of trade has shown an excess of imports for Japan, reaching \$19 billion in 1999. Deepened economic relations have created new challenges for both sides to manage, some of which have also plagued the US-Japan relationship for years.

However, certain “negative” developments for Beijing resulted in more realistic and open attitudes toward Japan. For example, immediately after Jiang’s visit, when Beijing began to review its policy toward Japan, they were shocked to see that Japanese media and public had a negative view of the visit. The U.S. bombing of the Chinese embassy in Belgrade in May 1999 furthered the review and caused Beijing to view improved bilateral relations with Japan as vital to their own interests. As a result, during Prime Minister Obuchi’s visit to China in July 1999, Jiang and other Chinese leaders did not raise the issue of history again.

Also, Taiwan’s political transition in March 2000 prompted a tactical change in

⁷ For a list of the 33 areas included in the Joint Press Announcement, please see Appendix I.

Beijing's Japan policy. Japanese perceptions toward Taiwan have dramatically changed due to Taiwan's rapid democratization and economic growth. As a result, Jiang issued an "important statement" about the gravity of Japan–China relations in May 2000, on the same day as the presidential inauguration ceremony in Taiwan apparently signaling that Beijing wanted to draw Japan away from the new Taiwanese President, Chen Shui-bian.

At the same time, Beijing had to deal with the Japanese public's frustration with ODA for China. Given Japan's long stagnation and China's economic boom, Japanese legislators and media argued for a fundamental review on ODA for China, pointing out China's lack of gratitude and the fear that ODA could be contributing to the build up of

Chinese Premier Zhu Rongji's visit to Japan in October 2000 was conducted against this backdrop and intended to supplement Jiang's earlier visit. Thus, Zhu attempted to change Japanese perceptions toward China by having a dialogue with Japanese citizens on a television program and by stressing that Beijing does not have any intentions to ask Japan for further apologies on historical issues.

In short, beginning in the early- to mid-1990s, and marked most strongly by the Jiang visit of 1998, Japan-China relations entered a new, more balanced, and more realistic phase. Three principal factors shape this development:

- (1) The history issue: Although Chinese leaders have softened their attitude on this matter after Jiang's visit to Japan, it will continue to linger. Beijing may return to a more assertive stance again because victory over Japanese aggression has been one of the Chinese Communist Party's bases for legitimacy.

On the Japanese side, conservative media and scholars began efforts to produce a new history textbook in 2000, in which Japanese aggression was rationalized as liberalization of Asian colonies. Decreasing confidence in the Japanese economy produced a possibility that the Japanese public would have more nationalistic feelings. The campaign about the history textbook is evidence that this tendency has emerged to some extent. Unless the Japanese leadership overcomes this issue or can properly handle growing nationalism, it will be difficult to build mutual confidence with China and other Asian nations.

- (2) China and the U.S.-Japan alliance: The demise of the Soviet Union led many in Japan to see China as a potential regional superpower that would use military measures to establish regional hegemony.

On the Chinese side, revitalizing the Japan-U.S. alliance is regarded as a means to expand Japan's military horizons. Beijing fears that the alliance could function well in a Korean situation as well as in a Taiwan conflict. Also, deployment of improved and expanded missile defenses in Japan would cause further tension in Japan-China relations. Since the Japan-US joint study on missile defense was initiated by the United States, there is no doubt that Tokyo's ultimate deployment decision will be affected by Washington. Thus, the U.S. is a key player in regional security, including the issue of Taiwan. A tug of war by members of the triangular relationship will certainly continue over these issues.

- (3) The pluses and minuses of globalization: Japan-China relations have been overshadowed by economic interdependence in the region and rapid globalization in

the 1990s. From Japan's point of view, Chinese criminals and illegal immigrants in Japan are becoming serious concerns. The number of Chinese arrested by Japan's police has rapidly increased to 2,400 in 1998, 20 times that of 1980. Recently, huge numbers of Chinese visiting and moving to Japan have allowed Chinese criminals to enter into Japan much more easily than in the past. Japan's police agency called this trend a "globalization of crime." Also, trade frictions mentioned above could become part of the political agenda, which both leaderships may have to address more than traditional issues such as history, territory, and security. On the other hand, economic interdependence in the region will compel both sides toward more positive interaction and cooperation. Globalization is a double-edged sword for Tokyo-Beijing relations, which will complicate future ties.

Conclusion: Three Proposals

Short-term recommendations (2001-- 2002): Revise the Action Plan to Set A Target

While Japan and China recognize common interests at present and for the foreseeable future, they need to establish a pre-emptive mechanism for dealing with problematic issues that will inevitably arise between the two countries. As a preventive measure to avoid major friction between two countries, the Joint Press Announcement should be revised. To set concrete targets for improving relations, the announcement should set out a new joint action program in 2002, as a way to commemorate the 30th anniversary of the normalization of Japan-China relations. Among the 33 cooperative projects there have some achievements, such as the establishment of a hotline between Tokyo and Beijing. But, to promote wider understanding among the people of both sides,

efforts to produce a new action plan should be expanded to include business interests and the media, not just a few policymakers. The process of a joint action program can in itself promote mutual understanding. Also, the new action plan should include an agreement to periodically reassess the plan.

Mid term recommendations (2001-- 2012): Trilateral Summit to Manage Security Issues

It is very difficult for either side to deal with issues of security. One major reason is that the United States is an integral actor in the handling of regional security issues. The Japanese public is suspicious that Beijing aims to divide the U.S.-Japan alliance. To avoid unnecessary tension between the three countries, a regularized summit between Japan, the United States, and China should be established to discuss a broad range of issues, including global matters. Historically, Beijing dislikes multilateral meetings, but recently it has changed its position and sees their value. Although it may take time to establish a Japan-China-U.S. summit, policymakers should consider using APEC summits as an opportunity for the leaders of these three nations to meet. Thus far, the Japan-China-South Korea summit has been held on the occasion of ASEAN + 3. It might be useful to let China initiate the meeting in order to facilitate matters. If a trilateral summit is established, related meetings between foreign ministers, defense ministers and others should be planned.

Long-term recommendations: Cultivate a New Generation with Mutual Understanding

The last and most important prescription is that both sides must cultivate a new generation that understands both countries and is forward-looking, who can then consider

relations in a broader sense. Those who helped normalize relations and understand the difficulties of conquering the issue of the past have been slowly shrinking in number, which was one of causes for Jiang's unsuccessful visit.

In the Joint Press Announcement, there are programs for student and expert exchanges between the two countries. However, considering the size of the Chinese population, these programs should be expanded significantly, and focused toward current up-and-coming policy makers and experts. Since it is time to reevaluate and reshape Japanese policy on ODA for China, both sides must examine how much ODA should be used toward exchange programs in the future. These programs are an important way to establish a firm base of mutual understanding. If both sides agree to use Japanese economic assistance for exchange projects, this kind of suspicion and mistrust can be reduced.

Appendix I

33 Areas of Proposed Japan-China Cooperation in the November 1998 Joint Press Announcement

1. Dialogue at the Leadership Level and Opening a Hotline
2. Cooperation in Economic Sectors
3. Japanese Investment in China
4. Economic Cooperation with China
5. Exchanges in the Sectors of Science and Technology and Industrial Technologies
6. Cooperation for Development of Inland Regions of China
7. Assistance for Corporate Reform
8. Beijing-Shanghai High-Speed Railway Project
9. Cooperation For Environment Protection
10. Energy Issues
11. Agriculture and Food Issues
12. Measures to Respond to Flood Damage
13. Afforestation and Preservation of Forests
14. Youth Exchanges
15. Exchange in Intellectual Fields
16. Promotion of Cultural Projects
17. Acceptance of Chinese Group Tours in Japan
18. Security Dialogue and Defense Exchanges
19. Disposal of Abandoned Chemical Weapons
20. Issues Related to the Law of the Sea
21. Fishing
22. Preservation of Cultural Artifacts along the Silk Road
23. Information and Telecommunication Technology (IT)
24. Preservation of Japanese Crested Ibis
25. United Nations
26. Regional Issues (Korean Peninsula)
27. Human Rights
28. Disarmament, Arms Control, and Non-Proliferation
29. World Trade Organization (WTO)
30. The Asian Economy
31. The Eurasian Land Bridge Project
32. Exchanges of Safety and Police-Related Fields
33. Measures to Counter Illicit Narcotics.

Appendix II

Japan-China Joint Declaration On Building a Partnership of Friendship and Cooperation for Peace and Development

In response to an invitation extended by the Government of Japan, President Jiang Zemin of the People's Republic of China made an official visit to Japan as a State Guest from 25 to 30 November 1998. On the occasion of this historically significant first visit to Japan by a President of the People's Republic of China, President Jiang met with His Majesty the Emperor of Japan, and held an intensive exchange of views with Prime Minister Keizo Obuchi on the international situation, regional issues and the overall Japan-China relationship. They attained a broad common view and, based on the success of this visit, declared as follows:

I

Both sides shared the view that as the world in the post-Cold War era continues to undergo great changes toward the creation of a new international order, further economic globalization is deepening interdependence and security dialogue and cooperation are making constant progress. Peace and development remain major issues facing the human society. It is therefore the common wish of the international community to build a new international political and economic order which is fair and rational, and to strive for a peaceful international environment in the twenty-first century that is even more firmly rooted.

Both sides reaffirmed that the principles of mutual respect for sovereignty and territorial integrity, mutual non-aggression, non-interference in each other's internal affairs, equality and mutual benefit and peaceful co-existence, as well as the principles of the Charter of the United Nations, are the basic norms for relations between states.

Both sides positively evaluate the efforts made by the United Nations to preserve world peace and to promote the economic and social development of the world, and believe that the United Nations should play an important role in building and maintaining a new international order. Both sides express support for the reforms of the United Nations including the reform of the Security Council, in order for the United Nations to further embody the common wish and collective will of all Members in its activities and policy decision making process.

Both sides stress the importance of the ultimate elimination of nuclear weapons, and oppose the proliferation of nuclear weapons in any form whatsoever, and furthermore, strongly call upon the nations concerned to cease all nuclear testing and nuclear arms race, in order to contribute to the peace and stability of the Asian region and the world.

Both sides believe that both Japan and China, as nations influential in the Asian region and the world, bear an important responsibility for preserving peace and promoting development. Both sides will strengthen coordination and cooperation in the areas such as international politics, international economy, and global issues, thus positively

contributing to the endeavor for the peace and development of the world aimed at the progress of humanity.

II

Both sides believe that, after the Cold War, the Asian region has continued to move toward stability and the regional cooperation has deepened further. In addition, both sides are convinced that this region will exert greater influence on international politics, economics and security and will continue to play an important role in the coming century.

Both sides reiterate that it is the unshakable fundamental policy of the two countries to maintain the peace of this region and to promote its development, and that they will not seek hegemony in the Asian region and settle all disputes by peaceful means, without recourse to the use or threat of force.

Both sides expressed their great interest in the current financial crisis in East Asia and the ensuing difficulties for the Asian economy. At the same time, both sides recognize that the economic foundation of this region is sound, and firmly believe that by advancing rational adjustment and reform based on experiences, as well as by enhancing regional and international coordination and cooperation, the economy of Asia will definitely overcome its difficulties and continue to develop. Both sides affirmed that they would positively meet the various challenges that they faced, and would respectively make their utmost efforts toward promoting the economic development of the region.

Both sides believe that stable relations among the major nations of the Asia-Pacific region are extremely important for the peace and stability of this region. Both sides shared the view that they would actively participate in all multilateral activities in this region, such as the ASEAN Regional Forum, promote coordination and cooperation, and support all measures for enhancing understanding and strengthening confidence.

III

Both sides reviewed the bilateral relationship since the normalization of relations between Japan and China, and expressed satisfaction with the remarkable development in all areas, including politics, economics, culture and personnel exchanges. Further, both sides shared the view that under the current situation cooperation between the two countries is growing in importance, and that further strengthening and developing the friendly and cooperative relations between the two countries not only serve the fundamental interests of their peoples, but also positively contribute to the peace and development of the Asia-Pacific region and the world as a whole. Both sides reaffirmed that the Japan-China relationship is one of the most important bilateral relationships for the respective country, deeply recognized the role and responsibility of both countries in achieving peace and development, and expressed their resolve to establish a partnership of friendship and cooperation for peace! and development toward the twenty-first century.

Both sides restated that they will observe the principles of the Joint Communiqué of the Government of Japan and the Government of the People's Republic of China, issued on 29 September 1972 and the Treaty of Peace and Friendship between Japan and the People's Republic of China, signed on 12 August 1978, and reaffirmed that the above-

mentioned documents will continue to be the most important foundation for the bilateral relations.

Both sides are of the view that Japan and China share a history of friendly exchanges spanning more than 2,000 years, as well as a common cultural background, and that it is the common desire of the peoples of the two countries to continue this tradition of friendship and to further develop mutually beneficial cooperation.

Both sides believe that squarely facing the past and correctly understanding history are the important foundation for further developing relations between Japan and China. The Japanese side observes the 1972 Joint Communiqué of the Government of Japan and the Government of the People's Republic of China and the 15 August 1995 Statement by former Prime Minister Tomiichi Murayama. The Japanese side is keenly conscious of the responsibility for the serious distress and damage that Japan caused to the Chinese people through its aggression against China during a certain period in the past and expressed deep remorse for this. The Chinese side hopes that the Japanese side will learn lessons from the history and adhere to the path of peace and development. Based on this, both sides will develop long-standing relations of friendship.

Both sides shared the view that expanding personnel exchanges between the two countries is extremely important for advancing mutual understanding and enhancing mutual trust.

Both sides confirmed an annual visit by a leader of either country to the other, the establishment of a Tokyo-Beijing hot line between the two Governments, and the further enhancement of personnel exchanges at all levels, in particular among the younger generation who will shoulder the heavy burden of the future development of the two countries.

Both sides shared the view that, based on the principles of equality and mutual benefit, they will formulate long-term, stable, cooperative economic and trade relations, and will further expand cooperation in such areas as high technology, information, environmental protection, agriculture and infrastructure. The Japanese side reiterated that a stable, open and developing China is significant for the peace and development of the Asia-Pacific region and the entire world, and restated its policy of continuing cooperation and assistance for the economic development of China. The Chinese side expressed its gratitude for the economic cooperation extended by Japan to China. The Japanese side reiterated that it will continue to support China's efforts for the early accession to the WTO.

Both sides positively evaluated the beneficial role played by their bilateral security dialogue in increasing mutual understanding, and shared the view that they would further strengthen this dialogue mechanism.

The Japanese side continues to maintain its stand on the Taiwan issue which was set forth in the Joint Communiqué of the Government of Japan and the Government of the People's Republic of China and reiterates its understanding that there is one China. Japan will continue to maintain its exchanges of private and regional nature with Taiwan.

Both sides affirmed that, based on the principles of the Joint Communiqué of the Government of Japan and the Government of the People's Republic of China and the Treaty of Peace and Friendship between Japan and the People's Republic of China, and following the spirit of seeking common major benefits while setting aside minor differences, they would work to maximize their common interests and minimize their differences, and, through friendly consultations, appropriately handle the issues, differences of opinion and disputes which currently exist and may arise in the future, thereby avoiding any restraint or obstacle to development of friendly relations between the two countries.

Both sides believe that through establishment of a partnership of friendship and cooperation for peace and development, the bilateral relations will enter a new level of development. To this end, a wide range of participation and sustained effort not only of both Governments, but also of the peoples of both countries, is essential. Both sides firmly believe that, if the peoples of both countries, hand-in-hand, thoroughly demonstrate the spirit shown in this Declaration, it will not only contribute to the friendship of the peoples of both countries for generations to come, but also make an important contribution to the peace and development of the Asia-Pacific region and of the world.

Appendix II: Joint Press Announcement on Strengthening Cooperation between Japan and China toward the Twenty-first Century

During the official visit to Japan by President Jiang Zemin of the People's Republic of China, Japan and China reached a common view on their strengthening cooperation toward the twenty-first century and actively developing their partnership of friendship and cooperation for peace and development, and issue the following press announcement.

I. Cooperation in Bilateral Relations

Both sides, in order to strengthen high-level dialogue between the two countries, confirmed that every year a leader of each country will alternately visit the other country, and that a hot line will be established between the two Governments.

Both sides, noting that the bilateral economic relationship has greatly developed based on the principles of mutual complementarity and of equality and mutual benefit, shared the view that the cooperative bilateral relationship should continue to expand in such economic areas as trade and investment.

The Chinese side, noting the positive role played in China's economic development by Japanese corporations investing in China, expressed its intention to make efforts to promote further investments in China by Japanese corporations. The Japanese side welcomed this, and expressed its intention to make efforts to promote further development of cooperation in the field of investment between Japan and China.

The Japanese side decided to provide yen loans of up to 390 billion yen for 28 projects as the “latter two-year” portion of the Fourth Batch of Yen Loans toward China. The Chinese side highly appreciated this.

Both sides, recognizing that expanding cooperation and exchanges toward the twenty-first century in the areas of scientific and industrial technology is beneficial, shared the view that cooperation should be strengthened through both governmental and private channels in these areas, and confirmed that they would support the promotion of research cooperation and technology transfers between the industrial sectors of the two countries.

Both sides confirmed that they will actively promote cooperation for economic development in the inland regions of China by the industrial sectors of both countries through joint efforts by the government and the private sector. The Japanese side expressed its intention to advance industrial cooperation in these regions through close coordination between the government and the private sector. The Chinese side expressed its intention to make active efforts in such areas as infrastructure development and improvements in the investment environment.

The Japanese side stated that it is prepared to cooperate for human resource development in such areas as the reform of state enterprises, the encouragement of small and medium enterprises and the rationalization of the distribution system in China. The Japanese side stated that it is prepared to make use of its measures, human resources and experience related to the encouragement of small and medium enterprises in Japan, and to actively implement a series of cooperation efforts toward the development of small and medium enterprises in China. For its part, the Chinese side welcomed this. Both sides will study concrete cooperation.

The Japanese side restated its intention to actively cooperate in the technical, operational and financial aspects related to the Beijing-Shanghai High-Speed Railway. The Chinese side welcomed Japan’s participation in this competition, based on the status of preparation of the Beijing-Shanghai High-Speed Railway project.

Both sides reaffirmed the importance of the issue of environmental protection and the achievements reached in this field through cooperation by the two countries thus far, and shared the view that they will further enhance cooperation in this field based on “The Japan-China Joint Announcement on Environmental Cooperation toward the Twenty-first Century.”

Both sides, recognizing the importance of energy issues in the twenty-first century, shared the view that they will further promote cooperation in such areas as the promotion of energy-related infrastructure development including power plants, the energy conservation policy and measures, and the development and use of clean energy. Both Governments will support the promotion of joint researches on energy and its related fields by the industrial sectors and academic institutions of both countries.

Both sides will continue to strengthen cooperation in the agricultural sector, in particular in the area of technology for the sustainable development of agriculture.

Both sides, recognizing the importance of measures to prevent flood damage and to recover from flood disasters, shared the view that they should study concrete ways and contents of cooperation at an early date.

In this connection, both sides shared the view that they would study and promote, at an early date, concrete contents of cooperation, both by the government and the private sector, in such areas as afforestation and forest conservation.

Both sides, fully understanding and positively evaluating the important role played by youth exchanges between Japan and China in the mutual understanding and the development of the bilateral relationship, recognized that the signing of “The Cooperative Plan on a Framework between the Government of Japan and the Government of the People’s Republic of China for Further Development in Youth Exchanges” is beneficial for ceaseless deepening and development of such exchanges. Both sides shared the view that they will make efforts to realize mutual visits and exchanges of youth, who will total as large as 15,000 from 1999 to 2003.

Both sides believe that strengthening exchanges in the intellectual areas has a positive meaning in increasing the quality and scope of exchanges between the two countries. Both Governments will assist and cooperate for such activities in the private sector.

Both sides, recognizing that cultural exchanges play an important role in deepening mutual understanding between the peoples of both countries, shared the view that they will further promote such exchanges. Both sides consider to hold in China “The 1999 Japan-China Culture and Friendship Year,” and plan to hold in Japan “The 1999 Chinese Acclaimed Film Festival Commemorating the 20th Anniversary of the Japan-China Cultural Agreement and the 50th Anniversary of the Founding of the People’s Republic

The Japanese side, with a view to expanding the exchange of people between Japan and China, expressed its readiness to initiate receiving Chinese sight-seeing tour groups, and the Chinese side welcomed this.

Both sides positively evaluate the recent progress in bilateral security dialogue and cooperation in multilateral fora such as the ASEAN Regional Forum. They confirmed their intention to gradually expand exchanges in this area, including mutual visits by the Japanese Director-General of the Defense Agency and the Chinese Minister of National Defense and to continue coordination on mutual visits by naval vessels.

The Japanese side restated its intention that, in accordance with the Chemical Weapons Convention, it will sincerely deal with the issue of Japan’s abandoned chemical weapons in China and destroy such abandoned chemical weapons by taking practical measures in a responsible manner at the earliest possible date. The Chinese side stated that it will provide appropriate cooperation in accordance with the Chemical Weapons Convention.

Both sides welcomed the fact that in August 1998, Japan and China started consultations on the issues related to the law of the sea, such as the delimitation of the exclusive economic zones and the continental shelves, and they shared the view that the next consultation should be held early next year.

Both sides shared the view that, the Japan-China Fisheries Agreement , whose aims are the establishment of a new fisheries order between the two countries, based on the United Nations Convention on the Law of the Sea, the conservation and rational utilization of marine living resources of common concern, and the maintenance of a proper order of maritime fishing operations , should be put into effect as soon as possible, so that both sides will be engaged in orderly fishing operations based on the Agreement.

Both sides, as responsible fishing nations, shared the view that they will cooperate with each other in the international fora of fisheries activities.

Both sides shared the view that preservation of the Silk Road cultural heritages on the Eurasian continent is important as part of the protection of the common heritage of mankind. Both sides confirmed that they will cooperate for the preservation of the heritages and implement concrete preservation projects.

Both sides shared the view that promoting the development of next-generation information and telecommunications technology will have a tremendous impact on the socioeconomic development of both countries. Both sides confirmed that they will strengthen cooperation in information and telecommunications sectors such as applications of the multimedia information technology, and that they will jointly research and develop a model project of an information system.

Both sides confirmed that they will continue to promote cooperation to protect the Japanese crested ibis, which exists in few numbers and is in danger of extinction. For this purpose, as a token of friendship between Japan and China, the Chinese side presented Japan with a pair of ibis, and the Japanese side expressed its gratitude.

II. Cooperation in International Areas

Both sides shared the view that reform of the United Nations is essential in order that the UN is to play an even more effective role in the coming century. Both sides confirmed that they will strengthen consultations for the realization of the UN reform, including the reform of the Security Council, the financial reform and the reform in the area of development.

Both sides shared the view that they will strengthen coordination and cooperation on regional issues and play an active role for the regional peace and stability. Both sides are of the view that maintaining peace and stability on the Korean Peninsula is extremely important for the peace and stability of the Asia-Pacific region, and support positive efforts made by all parties concerned in this regard.

Both sides confirmed the universality of human rights and shared the view that each country should enhance common understanding and reduce differences through mutual exchanges. The two countries positively evaluated the Japan-China human rights dialogue, and will continue to exchange views on the issue of human rights based on equality and mutual respect.

Both sides, as states parties to the Nuclear Non-Proliferation Treaty, the Biological Weapons Convention and the Chemical Weapons Convention, confirmed that they will continue to abide by their obligations under these treaties and make efforts for the prevention of the proliferation of weapons of mass destruction and their delivery vehicles, and for related international cooperation.

Both sides reaffirmed the importance of the multilateral trading system. The Chinese side reiterated that it will continue to make efforts toward early accession to the World Trade Organization. The Japanese side expressed its intention to continue to extend support and cooperation toward this end.

Both sides confirmed that the high-level consultations on East Asian economic issues held in September 1998 were beneficial, and shared the view that similar consultations will be carried out as the necessity arises.

Both sides believe that the Eurasian Land Bridge Project, which spans from East Asia across Central Asia to Europe, has a positive significance for the peace and stability of the entire Eurasian continent. Both sides, with the recognition of the importance of enhancing the transportation and distribution infrastructure from East Asia to Central Asia, confirmed that they will promote cooperation in this area.

Both sides confirmed that they will strengthen cooperation in combating various kinds of international crimes, including firearms, alien smuggling, money laundering, financial and economic crimes and high-tech crimes, and that they will intensify consultations and personnel exchanges between the relevant organizations as the necessity arises.

Both sides confirmed that they will continue to cooperate in crackdowns on drugs crimes, actively participate in international cooperation to ban drugs, and play an active role in the area of banning drugs.