

China and Japan: A Façade of Friendship

China and Japan are balanced on a razor's edge between closer cooperation and dangerous rivalry. In September 2002, the two countries celebrated the thirtieth anniversary of the sudden normalization of their bilateral relations. Normalization was the first pillar, followed by the Treaty of Peace and Friendship in 1978, as friendship became the mantra of leaders on both sides. If current trends continue, peace is likely to hold, but friendship may no longer be tenable.

As each undergoes political, social, economic, and strategic transformations, relations between Japan and China will inevitably continue to erode. Each of these dimensions contains some positive elements, but the dominating trend in all four areas is cause for concern. In the previous issue of this journal, Robert Sutter argued, "A comprehensive assessment of Sino-Japanese relations fairly quickly gets beyond expressions of angst and signs of friction to focus on strong and often growing areas of mutual interest."¹ This article argues the contrary: intensifying rivalry is crowding out the positive aspects of bilateral ties. Much more needs to be done to ensure that the relationship does not deteriorate further, as today's international community cannot rely on the corrective mechanism of friendship diplomacy that worked in the past.

Contemporary Chinese and Japanese political figures who rely on the friendship diplomacy framework are more likely to hurt the relationship by preserving a mirage of good relations and preventing new, necessary adjustments from being made that might address the sources of tensions and stabilize relations over time. A review of Sino-Japanese political relations over the past decade reveals that many of the tension-provoking issues between Chinese and Japanese leaders have largely remained the same. Previous ef-

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forts to preserve the friendship framework have accomplished no more than a façade of friendship and further fueled underlying animosities. Today, Japanese leaders are more willing to stand up to the Chinese than those former leaders with stronger ties to Beijing.

Sweeping Tensions under the Friendship Rug

Stronger warning signals have emerged in Japanese political circles and popular opinion than they have in China, but shifts on both sides indicate that change—more likely, for the worse—is building. One major factor behind the shift in attitudes in Tokyo is the passing of those who had built the friendship ties with China.

The prime minister at the time of normalization, Kakuei Tanaka (in office from 1972–1974), built a network of informal contacts with Chinese leaders, which he used to continue managing the relationship from behind the scenes after he left office. Tanaka's successor as head of the largest faction in the ruling Liberal Democratic Party (LDP), Noboru Takeshita (1987–1989), then inherited the pipe to China and remained influential even after he left the prime minister's office until his death in 2000. Most other senior figures of the ruling party who had helped foster friendship ties both before and after normalization have passed away, leaving only a few vocal advocates of compromise. Hiromu Nonaka, the most prominent of these supporters, has worked to defend China's interests as an influential member of the LDP's largest faction, which has the strongest ties to the Chinese. Nonaka is old, however, and his heir apparent, Makoto Koga, lacks Nonaka's power and connections.

The Chinese have historically felt free to express dissatisfaction with Japan. The Japanese, however, have been increasingly resistant to Chinese complaints since the 1995 Chinese nuclear tests, which were carried out despite strong Japanese pressure to avoid testing, offended Japan's sensitivities about nuclear issues and the emotional debate that same year over how to commemorate the fiftieth anniversary of the end of World War II.

Since 1995, relations have only continued to deteriorate. In March 1996, China fired ballistic missiles near Taiwan to intimidate island voters prior to the first-ever popular election of the president of the Republic of China. Japan joined the United States in condemning China's missile diplomacy, which put a more anti-China gloss on the April 1996 Joint Declaration between Prime Minister Ryutaro Hashimoto and President Bill Clinton. Then, in August 1996, Hashimoto visited the Yasukuni shrine—the first time a prime minister worshiped there since Yasuhiro Nakasone provoked a bitter controversy with his 1986 visit—heightening Chinese concerns about increasing Japanese self-assertiveness.

To resolve difficulties associated with the worst year since normalization in time to celebrate the twenty-fifth anniversary in 1997, Hashimoto resurrected the friendship network with China. During his 1997 China visit, he went to Shenyang, the former capital of the World War II Japanese puppet state of Manchuria, where he toured a museum about Japan's atrocious wartime acts. At the Asia Pacific Economic Cooperation (APEC) summit in Manila later that fall, Hashimoto and Chinese president Jiang Zemin put bilateral ties back on the friendship track, agreeing both on Chinese defense minister Chi Haotian's visit to Japan in February 1998 and on Jiang's visit in November 1998 to celebrate the twentieth anniversary of the Peace and Friendship Treaty.

Hashimoto's successor, Keizo Obuchi, (1998–2000) stood more firmly than his predecessors against China. Obuchi refused to concede to Chinese demands that Jiang's historic visit in November 1998 be rewarded with a statement on Taiwan similar to the one Clinton gave during his trip to China in June 1998 or with a written apology for historical wrongs. Angered by Japan's stubbornness, the Chinese leader was didactic and dogmatic about Japan's historical record of aggression during his visit. Whether Jiang really expected his stance to be effective as a diplomatic card is unclear—this tactic had certainly worked before, especially during the 1980s—but the Japanese political environment had changed drastically since the collapse of the Japan Socialist Party in 1993.

China's Japan-watchers should have known that such a heavy-handed stance would outrage the Japanese in the new political environment. His insulated Japan specialists may have possibly been deluded by their friendship partners in Tokyo; alternatively, expectations for unachievable Japanese concessions on Taiwan or history remembrance might have been raised so high that Jiang had no choice but to give the Chinese public the impression that the failure was Japan's fault. If not obvious before the summit, however, China clearly understood afterward that its attitude would have to change to preserve the friendship diplomacy architecture and keep Japanese money flowing in (Japan is the largest donor to China and a major source of foreign direct investment), especially as the 1997–1998 financial crisis began to spread throughout Asia.

Japan is no longer consumed by penitence over its history.

The Unraveling Framework Today

Even as China and Japan continue to celebrate the achievements of the friendship framework, structural and generational changes in both countries

are spinning new social threads and political dynamics that collectively threaten the school of thought behind it. One of those dynamics is the emergence of a new Japanese political generation. Its most powerful representative, Prime Minister Junichiro Koizumi, has been an adamant proponent of a more patriotic Japan. His stances on Taiwan history and security policy provide evidence that Koizumi is ready and willing to offend the Chinese if necessary.

Public support for Taiwan has always had many sources in Japan, ranging from democratic solidarity to cultural affinity. The difference from past occasions is that Koizumi seems willing to act on that support. Former president Lee Teng-hui, for example, recently obtained a visa to visit Japan for medical treatment in April 2001, generating diplomatic complaints from Beijing. The

applause President George W. Bush received after mentioning defense for Taiwan at a February 2002 address to the Japanese Diet is additional evidence that this support extends well beyond the prime minister.

Koizumi has also visited the Yasukuni shrine twice (in August 2001 and April 2002) to pay homage to those who gave their lives for the nation during World War II, including several who were convicted as Class A war criminals and executed by the Allies

after Japan's defeat. China has regarded Japanese leaders' visits to the shrine as an affront that hurts the feelings of the Chinese people and in response has canceled certain cooperative ventures with Japan, such as military confidence-building measures.

Overall, Japanese public opinion polls reflect a steady increase in support for Koizumi's willingness to challenge China. A recent public opinion poll conducted by Japan's widest-read daily revealed that only 37.3 percent of respondents believe the People's Republic of China (PRC) can be trusted—a response dropping below 50 percent for the first time.² In Japan, agitated reporting about Chinese military modernization, maritime exploration in disputed waters, and anti-Japanese education in Chinese schools, combined with concerns over Chinese criminals as well as illegal workers operating in Japan, have collectively produced a tinderbox of irritation. Any other minor provocation—the likelihood of which seems quite probable in light of the longevity of certain contentious issues and this new impulse for insult—could inflame Japanese opinion even further.

Outright anti-China sentiment has become increasingly mainstream among Japanese politicians. Japanese leaders are increasingly likely to back Taiwan, pay tribute at the Yasukuni shrine, and call for a sterner approach toward China, including further cuts in aid.

An end to good economic times could lead China to search for a scapegoat next door.

On the other side of the relationship, popular attitudes in China are vehemently anti-Japanese. With a growing need to appease public sentiment, the PRC government has been forced to take a strong stand against historical revisionism in Japan. For example, the Japanese government's textbook screening process approved a revisionist history text for use in middle schools, leading China to protest diplomatically, even though only a minuscule percentage of schools is using the textbook. In fact, China probably made the book more popular by complaining about it.

The number of people-to-people contacts between the Chinese and Japanese has increased tremendously over the three decades since normalization. Unfortunately, expectations of honest and sincere communication have not been met. Chinese students often find Japan cold and unfriendly, while many Japanese think China is dirty and dangerous.³ The premise that contact breeds affection among people has not yet been proven.

Along with these public trends, political tensions run deep. Zemin's ill feelings toward Japan were more than apparent during his disastrous 1998 visit. What is not nearly as clear is how much Jiang's attitude will matter after his retirement from the presidency and resignation from his position as Communist Party general secretary this fall. Will he use whatever influence he retains to pressure new leaders to be tough on Japan?

There is reason to believe that the next generation in China might be more favorable to Japan. Unlike previous generations, younger Chinese people are more familiar with Japan mainly through their experience with automobiles, electronics, and comic books. In spite of the ongoing anti-Japanese bias in education, this generation did not experience and is less conscious of the historical harm Japan caused. On the other hand, since Beijing does not publicize existing Japanese aid to China, many are unaware that Japan has taken measures to make amends for the past.

How China's rising fourth-generation leaders feel about Japan is equally ambiguous. It is fairly certain, however, that Chinese leaders will continue to stress nationalism to maintain the legitimacy of the regime and will increasingly rely on populist tactics as the middle class expands and demands greater responsiveness and accountability from the Chinese government.

Dueling National Identities

Along with the transition in governance, China is transforming its economy through a new phase of industrialization and modernization, with market capitalism creating new opportunities as well as internal strains. China is gaining strength, and the Chinese people know it; even as the nation remains poor and underdeveloped as a whole, the pace of growth and the pen-

etration of new technology are helping to build new confidence. Cell-phone users in China now outnumber U.S. users, and millions of city dwellers are as Internet savvy as their Western counterparts.

Traditional pride in Chinese civilization and especially its strides toward modernization encourage Chinese citizens to seek to fulfill their global responsibilities as a great power. They recognize the benefits of belonging to the global order and have every intention of buttressing the country's standing internationally. On the other hand, this national pride in all that China has accomplished and hopes to accomplish in the future could lead it to weigh its own special interests disproportionately. Assertive Chinese national pride could prevent conciliatory approaches in China's policies and

posture toward Japan that might foster more positive attitudes among the Japanese, creating a vicious cycle. Nationalism could even lead to high-handed attempts to supplant Japan in the region or to dominate Japan itself.

Japan's identity and expectations for its future confront an entirely distinct situation; although it suffers in its transition to a postindustrial economy, which has been dragging along for a decade, the younger generation particularly remains confident

Rivalry for regional leadership is increasingly leaving China confident and Japan irritated.

in Japan's democratic, nonmilitarist character. Economically, a decade of stagnation has wounded Japanese nationalism while the nation's decline in regional and global affairs has increasingly frustrated the Japanese public. While afraid of slipping even further, the Japanese are wary of Chinese ascension. Japan resents Chinese initiatives to form a free-trade area with the Association of Southeast Asian Nations (ASEAN)—a move that Tokyo perceives as a threat to its own central role, in which Japanese investment and trade relations are the key to forming a dynamic regional economy.

On the other hand, Japan's basic security posture—rejection of military power as a tool in international politics—is more than just strategy for Japan; it is rooted in its history, particularly in its experience of devastating defeat in World War II. This central part of Japan's national identity is a key component of the friendship paradigm in Sino-Japanese relations: the Japan that China befriended was penitent over the war and basically distrustful of itself. By now, Japan has distanced itself from the militarist era and believes it can begin to use its military, if it chooses, with democratic legitimacy. This transformation is the core of the contemporary strain that history causes China and Japan: when China scolds Japan about its behavior in the past, Japan is no longer consumed by contrition but is confident that it is in a different place now.

An enhanced affinity for democracy plays a central role in Japanese sympathy for Taiwan, further complicating the Taiwan factor in Sino-Japanese relations. As noted earlier, Taiwan has special meaning for the Japanese. Common political and economic systems, joint support for the regional and global leadership of the United States, and shared values and interests as maritime trading states all reinforce the relationship. Increasingly, a shared sense of threat from China—notably from its ballistic missiles—provides a strategic bond as well. For average Japanese citizens, however, the most powerful aspect of the Taiwan-Japan relationship stems from a feeling that the Taiwanese are quite similar to them. The Japanese share this common sense of identity, relatively unmarred by any kind of bitterness over conflict in the past, with no other people. The increasing connection between the Taiwanese and Japanese societies inevitably implicates Japan in cross-strait relations, inflaming Chinese attitudes against Japan.

This new confidence among the Japanese in their nation's capacity for, and commitment to, democracy has also influenced Japanese attitudes toward China more broadly. Japan once acted on the premise that economic ties alone could provide the glue for bilateral harmony. That framework is now shifting to political grounds because many Japanese contend that, until democracy is firmly established in China, they have no sound basis for trusting the Chinese.⁴

Trade Is Not Enough

Economic interdependence has long been expected to solve problems in Sino-Japanese relations. Although the profit motive provides an incentive for businesses to pressure their governments to settle differences, rapidly growing trade relations produce their own set of problems. Just as Japan's inroads into the Chinese market in the mid-1980s provoked public backlash, with Chinese students dubbing the lack of balance in trade "Japan's second invasion," China's growing presence in Japan has more recently generated angry complaints and friction.⁵ Differential growth rates raise concerns about the relative benefits of trade, especially when associated with shifts in industrial production. The Japanese fear that the competition caused by cheap labor in China will hollow out Japan's industrial core.

Japanese investment continues to flow into China, and many businesses have shifted their production from Japan or even from Southeast Asia to China. Some Japanese firms move to China because they feel they have no choice, given the tremendous cost differential, yet find themselves discriminated against in China, mitigating the advantages of cheap labor. Trade officials and diplomats are hoping that China's entry into the World Trade

Organization will provide an effective mechanism for resolving or even preventing such problems, but significant difficulties remain.

In the past, China has voiced frustration over the slow pace of investment and technology transfer by Japan to China, but Chinese officials and businesspeople seem to recognize that bilateral economic relations with Japan are currently about as good as they can get, given the dire state of the Japanese economy, and have stopped complaining. Beijing fears that Tokyo might slow the pace of foreign direct investment and limit the official developmental

assistance Japan provides. Rather than demand more, China is looking to protect what it has now, insisting on maintaining unfettered access to Japan's market. In addition, China wants the flow of official developmental assistance to continue to help it cope with the huge challenge of modernizing the hinterland. Japan, on the other hand, wants a better deal.

Japan can no longer treat China as an economically backward country.

Most analysts agree that China needs continued high levels of economic growth to

manage the social costs of the tremendously challenging transition in the state-owned and agricultural sectors of the country. The gap between winners and losers is widening; rising unemployment threatens social stability while those working in factories fall behind the entrepreneurs and growing middle class. Pensions are minuscule, and the social safety net is not worth mentioning. Implementation of the one-child policy in 1979 has resulted in fewer young workers to care for elder, retired generations. China will be the first nation to become gray before it becomes rich.

China's ability to monitor its citizens—once a powerful tool of the Communist Party—is withering away. The embarrassment of the Falun Gong's mobilizing activities against the government (such as large-scale demonstrations and disruption of the broadcast of government television) are dangerous, in part, because they reveal how feeble state control has become. For now, most Chinese recognize that they are much better off with a government than without one so they tolerate party rule, but true popular support for the government is lacking.

Should the global economy fall into recession in 2003, sustaining the growth rate of 7–8 percent required for social stability would become nearly impossible for the Chinese government. What measures might China's rulers take to preserve their power in the face of such challenges? Needless to say, the potential for jingoistic posturing and reliance on traditional xenophobia and anti-Japanese sentiment are definite possibilities.

Economic issues often provide common interests in bilateral relations so that both nations can work cooperatively to their mutual benefit. Gains

from trade are real, and increases in Chinese productivity can mean a better life and greater purchasing power for the population. But there are dangerous aspects as well. The greater concern is that good times will come to an end and the Chinese will experience great disappointment—great enough to anger them into searching for a scapegoat. If the Chinese people find that scapegoat just next door, with a little help from a regime desperate to retain the little power it has left, the current problems affecting the Sino-Japanese relationship could become explosive. Trade friction could escalate, disputes over intellectual property rights could erupt, and competitive devaluation of currencies could disrupt economic stability.

Strategic Rivalry and Security Tensions

Despite Japan's economic difficulties, China's strategic challenge is Tokyo's most pressing concern, according to officials in the Foreign Ministry; the Ministry of Economy, Trade, and Industry; and the Japan Defense Agency (JDA). As the two big fish in a small pond, Japan's and China's rivalry for regional leadership is increasingly leaving China confident and Japan irritated.

The Taiwan situation is still the most dangerous element in regional security—the one factor that could easily and quickly lead to a major power conflict. Japan has echoed the Bush administration's strong yet careful defense of Taiwan in somewhat clearer language:

China must not try to prevent Japan from exercising political influence and leadership.

Japan would allow use of U.S. bases on Japanese land for Taiwan's defense. Japanese officials still express concerns about the difficulty Japan would face if forced to make a choice between preserving the U.S.-Japanese alliance or maintaining friendly relations with China. Recently, however, the principal Japanese complaint has not been how difficult the choice would be, but how difficult it would be to repair Sino-Japanese relations.⁶ In other words, the choice is clear, even if it remains a choice that Japan does not want to make.

JDA officials tend to see the rivalry with China in broader geographic terms as well. Japan's effort to engage in peacekeeping operations in Southeast Asia—especially its current operation in East Timor—is part of a plan to fill the strategic vacuum in the region and prevent China from exercising increased influence. Japan's defense exchanges and security dialogues with Vietnam and India frequently touch on this point. Tokyo frequently complains about Chinese inroads into Burma and Vietnam and worry that the economic center of gravity for the region could shift to China. On the

Korean peninsula, Japan and China share a common interest in preserving stability and promoting reform in the North; still, the two show signs of rivalry, each trying to ensure that their interests are protected regardless of the direction of North-South relations.

Development and use of ballistic missiles and missile defense have also been divisive issues in the Sino-Japanese relationship. Chinese complaints about Japanese participation in missile defense research with the United States pro-

voked greater Japanese concern about China's capabilities and intentions toward Japan, especially the deployment of DF-21 intermediate-range ballistic missiles.

China's expansion of its military capabilities in advanced air and naval systems is a significant concern to Tokyo. Japanese planners see these assets as well suited to strangling Japan's vital shipping lanes. Maritime Self-Defense Force strategists are particularly worried about Chinese submarines, noting the advanced technology of the Russian Kilo-class submarines that the People's Liberation Army (PLA) navy has acquired. The PLA air force will also become more capable over time, as it integrates the fourth generation of Russian fighter jets, Sukhoi-27s and Sukhoi-30s. China is also improving its cruise missiles, which could soon present a major threat to Japan.

Substantial efforts to mitigate the security tensions in the bilateral relationship are under way, and numerous shared interests provide some mutual accommodation. Now that China is, like Japan, a major importer of oil from the Middle East, both countries share a desire to maintain open sea-lanes and to prevent piracy. China and Japan are allies in the war against terrorism, and they share interests in activities such as search and rescue missions, humanitarian and disaster relief, and peacekeeping.

Yet, efforts to build confidence between the two continue to encounter major obstacles. China's defense policies and capabilities remain nontransparent. China canceled a long-promised port call and held up an exchange between defense ministers over Koizumi's visit to the Yasukuni shrine in the spring of 2002. The two sides are not working fast enough to build closer ties amid increasing mutual suspicion and hostility.

The United States can play a vital role by respecting the interests and sensibilities of both sides, by considering China's perspective when working with Japan to strengthen and expand the U.S.-Japanese alliance, and by involving Japan when planning for future strategic relations with China. In particular, the U.S. government must be careful not to defer to China because it is a nuclear power or to obsess over the United Nations Security Council veto that Beijing can wield. Washington should preserve regional stability by maintaining military supremacy, but deterrence alone will not suffice. The United

**Faking a
friendship is
frustrating.**

States needs a strategy to integrate both Japan and China as supporters of regional as well as global stability. Promoting better security relations between Japan and China should be a top priority in U.S. policy toward Asia, in part by expanding the ambit of cooperation with both nations.

The United States can contribute to the smooth transition to a mature and healthy relationship between Asia's two giants in other ways as well, especially by restoring global economic growth and strengthening the global free-trade regime. Although the United States must be careful to remain humble about its political structures and institutions, the values and principles of a free society can serve as a powerful example to Japan and China. Tolerance of diversity, competitive politics, and perhaps most of all the willingness to admit and learn from mistakes characterize the United States; the two Asian nations would do well to emulate such traits.

Handle with Care

Over the past three decades, Japan and China have repeatedly declared that they are entering a new era of bilateral relations. For Japan, the use of such language reflected hopes of leaving the past behind, but Japanese expectations were never realized because the Chinese repeatedly dwelled on the past. Even during Beijing's celebration of the thirtieth anniversary of normalization, Qian Qichen, China's vice-premier and former foreign minister, lectured his 6,000 Japanese guests on the importance of reflecting on history, indicating that China is "willing to further enlarge and deepen the friendly exchanges and cooperation *in this spirit*."⁷ In other words, Japan must accept China's definition of the correct interpretation of the past. China has given no indication thus far that, within the framework of friendship diplomacy, it will stop demanding contrition and penitence from the Japanese, but the Japanese have indicated their increasing unwillingness to give it to them.

The tensions in Sino-Japanese relations are growing, and the cracks in the framework that has held the two sides together for the past thirty years are more apparent than ever, in the face of public anger, economic transition, and national reidentification. Stressing the positive can, of course, help ameliorate some of the more worrisome popular perceptions, but what is really needed is a new framework that reassures both sides of the abundance of prosperity and international status for each as they struggle to cope with a more balanced relationship.

The most important steps to take are not simply away from the worn-out framework of friendship diplomacy but toward a new model of relations, a new paradigm based on recognition of the changes that have taken place since the 1970s. Japan can no longer treat China as an economically

backward country but must acknowledge its astounding success in economic development. China must not try to prevent Japan from exercising political influence and leadership. More profoundly, China and Japan must hold themselves and each other to the same standard of global responsibility. Japan's unfortunate history of aggression can no longer be an excuse for Tokyo to avoid the burdens of maintaining international peace and stability, nor for Beijing to howl in protest against an expanding Japanese military role. Japan deserves credit for its stable democratic politics, its prosperous

and free society, and its contributions to international welfare. China also deserves credit for continuing to make progress in economic and political reform and for its positive role as a member of the international community.

The two neighbors must engage one another honestly and frankly, with no illusions of friendship but with a willingness to build a new framework of cooperation based on plentiful common national inter-

ests—from economic growth and environmental protection to nonproliferation and the prevention of terrorism. Competition, differences, and friction will continue to exist, just as in ordinary bilateral relationships around the world. Once the frustration of faking a friendship is eased, however, developing new, more realistic, sound ties will be possible.

A new framework based on common interests, not friendship diplomacy, is needed.

Notes

1. Robert Sutter, "China and Japan: Trouble Ahead?" *The Washington Quarterly* 25, no. 4 (autumn 2002): 39.
2. *Yomiuri Shimbun*, September 11, 2002, p. 34.
3. Interviews with author in Japan and China, 1998, 2000, and 2002.
4. Japanese diplomats and journalists, interviews with author, Tokyo and Washington, D.C., 1998.
5. Allen Whiting, *China Eyes Japan* (Berkeley: University of California Press, 1989).
6. Diet members and Japanese diplomats and defense officials, interviews with author, Tokyo, 1998 and 2002.
7. "6,000 Japanese Hosted in Beijing," *Japan Times*, September 23, 2002 (emphasis added).