



CLASH OF NATIONAL IDENTITIES:

China, Japan, and the East
China Sea Territorial Dispute

EDITED BY

Tatsushi Arai, Shihoko Goto, and Zheng Wang



CLASH OF NATIONAL IDENTITIES:

China, Japan, and the East
China Sea Territorial Dispute

EDITED BY

Tatsushi Arai, Shihoko Goto, and Zheng Wang



WWW.WILSONCENTER.ORG



Available from :

ASIA PROGRAM

Woodrow Wilson International Center for Scholars
One Woodrow Wilson Plaza
1300 Pennsylvania Avenue NW
Washington, DC 20004-3027

www.wilsoncenter.org

ISBN: 978-1-938027-24-6

COVER PHOTO: An aerial photo from Kyodo News shows Chinese ocean surveillance, fishery patrol ships and a Japan Coast Guard patrol ship (R and 2nd L) sailing about 27 km (17 miles) west from a group of disputed islands, known as Senkaku in Japan and Diaoyu in China, in the East China Sea in this September 18, 2012 file photograph taken by Kyodo. China's naval and paramilitary ships are churning up the ocean around islands it disputes with Tokyo in what experts say is a strategy to overwhelm the numerically inferior Japanese forces that must sail out to detect and track the flotillas. © REUTERS/Kyodo/Files

THE WOODROW WILSON INTERNATIONAL CENTER FOR SCHOLARS, established by Congress in 1968 and headquartered in Washington, D.C., is a living national memorial to President Wilson. The Center's mission is to commemorate the ideals and concerns of Woodrow Wilson by providing a link between the worlds of ideas and policy, while fostering research, study, discussion, and collaboration among a broad spectrum of individuals concerned with policy and scholarship in national and international affairs. Supported by public and private funds, the Center is a nonpartisan institution engaged in the study of national and world affairs. It establishes and maintains a neutral forum for free, open, and informed dialogue. Conclusions or opinions expressed in Center publications and programs are those of the authors and speakers and do not necessarily reflect the views of the Center staff, fellows, trustees, advisory groups, or any individuals or organizations that provide financial support to the Center.

The Center is the publisher of *The Wilson Quarterly* and home of Woodrow Wilson Center Press, *dialogue* radio and television. For more information about the Center's activities and publications, please visit us on the web at www.wilsoncenter.org.

BOARD OF TRUSTEES

Joseph B. Gildenhorn, Chairman of the Board
Sander R. Gerber, Vice Chairman
Jane Harman, Director, President and CEO

Public members: James H. Billington, Librarian of Congress; John F. Kerry, Secretary, U.S. Department of State; G. Wayne Clough, Secretary, Smithsonian Institution; Arne Duncan, Secretary, U.S. Department of Education; David Ferriero, Archivist of the United States; Fred P. Hochberg, Chairman and President, Export-Import Bank; Carole Watson, Acting Chairman, NEH; Kathleen Sebelius, Secretary, U.S. Department of Health and Human Services

Private Citizen Members: Timothy Broas, John T. Casteen III, Charles Cobb, Jr., Thelma Duggin, Carlos M. Gutierrez, Susan Hutchison, Barry S. Jackson

Wilson National Cabinet: Eddie & Sylvia Brown, Melva Bucksbaum & Raymond Learsy, Ambassadors Sue & Chuck Cobb, Lester Crown, Thelma Duggin, Judi Flom, Sander R. Gerber, Ambassador Joseph B. Gildenhorn & Alma Gildenhorn, Harman Family Foundation, Susan Hutchison, Frank F. Islam, Willem Kooyker, Linda B. & Tobia G. Mercurio, Dr. Alexander V. Mirtchev, Wayne Rogers, Leo Zickler

Preface

Rising tensions in Northeast Asia. Surveillance overflights triggering scrambled fighter jets. Trade boycotts and sometimes violent street protests. Dueling diplomatic demarches. Angry recriminations about history, colonialism, and national identity. An energized community of netizens and a blogosphere on steroids. Sadly, this is not the stuff of movie thrillers, but one aspect—today, an especially prominent aspect—of the frequently contentious and always complex relationship between the governments and the peoples of Japan and the People’s Republic of China.

Wait a minute, the various East Asian disputants might reply. How typical of westerners—specifically Americans—to simultaneously sensationalize and trivialize serious matters by conjuring up overwrought film images. At issue here, Chinese analysts contend, are unresolved issues of Japanese imperialism. To the contrary, many Japanese respond, the real issue is one of Chinese aggression and bullying.

These disputes and conflicting perspectives provide the backdrop for an extraordinary initiative by scholars from Japan and China worried about the escalating tensions between East Asia’s two giants.

The Woodrow Wilson Center’s Asia Program and George Mason University’s School for Conflict Analysis and Resolution (S-CAR) take great pleasure in joining forces with these scholars, led by Dr. Zheng Wang of Seton Hall University and Dr. Tatsushi Arai of S-CAR and the School for International Training Graduate Institute. Drs. Wang and Arai recruited U.S.-based scholars from China and Japan to exchange ideas and explore options on how their two countries might better manage their disagreements, including and especially the current conflict over the eight small scraps of rock in the East China Sea—in total not much more than 2 ½ square miles—known in China as the Diaoyu Islands and in Japan as the Senkaku Islands. (The Taiwanese also claim these islands, and call them Diaoyutai.) As difficult as it sometimes is for the foreign friends of these two countries to fathom, the Diaoyu/Senkaku dispute, if not handled wisely, could erupt into a truly dangerous situation holding the serious possibility for armed clashes.

The essays in this collection are one product of this engagement between these Japanese and Chinese scholars. Collectively they represent an effort to use the tools of history, political science, economics, and other disciplines to explore the roots and dynamics of the Diaoyu/Senkaku dispute, and to suggest how this conflict might be resolved not only peacefully, but in a manner that will help the two sides fruitfully deal with the other issues that stand in the way of genuine reconciliation between these two proud nations.

This, however, is not simply a matter that involves Japan and China; the United States is also something far more than merely a passive spectator here. True, in a legal sense the United States is not a party to this dispute—Washington takes no position on where ultimate sovereignty over the five islets and three rocks lies. But in fact, the United States has a real stake in seeing that events do not spin out of control in the East China Sea. Partly this is because the United States has an obvious interest in stability and prosperity in East Asia. But beyond that, the Obama administration has made it clear that the United States is bound by the terms of its mutual defense treaty with Tokyo to come to Japan's aid should China use force to challenge the status quo in the Senkakus/Diaoyus. It does not need to be said that virtually no one in Washington would welcome the prospect of an armed clash with China. Nor would most Americans wish to see an escalation of U.S.-Chinese tensions even short of armed conflict; too many important American interests would be compromised should Washington and Beijing fail to keep their inevitable rivalry within bounds.

One can, then, hardly imagine a more timely initiative than this scholarly dialogue, or one with a greater potential payoff.

The manner in which a conversation occurs is frequently very relevant to its outcomes. A tense, public, and increasingly hostile environment breeds a tone of voice, an intensity of expressions, and a rigidity in the delivery that can be avoided when the exchange occurs in a welcoming, respectful, and relaxed atmosphere. This is what happened in the days before the public session that concluded this dialogue, through a series of meetings at a location, Point of View, that has been defined as a “private Camp David,” a place where it was possible to meet confidentially and explore options in a climate of mutual respect.

The Point of View process is part of the design, implementation, and purpose of the meetings and this report. It is not an empty promise, but a

commitment to explore responsibly areas of disagreement with an honest and open attitude. All of us are constantly co-authoring our trajectories. We define each other all the time; we can do that aggressively and disrespectfully, or cooperatively and effectively. Engagement requires patience and respect, competence and attention. The Point of View process has been so far very fruitful in this case, and we are grateful for this. We also feel the responsibility for what has to come.

S-CAR and the Wilson Center's Asia Program have been gratified to have played a small role in bringing Drs. Wang and Arai's initiative to fruition. Our two institutions are also pleased to acknowledge all those whose dedicated support has made this partnership possible. Heading that list, of course, are Tatsushi Arai and Zheng Wang, and the splendid group of scholars they recruited for this effort. The Wilson Center's Asia Program also thanks Joshua Spooner for his able assistance in arranging the January 2013 Wilson Center forum where these scholars shared some of their conclusions and recommendations with a broader public. S-CAR is particularly grateful to the Lynch family, who made it possible for Point of View to be offered as a place in which thinking, cooperative alternatives could be fostered, and to the Center for Peacemaking Practice (CPP), which took this initiative under its auspices. Last, but surely not least, we take pleasure in recognizing Ms. Shihoko Goto, who worked with Drs. Arai and Wang and their team of scholars to shepherd this collection from conception to print.

Robert M. Hathaway
Woodrow Wilson Center

Andrea Bartoli
George Mason University

Can Japanese Democracy Cope with China's Rise?

SHINJU FUJIHIRA

SUMMARY

Intense politicization and increased militarization of the Senkaku/Diaoyu islands dispute was shaped in part by increasing political competition and uncertainty in Japanese democracy. The Democratic Party of Japan's (DPJ) landslide victory in the House of Representatives in August 2009 generated uncertainties in the U.S.-Japan-China strategic triangle. Prime Minister Naoto Kan's response to the trawler collision incident in 2010 and his successor Yoshihiko Noda's decision to purchase three of the five islands in 2012 reflected DPJ's conflicting foreign policy orientation and its competition with other political parties prior to the House of Representatives election in December 2012. Given such findings, this article proposes that Japan must:

- Construct an inter-party consensus on its policy toward the islands, which would take into consideration the overall importance of Japan-China relations and would ensure that the change of Prime Minister or the political party in power would not significantly change Japan's China policy.
- Take the initiative for a new diplomatic settlement with China, which makes both governments acknowledge each other's position on the islands and commit to a peaceful resolution of this issue in the long run.
- Ensure that its Self-Defense Forces and Japan Coast Guard do not to fire the first shot when confronted by their Chinese counterparts in the East China Sea.

- Continue to promote bilateral cooperation and communication with China on maritime issues, involving the two countries' officials from defense and foreign ministries, maritime agencies, and other relevant organizations.
- Commit not to politicize its “history problem” regarding its imperial past, which would further hamper its efforts to depoliticize and demilitarize the islands dispute.

SHINJU FUJIHIRA is the executive director for the program on U.S.-Japan Relations at Harvard University's Weatherhead Center for International Affairs.

THE CONTEMPORARY STANDOFF OVER the Senkaku/Diaoyu islands threatens to exacerbate Japan-China relations in the long run. Despite their disagreement over the islands' sovereignty, the two governments had successfully depoliticized the issue for nearly four decades since their diplomatic normalization in 1972. The islands issue became politicized after the collision between a Chinese trawler and the Japan Coast Guard in 2010, and has become increasingly militarized after the Japanese government's purchase of three of the five islands from their private owner in 2012. China has boosted its civilian and military presence in maritime and airspace around the islands, confronting their Japanese counterparts regularly and raising the risk of an armed conflict which potentially involves the United States. What caused the intense politicization and increasing militarization of the Senkaku/Diaoyu islands dispute? What are the pragmatic steps which the two governments can take to depoliticize, demilitarize, and deescalate the current situation?

This is an attempt to answer these questions by focusing on the contemporary developments in Japanese democracy. While the strategic, economic, and identity variables are critical, Japan's domestic politics played an important role in the politicization and militarization of the islands dispute in two ways. First, the ongoing political transition—characterized by the end of the Liberal Democratic Party's (LDP) stable rule since the 1990s, the nature of the Democratic Party of Japan (DPJ) government during 2009–2012, and the emergence of the conservative political parties ahead of House of Representatives election in December 2012—increased the uncertainty and unpredictability in Japan's policy toward China. Second, Japan's political transition led China to misread Japan's intentions and actions, and contributed to its decisions to respond with harsh retaliatory and coercive measures. A domestic consensus in Japan over the disputed islands is needed to break through the bilateral conflict.

THE TRAWLER TRIGGER

On September 7, 2010, a Chinese crawler collided with two Japan Coast Guard (JCG) ships in the waters near the Senkaku/Diaoyu islands, an

incident which erupted in the midst of Japan's ongoing political transition. One year earlier, in August 2009, the DPJ had won a landslide victory against the LDP in the House of Representatives election. Newly appointed Prime Minister Yukio Hatoyama promised a sharp break from the LDP's policies and policymaking processes. In terms of foreign policy, Hatoyama strained Japan's relations with the U.S. by promising to relocate the U.S. Marine Corps Air Station in Futenma outside of the Okinawa prefecture. In addition, Hatoyama's foreign policy also tilted toward China, as he emphasized the building of the East Asian Community and then DPJ Secretary General Ichiro Ozawa took a large delegation to Beijing in December. In terms of policymaking, the Hatoyama government advocated the "politicians-led [*seiji shudo*]" process, and vowed to subordinate the bureaucrats to DPJ politicians. Most consequentially, the Hatoyama administration abolished the Administrative Vice Ministers' meetings, which had brought together top bureaucratic officials and played an important role in policy coordination. Facing increasing criticisms of his handling of the Futenma issue and Ozawa's political funding scandal, Hatoyama resigned in June 2010. At the time of the crawler collision incident, Prime Minister Naoto Kan had been in power for only three months.

The collision incident was unprecedented, marking the first time a Chinese ship defied JCG's warnings and collided with its ships in the waters near the Senkaku/Diaoyu islands.¹ Until then, Chinese fishing boats typically left the waters in and around the islands after being warned by JCG ships. When past activists from Taiwan, Hong Kong, and mainland China landed on the islands, the Japanese government swiftly returned them, as cases of forced repatriation. From the Kan government's perspective, an unprecedented incident warranted an unprecedented response. It arrested and detained the crawler captain, Zhan Qixiong, on the charge of "obstruction in the execution of public duty [*koumu shikkou bougai*]." As Kan faced Ozawa in the DPJ presidential election in one week, he delegated this matter to Chief Cabinet Secretary (CCS), Yoshito Sengoku, and the Minister of Land, Infrastructure, Transport and Tourism (MLIT), Seiji Maehara. Sengoku and Maehara repeatedly stated their intent to "solemnly handle this matter according to the domestic law [*shukushuku to kokunaihou wo tekiyou suru*]," and that "there is no territorial problem [*ryodo mondai wa*

sonzai shinai].” Such a language left little room for political discretion in managing the crisis in the overall context of Japan-China relations. In addition, the Hatoyama government’s abolition of the Administrative Vice Ministers’ meetings hampered inter-ministerial coordination and marginalized Japan’s Ministry of Foreign Affairs (MOFA). Finally, while the Kan government emphasized the “politicians-led” process, it assigned considerable responsibility to the Naha District Public Prosecutors Office in handling Zhan’s detention.

The DPJ government’s legalistic approach and the prolonged detention of Zhan surprised and infuriated the Chinese government. Given the record of the Hatoyama administration, the Chinese government appears to have expected the Kan government to be sympathetic to its position and release Zhan after a few days. Instead, China realized that Sengoku and Maehara’s politician-led and legalistic approaches made it inflexible and unpredictable. The crisis took a dramatic turn on September 19, when the Naha District Public Prosecutors Office extended Zhang’s detention for ten more days. In response, the Chinese government imposed a series of coercive measures, which included the embargo of rare earth metals exports to Japan; arrest of four Japanese employees of the Fujita Corporation for entering a military zone without authorization; and cancellations of cultural and exchange programs. On September 24, the Naha District Public Prosecutors Office announced its decision to release Zhan, citing his detention’s negative impact on the overall Japan-China relations. While Kan denied any political interference, the decision exposed the DPJ government’s contradictions in advocating the “politicians-led” approach while compelling the Naha District Public Prosecutors Office to make a legal decision with big diplomatic impact. Even after Zhan’s release, the dispute continued as China demanded an apology and compensation from Japan, anti-Japanese protests in China erupted in October, and a video of the collision was released on YouTube by a Japan Coast Guard navigator unconnected to the incident. The DPJ government’s “politicians-led” and legalistic approaches were an important factor which contributed to China’s crisis escalation during the crawler collision incident in 2010.

“NATIONALIZATION” OF THE ISLANDS IN 2012

The Japanese government's purchase of the disputed islands in 2012 was also shaped by the developments in Japanese democracy.² Kunioki Kurihara, the owner of three out of the five islands, reportedly had a debt of over 4 billion yen, and was determined to sell them before the expiration of his lease to the government in March 2013. He distrusted the left-leaning Democratic Part of Japan (DPJ) government, and was introduced to Tokyo Governor Shintaro Ishihara through a House of Councilor (upper house) member, Akiko Santo. Ishihara is a well-known nationalist, and had begun to raise his national political profile by supporting the founding of the Sunrise Party of Japan in 2010. In April 2012, Ishihara announced that his Tokyo government would purchase the islands, and began collecting private donations. Having gained national attention, Ishihara resigned his Tokyo Governor post in October, only 18 months after he began his fourth term. In November, Ishihara's Sunrise Party merged with the Japan Restoration Party, led by Osaka mayor Toru Hashimoto, with the intent to lead the “third pole” in the upcoming House of Representatives election. The politicization of the Senkaku/Diaoyu islands dispute was tied closely to Ishihara's national political ambition and his efforts to discredit the incumbent DPJ government.

Ishihara's announcement posed a major political challenge for Prime Minister Yoshihiko Noda. If the Tokyo government purchased the islands, Ishihara might have built installations and promoted the use of the islands. While Noda belonged to the same party as Hatoyama and Kan, his political instincts were conservative and he disliked being attacked by Ishihara and rightwing nationalists. In addition, DPJ incumbents feared that the LDP and other conservative political parties would attack them for failing to defend Japan's territories in the upcoming election campaign. After consulting with his foreign policy advisor, Akihisa Nagashima, Noda instructed officials to start negotiating with Kurihara to have the central government purchase the islands. Noda revealed the government's intent to purchase the islands on July 7, which was the 75th anniversary of the Marco Polo Bridge incident and was deeply problematic in the overall context of Japan-China relations. On September 11,

Noda announced the completion of the government's purchase with the whopping price of 2.05 billion yen. The Noda government maintained that this was a commercial transaction which changed ownership from private to public hands, and did not change the status quo. It also justified its decision on the grounds that the central government would manage the islands issue more responsibly than Governor Ishihara. Finally, Noda reasoned that he wanted to complete the purchase prior to the start of the next Chinese administration, led by Xi Jinping.

Noda's decision to have Japan's central government purchase the islands drew fierce criticisms from China's leaders, and led to popular violence against Japanese businesses and factories. The Chinese government maintained that the "nationalization" of the islands strengthened the Japanese government's control over the islands, and would fundamentally change the status quo. At the Asia Pacific Economic Cooperation (APEC) summit in Vladivostok on September 9, President Hu Jintao told Noda that Japan's decision to purchase the islands was "illegal" and "invalid." Noda's announcement of the completion of the purchase was made two days after Hu's remarks, and it was perceived as insensitive and insulting in China. In addition, the 2012 crisis took place in the context of China's domestic leadership transition prior to the 18th National Congress of the Communist Party of China later in the fall. On September 15 and 16, estimated 1.5 million protested in over 100 Chinese cities against Japan's decision. The following weeks also saw cancellation of the 40th anniversary ceremony of Japan-China relations in People's Great Hall, further boycotts and destruction of Japanese businesses, and a major decline in bilateral trade and tourism.

Since last fall, China has intensified its coercive and military pressure on Japan in the maritime and airspace in the East China Sea.³ The China Maritime Surveillance (CMS; *Haijian*) and Fishery Law Enforcement Command (FLEC; *Yuzheng*) have increased their presence in and around the waters of the Senkaku/Diaoyu islands. On December 13, 2012, CMS's aircraft entered Japan's air space around the islands for the first time. On January 10, 2013, China's and Japan's military fighter jets scrambled against one another in the airspace near the islands. And in early February, the Japanese government revealed that China's naval ships had locked their weapon-targeting radar twice in the East China Sea, on

Japan's naval helicopter (on January 19) and a naval destroyer (on January 30). From the perspective of Japanese officials and analysts, China's current strategy is to regularize and normalize its maritime and air presence around the islands, demonstrate that Japan no longer exercises effective administrative control, and test Japan's coast guard and military officials in crisis situations.

CONCLUSION

In light of Japan's domestic politics, what are the policy prescriptions for depoliticizing, demilitarizing, and deescalating the current crisis over the Senkaku/Diaoyu islands? The single most important step would be to develop an inter-party political consensus on the policy toward islands. Noda's argument about the central government's responsible management of the islands is credible only if subsequent administrations keep the same commitment to leave them untouched and uninhabited. Building a harbor or stationing public officials on the islands—as suggested by the current Prime Minister Shinzo Abe and his Liberal Democratic Party—will validate China's criticisms and will further escalate the conflict.

Secondly, the Japanese government should propose a diplomatic settlement with China, in exchange for gradually reducing China's military presence in and around the islands and promoting economic cooperation in the East China Sea. The Japanese government can insist that the islands are Japan's territory, and still acknowledge the existence of China's position that they are China's territory. Such a settlement—which is explained in detail in the Arai and Zheng paper in this volume—would also enable Japan to test China's willingness to demilitarize and deescalate the islands dispute.

Third, when confronted by China's presence in its airspace and territorial waters, Japan's Self-Defense Forces and Coast Guard officials must never fire the first shot. That would enable China to blame Japan for crisis escalation and further escalate the current conflict.

Japan and China must also make an effort to increase communication between its civilian and military forces. In May 2012, a bilateral maritime consultation took place in Hangzhou, which involved officials from the

two countries' foreign and defense ministries and maritime agencies. The second meeting has been suspended, and must be restarted in order to minimize the outbreak of violence.

Finally, Japan's political leaders must make every effort not to reignite its "history problem" with China, which would hinder conflict resolution over the Senkaku/Diaoyu islands. Abe recently indicated his intent to re-examine the Kono statement in 1993, which acknowledged the wartime Japanese government's responsibility in the recruitment and stationing of the "comfort women." In addition, Abe may decide to visit the Yasukuni Shrine, given his nationalist political instincts and regret for not doing so in his first term.⁴ If Abe can stay in power for longer than his predecessors, he must choose to resist the pressure and temptation to advance his revisionist view of Japan's imperial past. As the architect of the "mutually beneficial, strategic relationship" with China in his first term, Abe has the political opportunity to delink the islands dispute with Japan's "history problem." Abe's political choice on the "history problem" will shape Japan's capacity to reconstruct Japan-China relations in the long run.

NOTES

1. The following account on the 2010 incident is based on: Hiroyuki Akita, *Nihon Keizai Shimbun*, September 28, 2010; *Asahi Shimbun*, September 30, 2010; Atsushi Ijuin, *Nihon Keizai Shimbun*, October 1, 2010; *Nihon Keizai Shimbun*, October 6, 2010; Yoichi Kato, *Asahi Shimbun*, October 6, 2010; "Nicchu 'Senkaku Mitsuyaku' Atta." *AERA*, October 25, 2010; and comments by Jiro Ono, former Secretary to Prime Minister Koizumi and House of Councilor member in *Nihon Keizai Shimbun*, November 11, 2010.
2. The following account of the Japanese government's purchase of the islands in 2012 is based on: *Yomiuri Shimbun*, April 18, 2012; July 7, 2012; July 8 (morning and evening editions), 2012; and *Asahi Shimbun*, September 26, 2012.
3. The following account is based on Hiroyuki Akita, *Nihon Keizai Shimbun*, November 10, 2012, and January 18, 2013; *Asahi Shimbun*, February 6 and 7, 2013; and *Nihon Keizai Shimbun*, February 6 and 7, 2013.
4. See Abe's interview in *Nihon Keizai Shimbun*, October 28, 2010.