

New Relations between China and Japan: A Gloomy, Frail Rivalry

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Introduction

For three weeks during April 2005 such large cities as Shanghai and Beijing became scenes of violent anti-Japanese demonstrations staged by mainly young people attracted to them by information sent via such media as the Internet and cell phones.

The Chinese government turned a blind eye to the protests at first, but eventually intervened with strong-arm methods to quell a series of disturbances that mark the lowest ebb reached in Sino-Japanese relations since the normalization of diplomatic relations in 1972.

In contrast to such political upheaval, 21st century East Asia as a whole has been tending more and more towards cooperation and the development of a de facto regional integration, on the strength of close, interdependence economic relations that have developed among its countries. This is why the political trouble that is occurring between the two most powerful members who should be forming the nucleus of cooperation in the region is a cause for uneasiness in terms of both security and prosperity.

Although the event that directly triggered the demonstrations was Japanese Prime Minister Koizumi's rejection of Chinese government demands that he put a stop to his yearly visits to worship Japan's war dead (including internationally convicted A-class war criminals) at Shinto ceremonies held at Yasukuni Shrine, the root causes are far more serious, since they are attributable to the structural changes taking place in Sino-Japanese relations and the

change taking place in the balance of power in East Asia due to China's economic and military emergence.

In my opinion, Sino-Japanese relations have gone through four distinct phases since normalization in 1972.

Phase 1, during the 1970s, was characterized by a tone of friendship, albeit in differing degrees, which gave birth to rough expectations about the development of new relations between the two countries. It was a time in which China was deeply concerned about strategic affairs and Japan responded positively to them, creating an era of “strategic friendship.”

The period was marked by the fall of the Deng Xiaoping regime, the death of Mao Zedong, the arrest and trial of the “Gang of Four,” and continuing turmoil within Communist Party ranks at the Central Working Conference convened by Deng Xiaoping, Ye Jianying and Chen Yun at the end of 1978, extending to the 11th Central Committee of the Chinese Communist Party (CCP). It was also a time of the conclusion of a Peace and Friendship Treaty after the addition of an anti-hegemony article directed at the Soviet Union was cleared with Japan.

Phase 2, spanning the 1980s and early 90s, saw China's efforts at reform and open-up policy supported by Japan in the spirit of the China's “modernization.” While we cannot ignore the economic troubles stemming from China's balance of payments deficit, the Japanese textbook controversy and litigation between the Nationalists and Communists governments over the rights to a Chinese-owned dormitory “Koukaryo” in Kyoto, Japan and China both recognized the structure of “aid-giving country” and “aid-recipient country.”

It was a time when the United States was seeking a “strong, stable China,” and has been called the “golden age” or “honeymoon era” in relations between the three countries.¹

¹ Ezra F. Vogel, Yuan Ming and Tanaka Akihiko eds., *The Golden Age of the US-China-Japan Triangle, 1972-1989*, Harvard Univ. Press, 2002.

Phase 3, from the late 1990s to 2004, was a time of “structural fluctuation,” during which the Cold War ended, Taiwan demanded national independence, the US-Japan security system was restructured and China grew into an economic super power. During this time, the Japanese public began to feel that the “postwar” era of apologizing to China over what had happened in the past had come to an end.

Phase 4, has been ushered in by the recent anti-Japanese demonstrations of April 2005. The perception gap concerning the modern history is widening between the two countries as they enter a relationship of rivalry in both areas of economics and military security within East Asia. The petition opposing a bid by Japan for a permanent seat on the UN Security Council that was circulating during the time of the demonstrations among the world’s overseas Chinese community over the Internet suggests that the rivalry may turn out to be more nasty than friendly in the years to come.

This article aims at reexamining diplomatic normalization between the two countries that took place over thirty years ago, review the decade and a half “honeymoon” that began in the 1980s, analyze the structure of relations as we entered the “era of rivalry” in 2005, and finally offer six proposals about how to rebuild relations between the two countries.

I. The Meaning of Normalization

1. US-China Reconciliation as a Precondition

[Strategic intentions of the US and China] Contact between the United States and China, which began in secret during the spring of 1969, took place while China was feeling a threat from the USSR after Warsaw Pact military troop intervention in the Czechoslovakian “liberalization” movement in August 1968 and a skirmish between Soviet and Chinese border guards at the Ussuri River in March of 1969. It was also a time during which the Nixon Administration was trying to extricate itself from the quagmire it had created in Vietnam.

Then from November 1970, secret US-Chinese talks got

underway in earnest through the mediation of Pakistan President Yahya Kahn, followed by a secret visit to China in July 1971 by then Special Assistant to the President for National Security Affairs, Henry Kissinger, and leading to the world-shaking US-Chinese communiqué that announced Nixon's official visit to China in early 1972.

What the newly inaugurated Nixon expected of China was to get it involved in the Vietnam appeasement process and use improvement in US-Chinese relations as leverage in strategic negotiations with the Soviet Union.

As Nixon's strategist, Kissinger, who believed that the conventional opinion of China in the eyes of US policymakers as a mixed up, reckless, irrelevant country with expansionist desires and crazy ideological views was mistaken, felt that the two countries should search for common interests and that China should be considered not in ideological, but rather geopolitical terms.

He believed that the Nixon administration was embarking on a new era of international relations and that one way of building a new perspective regarding American diplomacy was by making friends with a country inhabited by a quarter of the world's population.²

According to a recently declassified memorandum of a meeting between Nixon, Kissinger and security advisor Alexander Haig held 1 July 1971, before the opening of negotiations with China, they felt that it was necessary to impress on the Chinese that a possible threat from Japan was on the horizon, to instill fear in the Chinese concerning Japanese remilitarization and the Soviet threat, and be as vague as possible on the question of Taiwan.³

² Henry Kissinger, *White House Years*, Weidenfeld & Nicolson and Michael Joseph, 1979.

³ "Memorandum for the President's Files, "Meeting Between President, Dr. Kissinger, and General Haig, July 1, 1971," in National Security Archive Electronic Briefing Book No. 66, William Burr ed., *The Beijing—Washington Back-Channel and Henry Kissinger's Secret Trip to China, September 1970-July 1971*, Feb. 27, 2002.

Concerning China's motivation, among the various opinions posed among Chinese scholars, the Soviet factor, particularly the 1969 border incident, is most often cited. However, there is also the opinion that North Vietnam's ability to overcome initial Chinese opposition and open secret talks with the US in the spring of 1968 had a lot to do with China following suit.⁴

Meanwhile, within the center of the Communist Party, which was controlled by Lin Biao and the "Gang of Four," Zhou Enlai was operating carefully but persistently, as shown by the 8-point report on US-Chinese relations and the questions of Taiwan and Indochina he submitted to a meeting of the Political Bureau of the CC of CCP on 26 May 1971, including :

1. All US military forces and facilities be completely evacuated and removed from Taiwan Province and the Strait of Taiwan vicinity within a fixed timetable.
2. Taiwan is a territory of China and the question of its liberation is a Chinese internal affair closed to foreigners. In particular, Taiwan must be protected from Japanese militarism at all costs.
3. China will cooperate fully in the peaceful liberation of Taiwan, and conduct its Taiwan operations with the greatest care.
4. Unconditional opposition to any movement advocating "two Chinas" or "one China, one Taiwan."
5. Until the above conditions are fully realized, no diplomatic negotiations will take place, but liaison offices can be set up in the two capitals.
6. China will not bring up the question of a PRC seat in the United Nations.⁵

[Major points of Kissinger / Zhou Talks] Kissinger and Zhou met in July and October of 1971 to discuss future relations between the two countries, Taiwan, Indochina, Japan, Korea, India-Pakistan relations, the Soviet Union and what to tell everybody when Nixon's visit China.

⁴ Niu Jun, "Historical Background to Changes in China's US Policy at the End of the 1960s," *Dangdai Zhongguoshi Yanjiu*, No. 1, 2000.

⁵ Shen Zhihua ed., *Zhongsi Guanxi Dangan* (Archives on the Sino-Soviet Relations), Jan. 2000.

Concerning the Taiwan question, Kissinger started out by proposing,

1. Two-thirds of the US forces stationed on Taiwan will be evacuated as soon as the war in Indochina is over. The remaining one-third will be gradually reduced in proportion to the progress made in US-China relations. This is the personal decision of the president that has not been divulged to either Congress or the executive branch.
2. The United States is pushing neither a “two Chinas” nor a “one China, one Taiwan” solution.
3. The US does not support the Taiwanese independence movement.
4. What we do want is a quick solution to our military problems during the president’s present term of office, if the War ends, and solution to political problems during the early part of his second term.

Zhou responded with his own conditions for a breakthrough of Sino-US relations.

1. It must be recognized that the Government of the People’s Republic of China is the sole legitimate government representing the Chinese people.
2. It must be recognized that Taiwan belongs to China; that it is an inalienable part of China which was returned to China after World War II.
3. US does not support a two Chinas or a one China, one Taiwan policy and does not support the so-called Taiwan independence movement.
4. The spokesman of the Department of State no longer reiterates what he said, that the status of Taiwan is undetermined.”⁶

While expressing reservations about a “sole legitimate government,” Kissinger accepted Zhou’s demands and stated that diplomatic talks with China would be possible during the early part of Nixon’s second term.

⁶ “Memcon, Kissinger and Zhou, 10 July 1971 Afternoon,” Document 35, Document 36, in *ibid.*, National Security Archive Electronic Briefing Book No. 66.

Heated debate continued on such issues as whether Taiwan should be excluded from the UN, whether the military alliance treaty between the US and Taiwan should be rescinded and where to compromise on the question of “sole legitimate government.”

In the end, driven by the choice to exclude Taiwan from the UN and allow the People’s Republic a UN seat, Kissinger drafted a joint communiqué stating in effect that the United States would not oppose the idea of one China inclusive of all Chinese people residing on either sides of the Strait of Taiwan.

[Nixon’s Visit to China and the Shanghai Communiqué] In February 1972, when Richard Nixon became the first American president to make a formal visit to China, Mao Zedong was more interested in talking about “philosophy” and left the diplomatic particulars up to Zhou Enlai.⁷

The political discussion that ensued between Nixon-Kissinger and Zhou included such diversified topics as the Taiwan question, the withdrawal of US troops from there, Vietnam, normalization of Sino-US diplomatic relations, releasing information about the Soviet Union, the US security alliance with Japan, Korea, and the India-Pakistan dispute. The result of these tough negotiations is the US-China Shanghai Communiqué.

In the Communiqué, both countries recognized the normalization of diplomatic relations as in their mutual interests and denied that they had any plans for hegemony in the Asia Pacific region.

Then the Chinese side went on to state that 1) the People’s Republic constituted the sole legal government of China, Taiwan is a province of China, 2) all U.S. forces and military installations must be withdrawn from Taiwan and 3) Chinese Government firmly opposes any activities which aim at the creation of “one China, one Taiwan,” “one China, two governments,” “two Chinas,” and “independent Taiwan” or advocate that “the status of Taiwan remains to be determined.”

⁷ “Memcon of Nixon and Mao, 21 February 1972,” in William Burr ed., *The Kissinger Transcripts—The Top-Secret Talks with Beijing & Moscow*, The New Press, New York, 1999.

On the other hand, U.S. side declared: The United States acknowledges that all Chinese on either side of the Taiwan Strait maintain there is but one China and that Taiwan is a part of China. The United States Government does not challenge that position. It reaffirms its interest in a peaceful settlement of the Taiwan question by the Chinese themselves. With this prospect in mind, it affirms the ultimate objective of the withdrawal of all U.S. forces and military installations from Taiwan. In the meantime, it will progressively reduce its forces and military installations on Taiwan as the tension in the area diminishes.⁸

While both countries also agreed on continued contact through liaison offices, etc. to discuss diplomatic normalization, it was not achieved until January 1979, due to such events as Nixon's resignation over the Watergate affair, the political attacks launched on Zhou and Deng by the "Gang of Four", and the deaths of Zhou and Mao.

From these negotiations, it was China who gained the most. Zhou must have breathed a huge sigh of relief when hearing Kissinger's four conditions at the beginning of the talks of July 1971, for according to James Man of the Los Angeles Times, "in short, the discussions of Taiwan on Kissinger's trip were considerably more extensive than Kissinger or Nixon ever wanted to admit. The Nixon administration made many, though not all, of the concessions China had sought."⁹

[US and China strategies towards Japan] In these negotiations between the US and Chinese leaders, it is interesting how freely they were able to talk about their respective images of and strategies toward Japan.

Zhou urged Kissinger of the need to beware of Japan, stating that if the US military forces were to withdraw from Asia, Japan in

⁸ Joint Communiqué Between the People's Republic of China and the United States, 27 Feb. 1972.

⁹ James Man, *Abour Face—A History of America's Curious Relationship with China, From Nixon to Clinton*, Vintage Books, 1998.

its newly found economic prosperity would return to Taiwan and the Korean Peninsula in military regalia, and demanding that Kissinger promise such a scenario would not come about, at least in Taiwan (9 July). Zhou continued,

Thus there is a great possibility that before the U.S. forces have withdrawn from these areas and from Taiwan, armed forces of Japan shall enter. Entry into Taiwan would be possible because Japan and Taiwan still have a treaty, concluded with Chiang Kai-shek – the so-called Peace Treaty, and they are now stressing that fact.¹⁰

Zhou cited Japan's imperial institution as the basis of Japanese militarism, and severely criticized US policy and the strengthening of the US-Japan security agreement as supporting the gradual revival of militarism there. Even in October, during the final stages of drafting the Communiqué, Zhou was adamant about gradual US withdrawal promoting the deployment of Japanese troops to Taiwan.

In response, Kissinger repeated that the presence of US troops was a deterrent ("bottle cap") to Japanese military escalation and that the US-Japan Security Agreement existed for that purpose.

On 9 July, Kissinger told Zhou who arguing the evacuation of US troops from Japan,

In fact, Mr. Prime Minister, from the point of view of the sort of theory which I used to teach in universities, it would make good sense for us to withdraw from Japan, allow Japan to re-arm, and then let Japan and China balance each other off in the Pacific. This is not our policy. A heavily rearmed Japan could easily repeat the policies of the 1930's.¹¹

At Feb. 1972 talks, President Nixon stated,

The Japanese, with their enormously productive economy,

¹⁰ Memcon, Kissinger and Zhou, 10 July 1971, in *ibid.*, National Security Archive Electronic Briefing Book No. 66, *The Beijing—Washington Back-Channel and Henry Kissinger's Secret Trip to China, September 1970- July 1971*, Document 35.

¹¹ "Memcon, Kissinger and Zhou, 9 July 1971," in *ibid.*, National Security Archive Electronic Briefing Book No. 66, *ibid.*, Document 34.

their great natural drive and their memories of the war they lost, could well turn toward building their own defenses in the event that the U.S. guarantee were removed. That's why I say that where Taiwan is concerned, and I would add where Korea is concerned, the U.S. policy is opposed to Japan moving in as the U.S. moves out, but we cannot guarantee that. And if we had no defense arrangement with Japan, we would have no influence where that is concerned...It is our policy to discourage Japan from any military intervention in Korea.....I cannot guarantee it, but we believe we can very strongly influence Japan and our purpose will be to discourage any Japanese adventure against Korea or Taiwan.¹²

On the other hand, both parties held surprisingly similar images of Japan. To Kissinger's comment that in contrast to the universal points of view held by the Chinese in accordance with tradition, Japanese points of view tend to be narrow in scope, Zhou replied, "They're a group of islanders." Kissinger went on to complain;

The Japanese have no sensibility for the attitudes of other people because of this cultural concentration on themselves. I say this because this peculiarity of Japan imposes special responsibilities on all who have to deal with them. You as well as us (22 October 1971).¹³

National characteristics aside, Zhou was being contradictory in his statements about US policy towards Japan: on the one hand, asking the US to pull in the reins on Japan military escalation, while at the same time calling for American withdrawal from the region. Zhou had no doubt put his hopes in a neutral Japan and a peace-loving Japanese people. After the 1971 October talks, a rather ambivalent Kissinger reported to Nixon, "we agree that an

¹² "Memorandum of Conversation, 23 Feb. 1972," in National Security Archive, William Burr ed., *Nixon's Trip to China: Records Now Completely Declassified*, Posted, 11 Dec. 2003, Document 4.

¹³ National Security Archive Electric Briefing Book, No. 70, in *Negotiating U.S.-Chinese Rapprochement, New American and Chinese Documentation Leading up to Nixon's 1972 Trip*, Document 13, 22 Oct. 1971.

expansionist Japan would be dangerous, but we disagree on how to prevent this. Our triangular relationship could prove to be one of our most difficult problems.”¹⁴

The greatest problems for Zhou was on what ideological and strategic basis to decide about normalization of relations with Japan coming up next year, given his present pessimistic view about that country in general and what to do about it politically. I wonder how much stock he put in Kissinger’s “guarantees” to “put a lid on” possible Japanese military escalation.

2. Negotiations over Sino-Japanese Diplomatic Normalization

[Tanaka’s visit to China] With the above rapprochement reached between China and the United States, the dam that had held back unofficial political and economic ties between China and Japan to a trickle suddenly burst.

In particular, during his visit to China in July 1972, Komei Party Chairman Takeiri Yoshikatsu was surprised to hear Zhou said that Chairman Mao had mentioned relinquishing China’s right to demand war reparations from Japan, since such demands would overburden the Japanese people, and that Mao was also thinking that a joint statement to that effect would be in order. Takeiri recalls, “Thinking we would have to pay somewhere in the range of fifty billion dollars, I began shaking all over after such a bomb-shell.”¹⁵ It was in this way that one of the most serious barriers separating the two countries was eliminated before Prime Minister Tanaka Kakuei’s official China visit.

Concerning another large barrier, Taiwan, in the Zhou-Takeiri

¹⁴ Kissinger to Nixon, “My October China Visit: Discussions of the Issues,” in *ibid.*, Document 20.

¹⁵ Takeiri Memorandum, in Isii Akira, Zhu Jianrong, Soeya Yoshihide, Lin Xiaoguang eds., *Kiroku to Koushou: Nitchukokkouseijouka—Nitchuheiwayukou-jouyakuteiketu Koushou* (Negotiations Leading Up to Sino-Japanese Diplomatic Normalization and Conclusion of the Treaty of Peace and Friendship: Records and Historical Analysis), Iwanami Shoten, 2003.

talks and others, Japan refused a Chinese proposal for a gentlemen's agreement to break political ties with Taiwan and left that issue for Tanaka's visit during September 1972, about two months after he had been appointed prime minister.

It was on the 29th of that month that Tanaka reached an agreement with Mao and Zhou concerning the "joint communiqué," which ended twenty-seven years of "abnormal" relations between the two countries.

[Sino-Japanese Joint Communiqué] The four most important points in these epoch-making negotiations were ;

1. As a result of Japan's reflection over the past war, all hostilities would end between the two countries. The communiqué said in preamble and Article 1 as follows; The Japanese side is keenly conscious of the responsibility for the serious damage that Japan caused in the past to the Chinese people through war, and deeply reproaches itself. The abnormal state of affairs that has hitherto existed between Japan and the People's Republic of China is terminated on the date on which this Joint communiqué is issued.
2. The PRC was recognized as the "sole legal government" of China, and Japan agreed to cut off all political relations established with Taiwan (the Republic of China) since 1952. Article 2 of the Communiqué said; The Government of Japan recognizes the Government of the People's Republic of China as the sole legal Government of China.
3. China abandoned all demands for war reparations from Japan. Article 5 of the Communiqué said; The Government of the People's Republic of China declares that in the interest of the friendship between the Chinese and the Japanese peoples, it renounces its demand for war reparation from Japan.
4. The inclusion of an article, implicating the Soviet Union, opposed to any country's attempt to gain hegemony over the Asia Pacific region. Article 7 of the Communiqué said; neither of the two countries should seek hegemony in the Asia-Pacific region and each is opposed to efforts by any other country or group of countries to establish such hegemony.
5. Japan cut all political ties to Taiwan in accordance with Article

VIII of the Potsdam Agreement. However, the Communiqué did not mention the “Taiwan question,” which was left up to such comments made by Foreign Minister Ohira Masayoshi as; “Diplomatic relations with the ruling government of Taiwan will come to an end,” “In the future as well, we do not hold to [the idea of] ‘two Chinas’ nor do we have any inclination of backing the ‘Taiwanese independent movement’” (written statement by Ohira Masayoshi at the last summit talks), and “As a result of the normalization of relations between Japan and China, any further continuation of the peace treaty between Japan and the Nationalist Republic of China is meaningless and we consider it defunct.”¹⁶

3. How to Evaluate Normalization

[From Japanese side] Despite being a by-product of rapprochement between China and the United States, the normalization of Sino-Japanese relations in 1972 marked the first time since the end of 19th century that equality and peace was established between the two countries—in only four days of negotiations. However, looking back, one cannot avoid seeing the many problems stemming from this negotiation.

On the Japanese side, the government, especially its foreign relations sector, was deeply concerned about how to legitimize its diplomatic relations with the Republic of China government on Taiwan since 1952.

There was not even the narrowest overview about how it was going to relate to the Mainland and no serious questioning about whether normalization marked the final solution to problems surrounding the Sino-Japanese War.

Concerning what originally should have been the most outstanding problems: i.e., war reparations and the US-Japan

¹⁶ For the Sino-Japanese Joint Communiqué, see China Division, Asia Bureau, Japan Foreign Office, *Nitchukankei Kihonshiryoushu 1949-1997* (Basic Sources on Sino-Japanese Relations 1949-1997), Kazankai, 1998; for Ohira’s memo and press conference, see op. cit., *Kiroku to Koushou*.

Security Treaty, China chose not to pursue the former and not to bring up the latter.

The only problem left for the summit talks to solve was the Taiwan question. On the last day of those talks, Tanaka out and out told Zhou,

I came here with a strange resolve that the question of Taiwan was a Japanese domestic problem, particularly within the confines of the Liberal Democratic Party...because of the long history of relations between our two countries, I was prepared for a comparable amount of difficulty.¹⁷

In an interview conducted ten years later, Tanaka reiterated,

It was a domestic rather than a diplomatic problem. Over the one hundred years since the Meiji Restoration, every cabinet has faced the same vexing problem. The fact that Sino-Japanese problems have developed into a large cancer growth within Japan is not healthy for this country. If we were to solve those problems, we could reduce all the existing domestic difficulties by about two-thirds.¹⁸

Here we see clearly the true grit of Japanese diplomacy: never forget that domestic politics gets top priority.

[Were historical issues resolved?] Secondly, one can observe that the Japanese government and its Foreign Office at the time probably figured that the negotiations marked the final solution to the problems confronting the two countries regarding the Sino-Japanese War—which have come to be known as “our historical issues.” After all, in the Communiqué, China accepted Japan’s “remorse” over the past and forwent demands for war reparations.

As expressed by Foreign Office Treaty Bureau Chief Takashima Masuo at the stage of the first foreign ministerial level talks, “It is my hope that the problems related to settling abnormal relations between Japan and China in the past, including the War,

¹⁷ Ibid., *Kiroku to Koushou*.

¹⁸ For Memoirs of Tanaka Kakuei, see Yanagida Kunio, *Nihon wa Moeteiruka?* (Is Japan Burning?), Koudansha, 1983.

will all be solved by the present talks and resulting Communiqué, thus eliminating any more backward-looking tasks.”¹⁹

However, is it really possible or feasible to “settle all” the misery, damage and emotional scars caused by fifteen years of military invasion and occupation in a couple of days of negotiations and a resulting Communiqué?

Should not the deep significance embedded in the short phrase “forgo reparations” have conjured up a feeling that there were problems still to solve?

The reason why the “pattern of a China demanding apologies for the War on the basis of the emotional state of its people and a Japan declaring ‘everything is solved’ on the basis of law”²⁰ has continued to the present day can be attributed to the lack of “historical consciousness” on the part of Japanese negotiators in 1972.

[Political solution] Thirdly, let us compare the situation to the process of US-China rapprochement. Unlike the US-China case, the normalization of Sino-Japanese relations was achieved in just four days, but despite differences in pace, both sets of negotiations constituted “political solutions” to the problems at hand.

In the case of the US, Nixon and his chief strategist Kissinger had decided to bypass both the State Department and public opinion and go the route of top secret talks. In the case of Japan, as well, strong political leadership was assumed by both Tanaka and Ohira. According to Hashimoto Hiroshi, China Section chief at the time, the mainstream thinking at the Foreign Office was still embracing “two Chinas,” resulting in its opposition to normalization with the Mainland at the cost of severed relations with Taiwan.²¹

The greatest difference between Japan and the US, on the other hand, was the decision by Tanaka Kakuei to embark on a political

¹⁹ Ibid., *Kiroku to Koushou*.

²⁰ Iokibe Makoto ed., *Sengo Nihon Gaikoushi—New Edition* (History of Postwar Japanese Diplomacy, New Edition), Yuhikaku, 2006.

²¹ Op. cit., *Kiroku to Koushou*.

solution to normalization based on widespread public support, including that of the pro-China faction (a.k.a. “the well-diggers”) within the Liberal Democratic Party and of the business community, which was enjoying a “China boom” at the time. It may even be said that Tanaka obtained the premiership on the strength of his clear statements in favor of normalization.

Soeya Yoshihide, an expert of Sino-Japanese relations, has argued that Japan, which during the postwar era never attained the status of a “world power” on the level of the US or China due to its stigma as a former military aggressor-cum-loser, refused to play the strategic game on their level and was in turn left out, thus “having to lean towards quick normalization in the wake of US-China rapprochement.” In addition, during the China-Japan negotiations “solutions were reached for the most part by China showing understanding about Japanese demands,” Soeya observed.

In Soeya’s opinion, in contrast to their counterparts in the US-China negotiations, “Japanese leaders chose to understand normalization in the light of domestic politics and the international legal aspects of the existing treaty with the Nationalist Republic,” indicating “Japan’s postwar character,” “a lack of strategic sense.”²²

In my opinion, the problem lies not in a lack of strategic sense, but rather one of diplomatic sense in trying to solve by far the most important foreign relations problem in Japan’s postwar history like it was a domestic political issue which, by the way, has continued unsolved for over thirty years now.

[From Chinese side] Turning to the Chinese side, if one looks in detail at its rapprochement with the US and normalization of relations with Japan, from China’s standpoint, the latter appears as an extrapolation of the former, in a scenario the motivation for

²² Soeya Yoshihide, “US-China Relations and Japanese Diplomacy During the 1970s” in *Nenpou Seijigaku, 1997—Kikino Nihon Gaikou 1970 nendai* (Political Science Annual 1997: Japan’s Diplomatic Peril of the 1970s), Iwanami Shoten, 1998; Soeya, “From US-China Rapprochement to Sino-Japanese Diplomatic Normalization,” in op. cit., *Kiroku to Koushou*.

which stems from 1) strategic concerns about the Soviet Union and 2) putting an end to Japan-Taiwan relations once and for all. The “strategic sense” in such a scenario may have raised China’s strategic status in international politics, but it also brought about compromises with Japan and showed a brand of diplomacy having little or no relevance to the needs of its people.

Let us consider first the problem of war reparations, the abandonment of which, as we shall see, solidified the strategy of the top Chinese leaders.

It was only after the official visit of Prime Minister Tanaka was confirmed that Communist Party cadres and the Chinese public learned of such an important decision, for it was around the end of July 1972 that Zhou Enlai drew up a directive explaining the reparations question to the nation.

According to Chinese expert Li Zhengtang and others, Zhou’s argument consisted of three main points.

1. Since prior to the normalization of diplomatic relations in 1972, Taiwan’s Jiang Jieshi had already relinquished China’s claim to reparations, the Communist Party must not show any less magnanimity.
2. In order to revive diplomatic relations with China, Japan had to first cut off relations with Taiwan. If the central government took a tolerant attitude concerning reparations, the Japanese would follow suit concerning its relations with Taiwan.
3. If China had demanded reparations, the burden of payment would ultimately have fallen upon the Japan people as a whole, and heaped even more hardship on their lives. That is not the kind of friendship China wanted to form with them.²³

On 14 September, a gathering of 10,000 was convened in Shanghai, and its decision was broadcast to 140 thousand party cadres across the country. The decision said;

many of you will probably be angered to see the Hi-no-Maru [Japanese flag] again...However, the Japanese people are,

²³ Li Zhengtang, *Zhongguoren Guanzhude Huati: Zhanzheng Suopei* (An Issues of Concern to Chinese: War Reparations), Xinhua Chubanshe, 1999.

like us, also victims of militaristic aggression and war, and thus should not be forced to take responsibility for the crimes committed by Japan against China in the past...We call upon the whole nation to understand the significance of our invitation to Prime Minister Tanaka and make preparations to entertain his diplomatic party.²⁴

In other words, during its negotiations with Japan in 1972, the Chinese leadership was mainly concerned with cutting off political relations between Japan and Taiwan, and in the end, the most effective means for achieving that goal turned out to be the abandonment of claims to war reparations.

According to Zhang Xiangshan, “Because of Chairman Mao’s extremely strong influence on Chinese public opinion, no one dared criticize his decision to relinquish reparations.”²⁵

However, in 2005, three years after Zhang’s disclosure, in the midst of the anti-Japanese demonstrations, the internet was suddenly filled with invective over Mao and Zhou’s fundamental policy towards Japan first conceived in the early 1950s, including their distinguishing Japanese militarists from the masses and their relinquishing war reparations claims.

[Balance of power strategy] China’s normalization of relations with Japan, which was born out of rapprochement with the United States, was strongly characterized by strategic decision-making and a belief in the idea of “the balance of power,” Especially with regard to the Soviet Union.

This situation is best indicated by a comment made by a very jolly Mao to Henry Kissinger on 17 February 1973;

It’s been a year since President Nixon’s visit and already we

²⁴ Luo Pinghan, *Zhongguo Duirizhengce yu Zhongri Bangjiaozhengchuanhua* (China’s Japan Policy and Sino-Japanese Diplomatic Normalization), Shishichubanshe, 2000.

²⁵ Zhang Xiangshan (Suzuki Eiji Translation), *Nitchukankei no Kanken to Kenshou—Kokkouseijouka 30nen no Ayumi* (Observation and Analysis of Sino-Japanese Relations: Thirty Years of Diplomatic Normalization), Sanwashoseki, 2002.

are in agreement over the hegemony issue. Our relations with Japan are also progressing since we changed our fundamental thinking about them. China now looks upon Japan as an important force in the [anti-Soviet] struggle against hegemony...

We are all part of a united front now, wouldn't you say? The US, Japan, China, Pakistan, Iran, Turkey, Europe...²⁶

Mao was under the impression that all the countries named above were members of some united anti-Soviet bloc.

Furthermore, in his meeting with Japanese Foreign Minister Ohira on 5 January 1974, Mao revealed his idea of the combined utilizable international power of countries including the United States and Japan that would resist Soviet expansion as "one large fragment."²⁷

In sum, Mao and Zhou's decision to normalize relations with Japan arose mainly from strategic considerations regarding the US, USSR and Taiwan, not from any analysis or practical policy towards Japan per se.

In particular, their failure to seek a popular consensus over war reparations would breed discontent in China under a growing atmosphere of a political thaw from the 1990s on.

[Mao-Zhou's "liangfen-lun"] Turning to Mao and Zhou's idea of distinguishing Japanese militarists from the masses [liangfen-lun], as a moral reason why reparations should not be sought, to begin with, it was in 1952 that China embarked on "Japanese operations" with the establishment of an official liaison section headed by Zhou and put in charge of Liao Chengzhi; and 1953 marked the inception of the policy direction followed by Mao and Zhou that the responsibility for Japan's invasion of China lay in the government and a faction of militarists, which should be distinguished from the

²⁶ Gong Li, "From Rapprochement of Sino-US Relations to '(Anti-USSR) United Front Strategy,'" *Zhonggong Zhongyang Dangxiao Xuebao*, No. 2, 2002.

²⁷ Ibid.

Japanese people as a whole.²⁸

The Communist Party's first five-point policy towards Japan issued in March 1955 called for opposition to the revival of militarism, distancing Japan from the US and "treating the Japanese people with understanding and sympathy."²⁹ This policy has not changed in official circles to the present day.

Secondly, the decision to relinquish claims to war reparations was made in January 1964 (according to the article written by Zhu Jianrong in 1992), when Zhou took steps to suppress (under the auspices of Mao) calls for payments emanating from among the Chinese leadership for the following reasons:

1. Neither Taiwan nor the United States were claiming such reparations.
2. Any payments themselves would do little to stimulate the Chinese economy.
3. Reparations defied Mao's thought to distinguish between militarists and the Japanese people they victimized.
4. Demand for large sums of reparations would delay negotiations with the Japanese over normalization of diplomatic relations.³⁰

The above Chinese policy strategy can be looked upon as quite honorable and was indeed welcomed with gratitude by Japan.

Be that as it may, the decision to relinquish claims to reparations does not reflect in any way the voice of the people who suffered at the hands of their Japanese occupiers during the War, not to mention the fact that they only heard of the decision during Prime Minister Tanaka's visit. In the convincing words of Zhu Jianrong;

There is the belief in China that the decision by leaders like Mao and Zhou "not to seek reparations" on ideological grounds was too hasty, in that public opinion was not sought. This belief forms the background of recent efforts to seek

²⁸ Wu Xuewen, *Fengyuyinqing—Wosuojinglide Zhongriguanxi* (Ce Sera-Sera: My Journey Through Sino-Japanese Relations), Shijiezhishi Chubanshe, 2002.

²⁹ Zhang Xiangshan, op. cit.

³⁰ Zhu Jianrong, "Why China Abstained from War Reparations," *Gaikou forum*, Oct., 1992.

reparations...

[It is fine that Sino-Japanese relations are in good standing, but] when one hears complaints from Japan about China being ungrateful for ODA allotments, the reaction from China is that ODA was supposed to be a gesture in response to the abandonment of war reparations. China's relinquishing such claims should be etched in the hearts of the Japanese people, and ODA from Japan should be warmly greeted in China as how the Japanese feel.³¹

Therefore, it is in this sense that the normalization of Sino-Japanese relations in 1972 revealed a "lack of strategy" on the part of Japanese leaders, who were concerned only with their own domestic agendas in a display of incredibly poor diplomatic skills, while the Chinese leadership, despite a powerful display of international political savvy and basic moral fortitude, was out of step with public opinion at home.

To put it one way, Chinese diplomacy was replete with Wilsonian idealism, Marxist internationalism and the ideals of traditional Chinese kingship.

Nevertheless, Japanese leaders at that time and since the 1990s have failed to understand, reflect upon or respect China's diplomatic gestures towards Japan at that time. Indeed, one must again marvel at the completely different diplomatic character and style displayed by both countries in moralization negotiations.

[Views of Jin Xide] Let us turn here to the discussion about the so-called "1972 Sino-Japanese regime," which is still legally in effect after over thirty years. There is strong recent opinion in China that it is time for both countries to return to the fundamentals of the "72 Regime" as the prototype in any future relations.

One example is Jin Xide, an expert in Sino-Japanese relations at the Institute of Japanese Studies, Chinese Academy of Social Sciences who has termed the Taiwan question and the historical

³¹ Zhu Jianrong, "Implications for the 21st Century Pioneered by Our Predecessors," in op. cit., *Kiroku to Koushou*.

issues existing between the two countries “very crucial and delicate problems,” two fundamental preconditions of normalization in 1972, which face “very important challenges” today in the 21st century.

According to Jin,³² the “Regime of 1972” constitutes a consensus formed between the two countries about the principles for dealing with such problems as Taiwan, history, regional security and territory. It is the culmination of the mutual experience, lessons learned and national interest considerations of leaders in both countries. Therefore, let us review what actually makes up the “Regime of 1972.”

To begin with, there is the “historical issues” part, in which, according to Jin, “both Japan, in reflection upon its war of aggression towards China, and China, in its gesture of friendship not to seek war reparations, promote healthy mutual relations in the spirit of stepping into the future through the looking glass of history.”

And if we can go as far as to assume that the abandonment of war reparations was a proposal made by the Chinese side on the condition that Japan reflect upon its reckless and aggressive past, then, as Jin argues, the series of events that have occurred in Japan---namely, worship of war dead by prime ministers at the Yasukuni Shrine, comments by cabinet members, etc. denying Japan’s military actions constituted aggression, and history textbooks that “tend to legitimize Japan’s war efforts”—fly in the face of such conditions.

Secondly, concerning the “Taiwan question,” which is related to the 1972 Agreement that 1) “Japan recognizes the People’s Republic as the sole legal government of China, 2) Taiwan is a part of the Republic, 3) the Taiwan question is a Chinese domestic matter, and 4) Japan will no longer conduct formal relations with Taiwan.”

³² Jin Xide, *Zhongri Guanxi: Fujiao 30 Zhounian de Sikao* (Sino-Japanese Relations: Reflection on the Past 30 Years Since Reconciliation), Shijiezhishi Chubanshe, 2002.

Jin asserts that the fact of Japan becoming clearer about its support of the United States policy of involvement in Taiwan since the 1990s, the formation of confabs involving Taiwanese and Japanese politicians, and the redefinition of the US-Japan Security Treaty all signify a strong move away from what was agreed upon in 1972.

[Is 1972 Agreement unchangeable?] Concerning the permanency or durability of the Regime of 1972, Jin states

[It] ended one hundred years of feuding between the two countries, including a Cold War-related conflict during the final twenty years of that era. We can foresee no other framework to replace it completely now or in the future; and talk of going beyond it is not to be taken lightly.

While the points that Jin makes are in themselves unassailable, the circumstances he describes is not that simple, for the “Regime of 1972” itself is by no means flawless and the huge changes that have occurred in both the international environment as a whole and power relationships between China and Japan, in particular, cannot be ignored.

I have already outlined above problems of China’s motivation and Japan’s lack of strategy, resulting in neither party being able to view accurately the long-range ramifications of the complex, emotion issues that were facing them, but a more important problem is what has happened during the thirty years since the agreement was reached: for example, such completely unforeseen occurrences as China’s concerns about the Soviet Union ending with the Cold War, democratization in Taiwan and the concomitant move for national independence shaking the foundations of the “one China” principle, changes that have occurred in Japan’s political structure and generational composition since the 1990s, Chinese public opinion being strengthened by a policy of openness both at home and abroad, and probably most important, China’s transformation to a regional economic power, thus changing the Sino-Japanese power balance in the process.

These comments by no means indicate any criticism on the part of this writer of the 1972 normalization agreement, just that every-

thing was by no means perfect, meaning that the perpetuity of the “Regime of 1972” has come into serious doubt, what with the fact that since the late 1990s, Sino-Japanese relations have entered an era of structural fluctuation, and since the anti-Japanese demonstrations of 2005, an era of renewed rivalry.

The time has come for a redefinition of the “spirit of 1972” and a new “agreement” in that spirit.

II. The 1980s: The “Honeymoon Years”

1. Reform and Open-up in China

[Honeymoon years] The 1970s set the tone for mutual “friendship,” which while sincerely felt by both sides, was filled with expectations, as roughly hewn as they were, of a new Sino-Japanese relationship. China’s deep worries about Japan’s new relations with the United States and the existence of a Soviet threat, combined with Japan’s response, created what can be called an “era of strategic friendship.” China upheld the US-Japan Security Treaty, which she had criticized so vehemently in the past, and even expressed approval for a build-up of Japanese military might. Thus, in August 1978 the Sino-Japanese Treaty of Peace and Friendship, filled with rhetoric opposing regional hegemony, was signed.

However, during the 1980s, when China conducted a series of reforms leading to openness, Japanese policy was fundamentally orchestrated in support of Chinese modernization, on which China rested large hopes.

Specifically, Sino-Japanese relations entered what seemed to be an era of progress, when in 1982 China came up with a modernization plan four times of GDP scale of previous attempts and embarked on an “independent, autonomous foreign policy” by a planned restructuring of its relations with the US and USSR.

It was an era under pro-Japanese leadership, Hu Yaobang, in which Japan lent assistance and China gladly accepted it, despite trouble in the areas of Japanese school textbooks, Yasukuni Shrine visits by prime ministers, and the Guanghua Dormitory Incident.

Two Countries recognized that there were “donor-recipient relationship” between them. It was a time that everyone including the US leaders welcomed “a strong and stable China,” a veritable “golden age,” a “honeymoon” to cite Ezra Vogel and Tanaka Akihiko.³³

[Deng’s visit to Japan] In October 1978, Deng Xiaoping came to Japan for the purpose of ratifying the Treaty of Peace and Friendship and became the first Chinese leader to meet the emperor, who stated, “Despite the unfortunate events that have occurred during the long history of relations between our two nations, it is now time to put away the past and promote mutual goodwill in a long and lasting relationship of peace.”

When the subject of US-Japan relations and Japan’s defensive capabilities came up in talks with Prime Minister Fukuda, Deng expressed understanding about the US-Japan Security Agreement and Japan’s military buildup, while at the same time praising Japan’s efforts to assist the world’s developing countries.³⁴

What should be pointed out here is Deng taking a long look around and commenting, “There is a lot to be learned from the great Japanese nation,” adding in one press conference “and much technology and capital to borrow,” and at another, “we are open to the possibility of foreign loans from Japan.”

When asked of his impressions of the Shinkansen bullet train he was riding from a VIP guided tour of the Shin-Nittetsu’s Kimitsu Foundary (courtesy of Board Chairman Inayama Yoshihiro) in Chiba Prefecture bound for Kyoto and a tour of Panasonic’s television facility in Osaka (courtesy of former Board Chairman Matsushita Konosuke), Deng replied, “It’s like running with the help of the wind, we’re running, too, and need as much help as we can get.”³⁵ Deng’s request for a boost would symbolize a new step in economic relations between the two countries.

³³ Ezra F. Vogel, Yuan Ming, Tanaka Akihiko eds., op. cit.

³⁴ *Asahi Shinbun*, 1978.10.24.

Incidentally, from the conclusion of a long-term trade agreement (February 1978), an oil-crisis plagued Japan's prayers that exports of plant and equipment would be met with imports of Chinese oil were answered, creating a trade structure between the two countries that grew by leaps and bounds.

[China cancelled contracts of plants] However, it was also a time of growing economic friction between the two "friends," as a China strapped for capital was forced to announce the cancellation of part of the US\$8 billion dollar plant purchases it contracted during 1978-9. In February 1979, the Chinese government announced that due to an inability to pay costs, it was putting a portion of the contracts signed for the Baoshan Steel Foundry project on hold. Then in January 1981, it was announced that the second phase of the Baoshan Project and contracts for the construction of petrochemical plants in such locations as Nanjing, Shandong and Beijing had been cancelled, to the tune of US\$3 billion.

A cloud had appeared on the horizon in the form of China's haste in building economic relations with Japan without adequate capitalization planning.

The problem was solved by financial assistance from Japan in March 1981 and China's economic adjustment policy. These stabilized the Deng regime and paved the way for its open, liberal foreign policy.

The Baogang Project marked the tone of Sino-Japanese relations during the 1980s, with the creation of a Chinese image of Japan as a helping hand in the task of modernization. It was a time that Daichi-no-Ko, Yamazaki Toyoko's novel of a Japanese youth left behind in northeastern China at the end of the war, raised in a Chinese foster home, employed as an engineer at the Baogang facility and given the opportunity to reunite with his Japanese father, was made into a TV drama series and enjoyed top ratings among both Japanese and Chinese viewers.

³⁵ *Pekinshuuhou*, No. 43, 1978.

2. Japanese Aid and Chinese Modernization Policy

[Acceptance of Japanese loans] It was at the December 1978 the 3rd congress of the Central Committee of CCP that farewell was bid to the Mao Zedong era, with such decisions as “the movement of our entire center of gravity to building the economy.” Then its 12th National Congress of the CCP in 1982 announced the “four modernizations policy,” which called for a quadrupling of industrial and agricultural output over the next twenty years and raising the living standard of the people to “about the middle level.”

From that time on, the Chinese economy has continued to grow, achieving the quadrupling goal in 1995, five years earlier than expected.

“Four Modernization Project” will need tremendous funds. At what time and with what intention did Chinese leadership decide to introduce foreign capital? The process began in May 1978 when on the basis of a fact-finding tour of Europe conducted by Deputy Prime-Minister Gu Mu, head of the National-Planning Committee, Deng proposed,

1. the promotion of plant and equipment imports
2. the necessity to decide on whether foreign loans would be requested for building the economy
3. that time is of the essence

Japan was the first country to respond. In September 1978, during a visit to China by Japanese members of the business community, China-Japan Economic Association Chairman Inayama Yoshihiro told Chinese officials that the Japanese government was ready with ODA funding for them, and Keidanren Chairman Doko Toshio explained yen-based foreign loans.

This was followed by Deng’s comment during his Japan visit mentioned previously, and a year-end press conference in Hong Kong given by Chinese Foreign Trade Minister Li Qiang, who stated, “China is prepared to accept government loans or private sector funding under the appropriate conditions.”

According the memoirs of a Chinese foreign trade bureau official, after Kimura Yichizo, chairman of the Kansai Headquarters of the Japan External Trade Organization, advised Gu Mu to accept government funding from Japan in May 1979, Gu ordered him to

consult with the Japanese Embassy about aid conditions, upon which he discovered that China qualified by virtue of its 350 dollar per capita GDP, resulting in the start of project planning to that effect.³⁶ Gu then met with Prime Minister Ohira in Japan in September to formally request yen-based loans for the first time.

Although China had received foreign loans from the Soviet Union several times during the 1950s, this was the first time it had sought aid from the Western bloc. To introduce capital from a capitalist country, especially in the form of government loans, must have required a serious leap of faith and desperation.

[Ohira's three conditions for aid to China] During his visit to China during December 1979 Prime Minister Ohira promised to lend 50 billion yen during fiscal year 1979 for six infrastructure-related construction projects in such top priority areas as seaports, railways and hydraulic power facilities, marking the beginning of four such loans amounting to 3 trillion yen over a 16-year period. In Beijing, Ohira outlined three conditions for Japanese aid to China, which also highlighted Sino-Japanese relations in general during the 80s: "No military-related aid would be given, maintain an economic balance with neighboring countries and relations between us must not be exclusionary."³⁷

First of all, it was the intent of the Japanese to support an open and free China; secondly, there was the feeling of giving something back in return for China's relinquishing claims to war reparations; and finally, the Japanese government was fundamentally dedicated to maintaining a balance among the countries, beginning with ASEAN, it was presently giving aid.

The Sino-Japanese economic cooperation which characterized the 1980s and early 1990s surpassed the framework for Asian countries up to that time, in that it went beyond mere post-WWII mop-up diplomacy, and in this sense, marked an important turning

³⁶ *Huanqiu Shibao* (Global Times), 2005.12.27.

³⁷ Op. cit., *Nitchukankei Kihon Shiryoushu*.

point for Japanese diplomacy.³⁸

There is no doubt, however, that such diplomacy, while supplying a now realistic China with huge untied loans in order to keep it that way, had its eye clearly fixed on the prize of Chinese cooperation in fossil fuel development for Japan's security needs in the area of energy.

[Hu Yaobang and Japan] No honeymoon can be successful without a loving partner. Japan had two during the 1980s in the guise of Hu Yaobang and Zhao Ziyang. On his visit to Japan in March 1982, Prime Minister Zhao emphasized the three principles of peace and friendship, co-prosperity and long-term stability in relations between the two countries.

At the 12th CCP Congress of 1982, where China declared "independence and autonomy" from the strategic partnership with the United States and the USSR, Hu, the Party's General Secretary, included Japan in his address, stating, "The development of peace, friendship, co-prosperity and lasting stability between China and Japan are not only the common wishes of our two peoples, but will also serve to stabilize and pacify the whole Asian-Pacific region."

Hu made his visit to Japan in November 1983, during which in talks with then Prime Minister Nakasone, Nakasone added a fourth principle of "mutual trust" and proposed the formation of the 21st Century Sino-Japanese Friendship Committee, both of which Hu expressed agreement with. Hu was not to be outdone, saying that he would like to invite 3,000 Japanese youth to spend one week in China. And so the youth exchange began, with Nakasone, during his China visit of November 1986, reciprocating with an invitation to 500 Chinese every year.

It was during talks between Nakasone and Zhao in March 1984 that the granting of a second, more prodigious, government loan of 470 billion yen was revealed. It was a time when China was expanding its open up policy with such projects as the designation of

³⁸ Tanaka Akihiko, *Nitchu Kankei: 1945-1990* (Sino-Japanese Relations: 1945-1990), University of Tokyo Press, 1991.

fourteen most-favored (reduced tariff) coastal cities, including Dalian, which promised to broaden Sino-Japanese economic relations.

Such goodwill was dampened, however, by Nakasone's 1985 decision to worship at Yasukuni Shrine, some 18 September demonstrations protesting Japan's economic advance onto the Mainland and infuriating school textbook content.

Through it all, Hu remained the faithful wedding partner, gracing the honeymoon with a tolerant attitude over Nakasone's Yasukuni visit and keeping a cool head in the midst of the second schoolbook uproar in 1986.

As a matter of fact, it is rumored that Hu's "infatuation with Japan" was one of the causes triggering his "resignation" in January 1987. On that occasion Deng stated "Hu made six mistakes...[the fifth of which] was inviting President Nakasone without the CCP politburo's permission."³⁹ Dealing in policy regarding Japan seems to be a very delicate matter in China, if leaders there can lose their jobs over the decisions they make in that area.

3. Government Loans

[Four times loans to China] The Japanese government issued loans to China once for every five-year plan issued by the latter between 1979 and 1996 to the tune of ;

330.9 billion yen year for seven projects (1979-84),
470 billion yen for 17 projects (1984-89),
810 billion yen for 52 projects (1990-95),
969.8 billion yen for 93 projects (1996-2000).

Economic assistance to China consisted of three forms: repayable loans, gratuitous loans and technological aid.

Some 90% of the aid consisted of long-term, low interest loans (3.427 trillion yen in formal contracts as of 2003), while the 5% occupied by gratuitous loans (141.6 billion in limited allotments) went for a memorial hospital and cultural center in Beijing and other education and welfare-related facilities around the country.

³⁹ *Yomiuri Shinbun*, 1989.1.23.

The remaining 5% in technological aid came to 144.6 billion in expenses paid by the JICA.⁴⁰

[China is the top recipient] Table 1 lists the top five countries receiving government loans from Japan according to accumulated debt as of 2003. China's second place standing can be deceiving, since it occupied the top yearly position each year since 1993, meaning that it held a privileged position within Japan's ODA pecking order.

**Table 1: Japan's Top Five Debtor Countries: 2003
(in million yen, total to 2003)**

Ranking	Country	Amount of Debt
1	Indonesia	3,822,865
2	Peoples Republic of China	3,047,181
3	India	2,246,189
4	Philippines	2,032,674
5	Thai	2,009,300

Source: Japan Ministry of Foreign Affairs, *2005 ODA White Paper*.

On the other hand, Japan continues as the largest contributor of aid to China among the DAC [Development Assistance Committee of OECD] members.

The yearly Japanese share of the total foreign government loans incurred by China between 1979 and 1995 is shown in Table 2 (total share 41.9%), indicating the important role played by Japan in building a modernized China during the 1980s to middle of 90s.

⁴⁰ *ODA 2005 White Paper* appearing in the Ministry of Foreign Affairs website. <http://www.mofa.go.jp/mofaj/gaiko/oda/index.html>

Table 2: Japan's Share of the Major Foreign Government Loans Made to China during 1979-1999

Rank	Country	Amount (US\$100 million)	Item No.	% of Total
1	Japan	97.27	72	41.91
2	Germany	22.89	42	9.86
3	France	19.56	80	8.42
4	Spain	18.32	107	7.89
5	Italy	16.21	47	6.98
20	US	0.23	1	0.10
	Total	223.08	1351	100

[Source: Lin Xiaoguang, *Ribenzhenfu Kaifayuanzhu yu Zhongri Guanxi*, Shijiezhishi Chubanshe, 2003, p. 381]

[The evaluation of Japan's ODA by China] China has evaluated the assistance it has received in proportion to its generosity. While it is not expressed out loud, Japan's ODA is not thought of very differently from the war reparations China refused to claim. However, China has never taken ODA for granted as relinquished war reparations and has not even mentioned or implied the two as existing in the same context. There have been some subtle inferences, like Deng's comment to Komeito party chairman Yano Junya during his visit to China in June 1987;

From an historical perspective, Japan should be doing more to help China develop. Let's face it, Japan probably owes more to China than any other country in the world. When we normalized diplomatic relations, we didn't put reparations on the nego-tiating table.⁴¹

One should keep in mind, however, that Deng's statement was made during a time of tension between the two countries over the incident involving Guanghualiao, the Nationalist-China-owned dor-

⁴¹ *Asahi Shinbun*, 1987.6.5.

mitory in Kyoto.

Otherwise, “China is grateful for all the economic cooperation that Japan has given us” (Chairman Jiang Zemin during Japan visit, November 1998) and “I would like to praise Japan’s ODA program, which has helped the Chinese economy develop as well as promote Sino-Japanese economic relations. We are especially grateful for the government loans we have received...” (Premier Zhu Rongji, on tour Fall 2000)⁴², and so on.

Chinese academics as well have come forward with a general affirmative outlook about the benefits bestowed on their country through Japanese-sponsored ODA.⁴³ Incidentally, Japan used ODA as a trump card in August 1995, when it decided to freeze all new gratuitous aid in protest over China’s implementation of its twice underground nuclear tests.

The “donor-recipient” relationship between the two countries symbolized by ODA continued for almost fifteen years, until nagging economic stagnation in the patron’s backyard forced Japan to reevaluate the relationship in 2000. In December of the year, the 21st Century Sino-Japanese Economic Cooperation Confab (Miyazaki Isao, chairman) stated that while Japanese assistance to China had been highly praised by all parties concerned, it was time to reevaluate the relationship given the state of the Japanese economy, the performance of the Chinese economy and changes in world public opinion regarding the nature of foreign aid, and proposed that;

1. aid priority be shifted to such areas as environmental, social, health and human resources development,
2. support be channeled towards the development of a market

⁴² *Asahi Shinbun*, 2000.10.14.

⁴³ Zhang Guang, *Riben Duiwai Yuanzhuzhengce Yanjiu* (Policy Studies on Japanese Foreign Aid), Japan Center of Nankai University, Tianjing Renmin Chubanshe, 1996; Jin Xide, *Riben Zhengfu Kaifayuanzhu* (Japanese Government Aid for Development), Shehuikexue Wenxian Chubanshe, 2000; Lin Xiaoguang, *Ribenzhengfu Kaifayuanzhu yu Zhongri Guanxi* (Japanese Government Aid for Development and Sino-Japanese Relations), Shijie Zhishi Chubanshe, 2003.

economy, and

3. more care be taken about the ODA provision banning the military use of funds.⁴⁴

In August 2003 the Japanese ODA guidelines written in 1992 were revised to include :

1. a balance between development and the environment,
2. avoidance of support for military uses or international conflicts,
3. attention to military outlays or weapons imports to developing countries, and
4. sensitivity to democratization, market economy and human rights records of developing countries.

Needless to say, China was no exception to such guidelines.

[Tiananmen Incident and grant aid] Towards the late 1980s, although the underlying problems of history, the Guanghua Dormitory incident and economic friction were starting to take their toll on the “honeymoon,” both parties avoided direct confrontation, due to the high expectations resting on the expansion of economic relations.

Towards the end of the decade, in the hopes of further deepening of economic ties, the death of former general secretary Hu Yaobang (15 April 1989) characterized the year’s “political season” with a Beijing demonstration to commemorate his passing turning ugly into a protest against the conservative faction that drove him out of office. Then the last days of May saw student protests in the Tiananmen Square opposing political corruption and inflation and calling for further democratization.

The Tiananmen Incident had veteran conservative politicians like Wang Zhen and Peng Zhen fearing another “Cultural Revolution” and forcing Deng to resort to military action in quelling the disturbances, out of fear that compromise with the protestors would result in defeat like in the Soviet Union and Eastern Europe.

⁴⁴ Li Genan, “Japan— From Getting-out Asia to Coming-back Asia,” *Riben Xuekan* (Japanese Studies), No. 3, 1994.

Japan's response to the uproar differed from the countries of the West, which reacted with strict sanctions in a call for the pacification of the situation at all cost. In a news conference the day after the start of the incident, Chief Cabinet Secretary Shiokawa stated, "It is a shame that such a tragic state of affairs developed; we strongly hope that the situation will not grow any worse and that China will return to normalcy as soon as possible."⁴⁵

On June 23rd Shiokawa announced a "government consensus" that, "The relations between Japan and China are very deep, both historically and culturally. We will make certain that there will be no changes in our existing commitment to cooperation in reform and liberalization of such areas as the economy."⁴⁶

In addition, while taking such measures as a de facto freeze (June 20) on the third government grant, Japan was trying to prevent China from becoming isolated at the Arche Summit Meeting scheduled for July. Japan was intent on regaining contact with China as soon as possible. Postponed proposals for the continuation of ODA were resumed in August, and in September a contingent from the coalition of China supporters in the Diet led by the LDP's Ito Masayoshi made a visit to China.

On that occasion Deng (as head of the Central Military Committee, CCP) told Ito, "We have taken due notice that Japan has expressed an attitude about the Arche Summit somewhat different from the other countries of the world...Friendly relations between our two countries must never change, no matter what happens in the world or what changes occur on our own domestic fronts,"⁴⁷ thus wooing the only developed country that was willing to cooperate with the Chinese agenda.

By the spring of 1990, relations between the two countries were beginning to take a turn for the better, as indicated by Japanese Foreign Minister Nakayama Taro, who stated in the Diet during March, "It is important for the peace and stability of the

⁴⁵ Op. cit., *Nitchukankei Kihon shiryoushu*.

⁴⁶ *Yomiuri Shinbun*, 1989.6.24.

⁴⁷ *Pekinshuuhou*, No. 39, 26 Sep. 1989.

Asian-Pacific region, and the world, for that matter, that China not be isolated, but maintain cooperative relations with other countries...We should resume our preexisting relations with China as quickly as possible.”⁴⁸ In the absence of personal contact with the West, Nakayama visited China in April 1991, followed by Prime Minister Kaifu that August, to which the Chinese responded with an invitation to the Emperor, which was accepted and consummated in October 1992.

[Has Japan come back to Asia?] While the Tiananmen incident did immense damage to the Japanese image of China, Japan’s tolerant response to it and the related issue of economic aid improved its image among the Chinese, as that country’s intellectuals favorably announced during the early 1990s that “Japan had come home to Asia.”

A 1994 article published in *Riben Xuekan*, the journal of the Academy of Social Sciences’ Institute of Japanese Studies, argued that during the late 1980s Japan “had transformed its view of Asia,” was showing a new tendency to “come back around to Asia,” and was moving from US-led diplomacy to a style “emphasizing Asia and autonomous-independent thinking.”

Articles by such leaders as Fuji-Xerox Board Chairman Kobayashi Yotaro (“The Asianization of Japan,” *Voice* Sept. 1992) and then Foreign Ministry Economic Bureau chief Ogura Kazuo (“Towards an ‘Asian Resurgence,’” *Chuokoron*, Jul. 1993) was also well received in Chinese academia.⁴⁹

Furthermore, elsewhere in Asia expectations about Japan’s future role there went as far as speculation about a country exclusively dependent on its alliance with the US being open to building a multilateral security mechanism for the region.⁵⁰

However, during the mid-90s this new image of Japan would turned cautious along with the structural changes that occurred in

⁴⁸ Op. cit., *Nitchukankei Kihon Shiryoushu*.

⁴⁹ Li Genan, “Japan: Asia’s Prodigal Child,” *Riben Xuekan*, No. 3, 1994.

⁵⁰ Zhao Guangrui, “Japan’s Gradual ‘Rerurn’ to Asia,” *Riben Xuekan*, No. 1, 1996.

Sino-Japanese relations, due to such conditions as the re-definition of the US-Japan alliance, bicoastal tension in the Strait of Taiwan and the emergence of China as an global economic power. Let us look at this restructuring in more detail.

III. Structural Changes since the Mid-1990s

1. China's Emergence

[Economic leaning upon] By 1995~96 the honeymoon of mutual goodwill and interest was over, as the massive growth in China's macro-economy created here and there within Japanese public opinion the image of China as a new economic rival, possibly even a threat in the aftermath of missile testing near the Strait of Taiwan to add its two cents worth to the general elections being conducted on the distant shores.

On the other hand, 1995-96 saw a Taiwan-beleaguered China viewing Japan with more suspicion after the latter's "redefinition" of its security treaty with the United States.

Under such circumstances, extremist nationalism came to occupy a significant role in public opinion in both countries. One expression of this new political trend was the 1996-97 dispute over the Senkaku Islands (Diaoyudao) that was started on the private sector level; another is the emotional responses, again on the "ordinary folks" level, to the seemingly limitless economic interdependency that was developing between the two countries, while a shift to an image of political, economic and strategic rivalry was forming at the same time.

The fact of the two countries leaning heavily upon one another in the area of foreign trade was business as usual, when in 2005 Japan exported 80.38 billion and 109.1 billion US\$ goods and services to and from China, 8.8% and 15.8% increases, respectively, over the previous year.

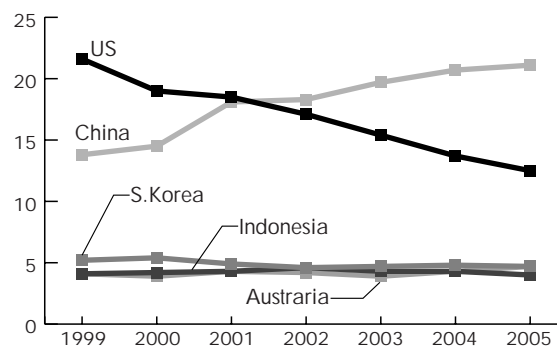
In Japan's total foreign trade, China ranked second in exports at 13.1% and topped the chart in imports at 20.7%.

Figures 1 and Figure 2 summarize the who's who in Japan's trade partners since 1999. After China surpassed the United States

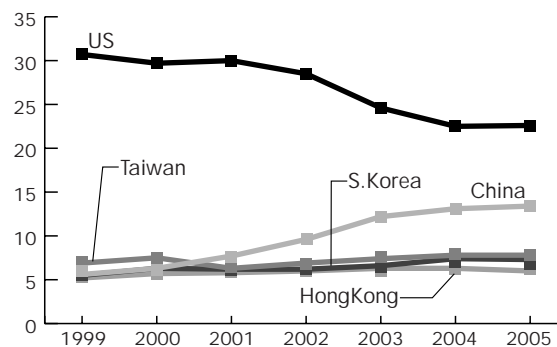
as Japan's no. 1 importer in 2001, it is only a matter of time until its repeats that feat on the other side of the ledger.

Dependency goes both ways in the relationship, since any economic setback on one side can cause serious damage to the other and even threaten the quality of daily life, as seen in the SARS and Bird Flu epidemics. Since neither economics nor disease respect national boundaries anymore, any choice between rivalry and partnership has been eliminated for all intents and purposes.

**Figure 1 Japan's Five largest Importers:
1999-2005(Source:JETRO)(%)**



**Figure 2 Japan's Five largest Export Customers:
1999-2005(Source:JETRO)(%)**



[China's uprisings] In 1992 China suddenly began to rush in the direction of a market economy after Deng's "Conversations on a Journey South," and foreign capital began flowing in like waves from the China Sea.

Three years later, the World Bank announced that China's economic performance in term of purchasing power was then second only to that of the United States. It was also a time when the "Chinese threat" hype was permeating the media in Japan.

According to revised data published at the end of 2005, between 1978 and 2004 China's growth rate averaged 9.6% per annum, a level unknown in the annals of world economic history. As of 2004, despite a per capita GDP of US\$1490, which trails the pack at 107th in the world, in gross terms, China's GDP has surpassed Italy's, moving into 6th place.

Table 3: Gross GDP World Rankings: 2004

Ranking	Country	GDP (US\$100 million)	% of Total
1	US	117,343	26.70
2	Japan	46,712	10.60
3	Germany	27,547	6.30
4	UK	21,330	4.90
5	France	20,463	4.70
6	China	19,317	4.40
7	Italy	16,801	3.80

[Source: *21 century Chugokusouken*, key number (Japanese) vol. 22, 1 Jan. 2006]

In addition, at the end of the 1990s, China began giving economic aid to its neighbors and countries in Africa, and as of 2005, has concluded 350 aid agreements with 112 countries that cover some

446 projects.⁵¹ After looking at the relations China has built with its fellow Central Asian members of the Shanghai Cooperation Organization (SCO: Russian Federation, Republic of Kazakhstan, Republic of Kyrgyz, Republic of Tajikistan and Republic of Uzbekistan), Pakistan and Mongolia, there is only one way to respond: China has transformed itself into a developed world power, both politically and economically.

2. The Post-Cold War Era and the Problems It Poses

[Crisis in Taiwan Strait] The end of the Cold War and new developments on Taiwan have forced the structure of Sino-Japanese relations to change.

For example, during March and April of 1996, China began military missile maneuvers on the coast of the Taiwan Strait in an attempt to threaten the re-election bid of President Li Denghui.

It was Li who in 1986 abolished any new restrictions on either political parties or the activities of the press, and the following year gave birth to the Democratic Progressive Party that swept him into the presidency in 1988.

Then in June 1995, he rubbed the Mainland the wrong way with a journey, albeit in a private capacity, to the United States, drawing pages of invective from the People's Daily.

The People's Liberation Army's missile maneuvers of March 1996 drew two aircraft carriers from the US 7th Fleet, which sailed into the Strait to see what was going on and cranked the tension up on US-China relations higher than since before diplomatic normalization.

Meanwhile, in Japan, while Prime Minister Hashimoto told everyone how "distraught" he was over this turn of events, the Diet House of Councilors Sub-Committee on Asia-Pacific Foreign Affairs passed a proposed resolution for solving the China-Taiwan problem peacefully. The proposal is noteworthy for its praise of Taiwanese democracy and the general election of its president and its hopes for democracy and human rights in both Taiwan and the

⁵¹ Kyoudo Press, *China Watch (Japanese)*, 5 Feb. 2006.

PRC,⁵² a resolution that no doubt managed to stir up the latter even further.

The Japanese image of China had now changed within the scenario of democratically held elections vs. military harassment. According to polls carried out by the Cabinet Office concerning foreign diplomacy, the feeling of friendship towards China among the Japanese public began to fall after Tiananmen Incident in 1989 and fell even deeper after the events of 1996 (see Figure 4, p. 68).

[Rearrangement of US-Japan Alliance] America's post-Cold War military strategy in Asia as consolidated in 1995, when then Secretary of State Christopher testified in February before Congress that policy emphasized a broader engagement concerning China in terms of both US economic and strategic interests.

The fact that the same direction applied to East Asia as a whole was made clear at the end of that month by a report submitted by Assistant Defense Secretary Joseph Nye on America's East Asian strategy, to the effect that the reduction in US military presence in the region would be halted to maintain a force of 100 thousand troops, while at the same time aiming at revisions in the US-Japan alliance in response to "rising China."

In November, Japan also decided, for the first time in nineteen years, on a "new defense agenda" in the absence of a Soviet presence in the Asia-Pacific region. The March 1996 bicoastal crisis in the Taiwan Strait merely accelerated the "redefinition" process. During his visit to Japan in April, President Clinton took the opportunity to issue a joint US-Japan statement on the "reconfirmation" of security issues and how they would move in response to "situations arising on the surrounding region."

China expressed concern about an increase in Japan's military burden, transition to an offensive posture, and remilitarization, criticizing the US-Japan buildup as "Cold War thinking," demanding ad nauseam assurances that "the surrounding areas" did not include Taiwan.

⁵² Op. cit., *Nitchukankei Kihon Shiryoushu*.

As to what “affairs in the surrounding region” did mean would give rise to heated debate both within Japan and in its discussions with China, until in August 1997, Chief Cabinet Secretary Kajiyama Seiroku stated, “Situations on the surrounding region geographically include the Strait of Taiwan,” to which the People’s Daily (Sept. 19) rebutted with an op-ed entitled something like “Loose Lips Sink Ships.”

[New guideline of the US-Japan alliance] It wasn’t soon after, on the 24th, that the new US-Japan security guidelines were officially announced, with Article V calling for cooperation in the case of serious influences exerted on Japan’s peace and security due to situations arising in the surrounding region; and while the concept of “situations arising on the surrounding region” was defined not geographically but rather qualitatively, there is no doubt that any threatening situation arising in the vicinity of the Strait of Taiwan would most certainly come under Article V.

On the next day the guidelines were announced, a Chinese Foreign Office spokesman expressed his country’s strong reaction, stating, “Including the Strait of Taiwan within the province of the US-Japan security cooperation is an invasion of Chinese sovereignty, it is intervention, which neither the Chinese government nor its citizens can tolerate.” The People’s Daily published another op-ed “What are affairs in the Surrounding region”, again criticizing US-Japanese outdated “Cold War thinking.”

Therefore, the 1996 Crisis of Taiwan Strait greatly influenced later events in two ways: first, it caused a worsening of China’s image in Japan, and secondly, it gave rise to a serious dispute in Sino-Japanese relations over the Taiwan question and its relationship to the US-Japan military alliance.

Under these new stimuli, the dispute over the Senkaku Islands (Diaoyudao) came into the public spotlight. In July 1996, China formally protested the presence of a privately constructed lighthouse in the Islands by a Japanese right wing group as “an invasion of Chinese sovereignty,” followed by a small scale anti-Japanese “Diaoyudao is Ours” protest in September at Beijing University etc.

The Japanese government's refusal to officially recognize the structure as a lighthouse calmed the situation, until a Hong Kong-based activist group entered Japanese territorial waters, forced a landing on the site and caused a drowning incident. Then in May 1997, diet member and office manager of the Diet Alliance for the Dissemination of Historical Correctness, Nishimura Shingo, landed on the island giving rise to protests from both the PRC and Taiwan.

Since the PRC's official position is to put aside territorial problems and develop the Islands jointly with Japan, all the trouble was caused by a couple of insignificant citizen-based nationalist political groups. In China an NGO by the name of the "Diaoyudao Protection Coalition," chaired by Tong Zeng, a leader in the movement demanding war reparations from Japan on the civil level also played a central role in the anti-Japanese demonstrations of 2005.

2. Is the Postwar Era Really Over?

[Japanese double standard] It was during this time that the clear differences between the Japanese and Chinese perceptions about the Sino-Japanese War surfaced.

Until the 1990s China had dealt the problem by delineating between a group of militarists and the rest of the Japanese people they had exploited, a double standard in the strict meaning of the term. However, during the late 90s, this double standard became more and more difficult to uphold, given the process of freer speech guaranteed under open-up policies and, of course, the spread of the Internet. Mao Zedong and Zhou Enlai's "March 1955 directive" came to be mocked as "mumbo-jumbo," raising doubts and denials among the Chinese public about the "double standard" to describe the two-sides to Japan, which had been imposed for some 40 years. For many Chinese, the "end of the War" seemed to have just begun.

A double standard also exists on the Japanese side. To the outside world, Japanese leaders have "reflected upon" and "apologized" time and again for the invasion of China and the colonization of Korea, including statements made first by Prime Minister Murayama, then Koizumi, on the occasions commemorating the 50th and 60th anniversaries of the War's end.

But something altogether different lurks underneath all this pomp and circumstance. One thing is the place in the hearts of the Japanese people held by the Yasukuni Shrine throughout the post-war era. This is a religious institution that was established in 1869 as a Shinto shrine worshipping those who fell in battle for the Emperor's cause during the Boshin Civil War, then was upgraded to a government funded shrine for war dead in general under the jurisdiction of the Ministries of the Imperial Army and Navy.

With the separation of Shintoism and politics after the War, Yasukuni shrine was reorganized in 1952 as an independent religious foundation, but a persistent lobbying movement sponsored by families of a select group of war dead and a group of conservative politicians to have the shrine state-funded continued until 1975, when they finally decided to give up on the legislative route. Then in October 1978, the shrine secretly interred the remains of 14 A-class war criminals and included them in its commemorative rituals.

Many prime ministers have worshipped at Yasukuni in both private and public capacities, one being PM Nakasone who appeared on War Memorial Day in 1985 to formally attend the ceremonies and consequently drew strong protest from both the Chinese and Korean governments. Since that time, the "Yasukuni problem" has become one political symbol of the unresolved historical issues pending between the two countries.

It is under by means of such a double standard—expressing regret and contrition while on the way to worship at a shrine that honors war criminals—that postwar Japan has come to terms with its past.⁵³

Ironically, the more the Japanese public comes to feel that "the postwar era is now over" after 50 years, the more Japan's overt identity converges with the part of the War that has lain beneath the surface for that same period of time. The repeated attendance at the Shrine by prime ministers despite opposition at home and abroad,

⁵³ Concerning Japan's postwar double identity, see Yoshida Yutaka, *Nihonjin no Sensoukan* (War Images of Japanese), Iwanami Shoten, 1995.

the struggle among cabinet ministers to be next in line and such comments made by top level bureaucrats as “the Far East Military Tribunal was a one-sided legal trial staged by the Occupation Forces in the name of crimes against peace and humanity...[but] Those convicted have never been considered guilty of such crimes in the eyes of the Japanese people” (Morioka Masahiro, Ministry of Health and Labor administrative affairs bureau chief).

[Murayama's Statement] Probably the best example of the historical perception gap between two countries is the simple fact that most Japanese think the postwar era is over, while most Chinese don't. On 9 June 1995, the year of the 50th anniversary of the War's end, the Diet House of Representative passed a decision to reaffirm Japan's commitment to peace through the lessons of history. Since the interpretation of what was to be resolved differed from political party to political party, it ended up sounding like Japan had not been the only aggressor. For example, the expression “transcending differences in historical views of past wars” indicates a clear lack of consensus about the wars Japan had conducted and, overall, left a bad taste in one's mouth.

Then on August 15, coalition government Prime Minister Murayama said in his commemorative speech,

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 a spirit of humility, these irrefutable facts of history, and [I would like to] 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.

Despite the absence of any legal obligations, this, so-called “50th anniversary statement,” was supposed to be the official expression of how Japan felt about its past. However, in parts of China, Murayama's statement was not perceived as a public

apology. Jin Xide commented, “Does this represent the official intent of the Japanese nation? And what binding effect does it have on Japanese society?...Japan has yet to determine the elements of its history of aggression in a legislative fashion.”⁵⁴ The reason for Jin making such a comment was probably due to such observable behavior as repeated affirmations of the War on the part of cabinet members and attendance at Yasukuni Shrine by prime ministers.

[Changes of Japanese political structure] During the latter half of the 1990s, Japan experienced tremendous changes in its political system. 1993 saw the birth of a coalition government that destroyed the “1955 system” pitting the Liberal Democrats against the Socialists Cold War-style.

In his *A Renovation Plan for Japan*, Ozawa Ichiro called for a transformation from a “defeated nation” to a “normal country;” and neo-nationalism based on traditional values came into vogue calling for a “reexamination of history.”

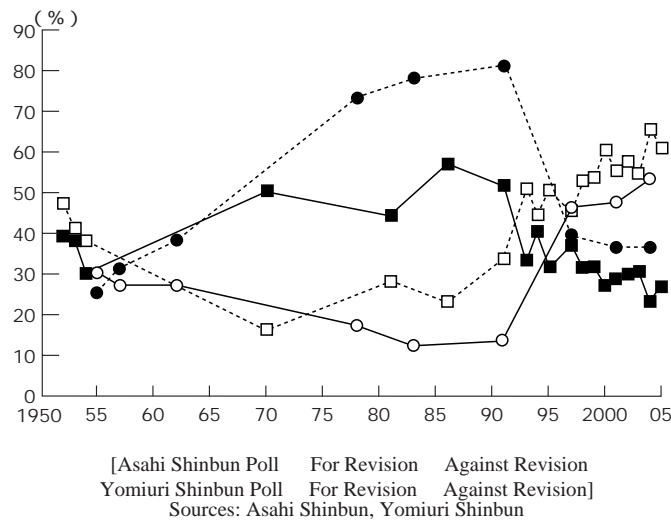
Even the Socialist Party got into the act during July of the following year by abandoning the party line it had stood by for fifty years and accepting the existence of the National Defense Force, the US-Japan Security Treaty, the raising of the Hi-no-Maru National Flag and the singing of Kimi-ga-Yo as the national anthem.

Public opinion concerning Article IX of the Constitution abandoning acts of military aggression also changed markedly. The solid 60% opposition to revising the Constitution (specifically Article IX) of past decades began to be challenged beginning in 1992; and from 1995 the figure dropped to a little over 30%, with support for revision rising to over 50% (see Figure 3). Here was statistical proof that the postwar era had ended in the minds of the Japanese people.

According to an “ideology survey” conducted among almost 500 Diet members at the end of 1998 by Kabashima Ikuo, a Japanese political scientist, the Minshu (Democratic) Party, in particu-

⁵⁴ Op. cit., Jin Xide, *Rizhong Guanxi*.

Figure 3 : Trends in National Consciousness Towards the Constitution (1950-2005)



lar, was going through the throes of generational infighting, pitting its many under-39 year-old members against party veterans over the issues of constitutional revision and military escalation proposed by the LDP.⁵⁵ It was also younger Diet members who carried the standard of neo-nationalist ideas and the “reexamination of history” movement.

It seems that Eugene Matthews was not far off the mark when he commented in 2003 that many Japanese feel that their country has sufficiently apologized for mistakes committed sixty years ago, and it is now time to put forth its own agenda.⁵⁶

⁵⁵ Kabashima Yikuo, “Japanese Diet Member Ideology: A National Survey,” *Chuuoukouron*, May, 1999.

⁵⁶ Eugene A. Matthews, “Japan’s New Nationalism,” *Foreign Affairs*, Vol. 82, No. 6, Nov. / Dec. 2003.

[Call for reparation in China] The Chinese are moving in the opposite direction, as people who had kept their mouths shut through to the 1980s have since the end of that decade begun calling for war reparations on a civil level. In 1990, Tong Zeng (then a teacher of law at the Management Institute for Cadres of the Ministry of Chemical Industry) published a letter to the National People's Congress calling for immediate action concerning such reparations and sent a petition to the National People's Congress insisting that the government recognize the Chinese people's right to demand them.

He asserted that, based on postwar international custom and data concerning the payment of reparations to other countries, reparations owed to China by the Japanese invaders for damages rendered between 1931 and 1945 come to US\$300 billion, consisting of 120 billion in war reparations per se and 180 billion in damages...[despite the fact of relinquishing claims to the former in 1972], the Chinese government has never relinquished claims to the latter.⁵⁷

Although the National People's Congress refused to hear any proposals concerning war reparations, one cannot say for certain that its refusal was based on the view that all such claims had already been relinquished by the government. As Chairman Jiang Zemin stated in a press conference on 1 April 1992 before his visit to Japan, "Any remaining issues should be settled through negotiations."⁵⁸

Then in 2000, Tong's civil reparations movement set up a web site commemorating the Manchurian Incident (18 Sep. 1931) entitled "How Could We Forget the History" (http://www.china918.net/en/index_en.htm) and would play central roles in the "defense" of Diaoyudao and the April 2005 anti-Japanese demonstrations.

Incidentally, the official Chinese estimates of damages rendered by Japan between 1931 and 1945 come to US\$100 billion in direct damages to the economy, 500 billion in indirect damages,

⁵⁷ Op. cit., Li Zhengtang.

⁵⁸ *Nihonkeizai Shinbun*, 1992.4.2.

with human losses (war dead and wounded) at 35 million (Address by Jiang Zemin at a gathering on 3 Sep. 1995 commemorating the 50th anniversary of China's V-J Day).

The Japanese government's response came in the form of a commitment to following strict legal procedures concerning reparations, but unfortunately historical issues cannot all be resolved by litigation and the letter of the law. This is the reason why the 1990s marked the in earnest beginning of the "postwar era" for those Chinese whose calls now fell upon deaf Japanese ears. The gap between the two countries was widening and had to be filled somehow.

3. Chinese Ultra-Nationalism and "New thinking on Japan"

[Ultra-Nationalism] The late 1990s were characterized by a rise in nationalism in both countries. We can see nationalisms are resonant with each other. In China, it took the form of emotion expressed on a mass scale, in Japan more in the realm of politicians, marked by a revival of "traditional" Japanese values. In Japan the phenomenon flared in a wave of neo-nationalism, while in China it took a number of forms, ranging from extremism to a relatively cool, calm and collected new thinking on Japan.

China's "official ideology" concerning Japan offered a dichotomy between militarists and the rest of the people they had trampled upon ("liangfen lun"), the former to be dealt with severely, the latter with tolerance. However, during the late 1990s, this "official version" began to be abandoned in two main directions, ultra-nationalism and revisionism. The former is represented by a book written by young journalists entitled *Chinese Who Can Say "No!"*⁵⁹ The book, which sold over 1.3 million copies, expressed disgust over the image of those Chinese who had been unable to say "no" to either the Americans or Japanese for the past 150 years since the Opium Wars.

The heated debate that took place in China over nationalism

⁵⁹ Song Qiang, Zhang Zangzang etc., *Zhongguo Keyishuo "Bu"* (Chinese Who Can Say "No!"), Zhonghua Gongshanglianhe Chubanshe, 1996.

during the late 1990s and early 2000s took mainly a radical, jingoist-like direction, taking China's calm, realistic foreign policy to task as "showing weakness" and "appeasement" in the words of Wang Xiaodong of the Chinese Youth Research Center.

In his "Contemporary Chinese Nationalism," Wang, who was born in 1965 and graduated from Beijing University, attacked the trend popular during the reform era to refute anything resembling traditional Chinese culture, and called it "ethnic nihilism" spread by "masochistic intellectuals."

Wang argued that what determines the state and nation in the contemporary world is viable space and the idea of a minority deciding the destiny of the majority. Without a resolution to these two problems, human rights, environmental protection, and world peace cannot be realized.

In his opinion, the reason why China's viable space is so cramped and dirty should not be blamed on the population policies of Mao Zedong, but rather on constant defeat in the global struggle since the beginning of the modern era. There is no such thing as a lasting friendship in international relations, only perpetuated interest.⁶⁰ For Wang, the fundamental rule of international relations is to fight the struggle for viable space and face the world with a militaristic mentality.

[Angering youth] It is not difficult to identify in the background to Wang's nationalism the existence of a feeling of being cooped in by some international containment, a national narcissism that cannot be satisfied through self-denial, and a feeling of inequality in the midst of spreading globalism. One can observe a claustrophobic mentality that has gripped urban youth in China (even since before the past 20-year period of sustained prosperity), combined ironically with the appearance of a "consciousness" about China's sudden emergence as a force to be dealt with in the world.

Various versions of nationalism have appeared since the end of

⁶⁰ Wang Xiaodong, "Nationalism in Contemporary China," *Zhanglue yu Guanli* (Strategy and Management), No. 5, 2000.

the 1990s in China, and therefore are not limited to Wang's style, however, it is his kind of ultra-nationalism that seems to have captured the rapidly expanding world of the Internet.⁶¹ In the background of the almost instant spread of the anti-Japanese demonstrations throughout large urban areas in the spring of 2005, lurked the "angering youth" (fengqing) and their infuriating by ultra-nationalist ideas.⁶²

Although the public debate over nationalism in China tends to become intertwined with strains of Wang's radicalism, Jin Guangtao's "idealism" and the government's latest version of "patriotism," there should be no confusion about the fact that the "state" and the "nation" are entities being treated conceptually as self-evident, absolute entities.

In the words of Sumayama, a Japanese historian, "one characteristic feature of the Chinese nationalist debate is not extremism vs. moderation, but rather its inability to view the subject matter in relative terms either from within or without," thus shutting out "the possibilities for a world-scale 'sense of public,' regional 'sense of common' or personal 'sense of private.'"⁶³ Similar terrain (potholes) of nationalism in China can also be observed in contemporary Japan and part of Korea.

[New image of Japan] In response, a new image of Japan is being explored, which attempts to transcend the existing party line ideology out of anxiety concerning such current ultra-nationalistic sentiment. It was in 1997 that He Fang posed the epoch-making question "Can we really get along with the Japanese?" As the liberal former director of the Institute of Japanese Studies, Chinese Academy of Social Sciences, government-sponsored think-tank, he's ideas about Japan do not get bogged down in the history of the

⁶¹ Sunayama Yukio, "Chinese Nationalism Discourse After Tiananmen Square Incident," *Toyobunka*, No. 84, Mar. 2004.

⁶² Xiao Gongqin, "Survey of China's 'Angry Young Nationalists': Patriotism or Confusion?" *Guoji Xianqu Daobao* (International Herald Leader), 2004.11.9.

⁶³ Op. cit., Sunayama Yukio.

Sino-Japanese War.

He is a great fan of the role played by Japan in China's modernization, "regarding economic cooperation there is no other country that could have taken Japan's place...the key to a peaceful international environment is Sino-Japanese relations, and friendship with China will lead to improvements in relations with the United States...[therefore,] friendship with Japan is in China's best national interest."

Regarding the notion of Japan's remilitarization, he argues that first it must be determined what exactly constitutes militarism and military ascendancy, concluding "at the present time Japan's military power is about the same as that of England and France. Given the continued absence of such offensive weapons as nuclear arms, aircraft carriers and long-range missiles and bombers in its arsenal, Japan could not pose any direct military threat to the Asia-Pacific region for the next ten to fifteen years."

According to this analysis, the objectives of Japan's mainliners is "to lose the image of a defeated country, stand on an equal footing with the other world powers [in the UN Security Council, etc.] and play an important role in international politics."⁶⁴

He is more or less correct about Japan's present situation in the statement, "The majority of Japanese will agree that the Pacific War involved its Imperial Army invading and colonizing China, Korea and elsewhere, and having occasion to commit acts of violence in the process, but it does not recognize that the War was an act of aggression on the part of Japan." Most Japanese "want to put an end to the past and treat the War as a page in history after fifty years" and with the generational change that has taken place, "Politicians, the media and the people alike have grown sick of historical issues and become touchy about criticism from other countries. This is true even among those who are friendly towards China." Despite the fact that He for the most part has put his finger directly on the pulse of Japan, his ideas have been treated with

⁶⁴ He Fang, "Can We Really Get Along with the Japanese? Looking Back on 25 Years of Sino-Japanese Normalization," *Huanqiu Shibao*, 1997.5.11.

shock and criticism by his colleagues in Chinese academia.

Another piece of writing that went beyond the established wisdom came out in 2001 at the hand of Feng Zhaokui, another member of the Institute of Japanese Studies. Feng decried the thumping the government's "friend-foe" dichotomy ("liangfen lun") of 1955 was getting over the Internet and elsewhere as "mumbo-jumbo," out of concern that such a vociferous reaction to government policy could become the mainstay of its dealings with Japan in the future. His conclusion was that the "'historical issues' issue" should be left to the Japanese public to decide. Such a realistic analysis approached that of pro-Chinese groups in Japan who were of the opinion that "conciliation" between the two countries should be thought of not as an entry, but rather as an exit.⁶⁵

[New appraisal of Japan] Just how diversified Chinese ideas about their country's relations with Japan have become of late is exemplified by the so-called "new thinking on Japan" that had the media so excited from late 2002 through the following year. The Japan travelogue written Ma Licheng (editor, People's Daily) in December 2002 was something never before seen in the literature to date.

While introducing his readers to a socially stable Japan, materialistically and otherwise, and refuting on no uncertain terms even the slightest possibility of a revival of militarism there, Ma dispelled the ultra-nationalist hype of Wang and others as chauvinistic, isolationist and narrow-minded. As to the historical issues, he stated, "The issue of Japan's apology has already been resolved; it is not necessary to have it in writing." Instead, "what is more important is to look forward. China and Japan together, as the stalwarts of Asia, should reflect on [the dangers of] nationalism, tear down narrow ideas and proceed towards unity."⁶⁶

⁶⁵ Feng Zhaokui, "Thinking Strategically About Sino-Japanese Relations," *Shijie Jingji yu Zhengzhi* (World Economies and Politics), No. 11, 2000.

⁶⁶ Ma Licheng, "Rethinking Our Relations with Japan: What's Troubling Us?" *Zhanlue yu Guanli* (Strategy and Management), No. 6, 2002.

The “new appraisal” offered in February 2003 by Shi Yinhong, an international political scientist and professor at the Chinese People’s University, was more strategic in tone. Drawing Shi’s deepest concern was the mutual hatred and suspicion that seemed to be growing between the two nations and extreme anti-Chinese sentiment among a portion of Japan’s nationalists. At this pace, China would soon be considering Japan in the same boat as the United States, Taiwan and India.

Therefore, “by starting from a holistic viewpoint and basic, strategically-oriented principles, it will be possible to improve relations with Japan on a tremendous scale, bring the two countries together and thus concentrate on lasting security; that is, responding to the actual and latent interference from the United States and preventing Taiwanese independence.” This Shi referred to as “rapprochement,” resembling what happened between China and the US during 1971-72. In concrete terms, he proposed that;

1. China should remove the “historical issues” from its diplomatic agenda unless Japan does recede on China policy
2. Japan increase investment and exports to China on a large enough scale to draw gratitude from Chinese leaders concerning its economic cooperation
3. China proceeds with the modernization of its armed forces while avoiding any implication of worry over Japanese military escalation and playing down its differences with Taiwan,
4. China welcomes Japan with open arms as a force in determining the security, political cooperation and economic affairs of East Asia, and
5. China actively should support Japan’s bid for a permanent seat on the UN Security Council.⁶⁷

As one might expect, Shi’s idea of “a low cost diplomatic revolution” and his argument that it was assistance from Japan that greatly contributed to China’s economic development drew a good

⁶⁷ Shi Yinhong, “Sino-Japanese Rapprochement and a Diplomatic Revolution,” *Zhanglue yu Guanli* (Strategy and Management), No. 2, 2003.

deal of reaction at home and abroad.

[New appraisal stands alone] China's mainstream experts on Japanese affairs were up in arms. Jin Xide and Lin Zhibo (editor, People's Daily) attacked Shi's ideas as unrealistic, stating, for example, that

1. Shi misunderstands that responsibility for poor relations between the countries also lies with China,
2. China had already switched to a policy favoring Japan, so unless Japan responds with a "new appraisal" of its own, "rapprochement" would be out of the question,
3. Any thought of rapprochement with Japan aiming at keeping the US at bay was preposterous.⁶⁸

Immediately after the release of Shi's article, a piece entitled "Doubts Concerning the 'New Appraisal of Japan'" written by Lin Zhibo, began circulating on the People's Net.⁶⁹

Then Zhang Yingzhuang of Nankai University joined in with an essay entitled "Foolishness to Make the Earth Shake and the Heavens Weep." Zhang began with asking what is so wrong about a people who suffered 35 million casualties reacting "emotionally" towards their perpetrator. China's small demands towards Japan's would be laughed at in comparison with those made by the Jews.

In addition, he states;

1. Position and power within international politics is a zero-sum game, especially so in the geo-political juxtaposition of China and Japan.
2. Any concession given to Japan would result in the loss of China's international esteem.
3. The remaining four of Shi's proposals are based on the preconception that all the historical issues have been solved, as soon

⁶⁸ Jin Xide, Lin Zhibo, *Nitchu 'Shinshikou' towa Nanika—Ba Lissei • Ji Yinkou Lonbun heno Hihan* (What is The New Appraisal of Sino-Japanese Relations: A Critique of the Ma Licheng- Shi Yinhong Thesis), Nihon Kyohou Shuppansha, 2003.

⁶⁹ Peoples Network <http://www.people.com.cn/2003.7.22>.

as they are solved, then the deal can be negotiated.⁷⁰

It was in this way that beginning with He Fang's article in 1997, the subject of Japan, which had been previously limited to official proclamations, was opened up to public debate, although the ideas introduced above remain minority opinions and are often very unpopular.

For example, Feng Zhaokui has been called anything from a "traitor" to a "Japanese slut" by Internet bloggers, while Ma Licheng quit his job at the People's Daily and fled to Hong Kong.

Of the discussion that has been carried on to date, the comments of Yang Kuisong, a historian of the Cold War era, leave the strongest impression.

While still on the faculty of Beijing University, Yang, after attending seminar on China and Japan in the Pacific War from the end of the 1990s on, concluded rather dismally that the discussion at these gatherings had less to do with scholarly debate than attempts to publicize and politicize the subject matter, as well as call Japanese nasty names like "ethnically inferior."

In his observation, the atrocities committed by the Japanese Imperial Army during the War were not the result of inferior Japanese national character, but rather the character of war itself, and those Chinese scholars who continue to harp on Japanese inferiority are merely fanning the flames of bigotry among the Chinese people as a whole and creating a brand new cause for strained relations between the two countries.⁷¹

The science of history is not just recounting facts, but also instilling a historical consciousness in the future generations to allow them to shape a new history for themselves. Exploiting the terms "national debate" and "research" to vent emotional frus-

⁷⁰ Zhang Yingzhuang, "Chinese National Character and Diplomatic Philosophy as Seen from 'The New Appraisal of Japan,'" *Shijie Jingji yu Zhengzhi* (World Economies and Politics), No. 12, 2003.

⁷¹ Yang Kuisong, "From Historical Perspective Should Observe Sino-Japanese Relations," *Kangrizhazhengshi Yanjiu* (Journal of the Anti-Japanese War Studies), No. 3, 2003.

trations about Japan and pointing to the emergence of neo-nationalism there as the most significant recent diplomatic development spell difficult times ahead for Sino-Japanese relations.

4. Japanese Neo-Nationalism

[New textbook on history] From the mid-1990s on, a change occurred in the editorializing done by the media and politicians towards the idea of “the end of the postwar era,” a reexamination of the post-postwar era and the reexamination of such historical events as the Pacific War: for example, recognizing that Japan did take aggressive action towards China and the rest of Asia, while refusing to recognize that the Sino-Japanese and Pacific War were “wars of aggression” per se. This interpretation of Japanese military action has gained a consensus in Japan, especially among its political leaders. The double standard of apologizing to the world for the War but inwardly closing one’s eyes to the responsibility that war entails began to crumble when neo-nationalism came out of the closet.

It was in 1989 that Ishihara Shintaro’s *Japanese Who Can Say ‘No!’: New Directions in US-Japan Relations* was published and became a million seller. Japanese “autonomy,” which was the focus of the book discussed in a no holds barred fashion, meant for the author autonomy from “the constitution foisted upon Japan by the Occupation Forces.”

The mid-1990s marked a turning point with the House of Representative’s “Proclamation on the 50th Anniversary of the End of the War,” for beginners, followed by the formation of a Diet alliance among conservative LDP members dedicated to historical correctness, thus getting the movement to “reexamine history” well underway by a new generation excited about the timeworn issues of the politicization of school textbooks, politicians worshipping at Yasukuni Shrine and pro-Taiwanese politics.

The new generation of conservative Diet members embraced the “reexamination of history” with a passion. In February 1997, immediately following the formation of the “Committee to Write a New History Textbook” in December 1996 (Nishio Kanji, chairman), a group of LDP Diet members reelected five times or

less formed the core of the Young Diet Members Committee to Discuss Japan's Past and Future (Nakagawa Shoichi, chairman, Abe Shinzo, general secretary). This group wholeheartedly supported the "Textbook Committee" and blossomed into a larger, multi-partisan committee to discuss the subject, formed in June 2001.

What is important for the discussion here is that these groups and their Diet members were also advocates of strengthening relations between Japan and Taiwan. The formation in February 1997 of the multi-partisan Diet Member Confab on Japan-Taiwan Relations is one example of a pro-Taiwan group linked to the history revision movement and marked a smooth generational transition in the pro-Taiwan faction.

The Textbook Committee was formed during that time and the Diet Proclamation was accompanied by the formation of the Liberal Historical View Research Group (Fujioka Nobukatsu, chairman), which criticized existing textbooks "for writing modern and contemporary Japanese history in the masochistic style of Crime and Punishment" and pledged to "write and publish history textbooks filled with confidence for future generations," "aiming at history education that instills pride in one's country."

However, the resulting textbooks, which rely on the art of mythology to paint modern Japanese history, including its wars, in the light of "nationalism," have apparently not yet caught on, being chosen by 0.039% of Japanese schools in 2001 and 0.43% in 2005.⁷²

[Neo Nationalism] The roots of neo-conservatism in Japan can be traced to the Nakasone regime of the mid-1980s, when attempts were made to "end the postwar era" with such slogans as "settling accounts in postwar politics once and for all," "Japan as a player in world politics" and the US-Japan alliance as an "unsinkable aircraft carrier."

However, "ending the postwar era" would have to wait for

⁷² See <http://www.tsukurukai.com/index.html>

Ozawa Ichiro's Plan for Reconstructing Japan in 1993 under the motto, "We're just an normal country." It was also the year marking the collapse of the LDP regime and an end to its one-on-one partisan fight with the socialists since 1955.

The differences between the "neo-conservatism" of the 1980s and the neo-nationalism of today are, first, the question of rebuilding Japan's national identity by "indigenous" values. Here is where "reexamining history" makes it entrance to strike down the masochistic view of modern Japan based on its record of aggression in favor of the "good old days."

Secondly, there is the attempt to write off the "postwar era" with revised versions both Article IX of the Constitution and educational programs set up emphasizing democratic ideas.

Now, what do these "revisionists" have to say about China? Ishihara Shintaro says that the prime minister's worship at Yasukuni Shrine is nothing more than "a solemn expression of gratitude for the historical achievements of Japan's modern nation-builders by one of their heirs."

Concerning China proper, "Our next door neighbor, China, not only poses a threat through unnecessary expansion in the light of its military might, but also poses an extreme danger to the peace and security of our everyday lives due to the enormous social distortions which plague that nation."⁷³

Another protagonist of neo-nationalism is Nakagawa Shoichi, minister of Economy and Industry and Agriculture in the Koizumi Cabinet and textbook revisionist. For him, the prime minister's attendance at Yasukuni is "to commemorate those who have sacrificed their lives for our country and to pray for peace." In response to requests from the business community to postpone Yasukuni over possible ramifications for Sino-Japanese relations, "First you put him in office then tell not to go to Yasukuni, make up your minds!" and "any one in the business community [who thinks that A-class war criminals should be interred separately] can go do

⁷³ Ishihara Shintarou, "Thoughts on 'Yasukuni,'" *Sankei Shinbun*, 2001.8.6; Ishihara Shintarou, "How to Deal with China," *Sankei Shinbun*, 2001.9.3.

business in some other country.”⁷⁴

The grip secured by neo-nationalism on the media and politicians was made possible by the end to the Cold War and the advent of globalism.

In the case of the latter, the belief that the world should be one big marketplace, neo-nationalists enjoy its benefits while resisting it for the sake of some jingoist national identity, sugar-coated with terms like “Japanese ethnic culture” and “tradition.”

Another important cause is the economic performances of Korea and China that now rival Japan’s superiority. In particular, China’s 10% per annum economic growth rates over the past 20 years and the military outlays that have accompanied that prosperity have no doubt surprised, pressured and threatened a lot of people in Japan. Moreover, neo-nationalism is the Japanese response to the highly energetic nationalist movements in China and Korea.

[Worship Yasukuni Shrine] The decision by Prime Minister Koizumi to continue attending Shinto services at Yasukuni Shrine throughout his term of office annoyed a lot of people in Korea and China. This decision is probably the reason why Chinese and Japanese heads of state have not visited with one another over the past five years. After his fifth visit to Yasukuni in October 2005, Koizumi emphasized that it was a personal decision made from the heart of one Japanese citizen.

Koizumi said, “I who happens to be prime minister of Japan went, but it was Koizumi the individual who attended. It is a question of conscience, the freedom of which is guaranteed by the Japanese Constitution.”⁷⁵

So what are we to make of this “Yasukuni dilemma?”

Any analysis has to start with three questions ;

1. Does attendance at the Shrine by the prime minister violate the

⁷⁴ Nakagawa Shouichi, “The Chinese Economy, Our Real Worry,” *Shokun*, May 2005.

⁷⁵ “Reply by PM Koizumi before the House of Councilors General Session,” 25 Jan. 2006.

Constitution's separation of politics and religion?

2. Is worshipping A-class war criminals a beatification of Japan's war record?
3. Is it just a cultural and domestic problem of Japan? Is it a problem that concerns foreign countries?

To begin with, Yasukuni is a religious foundation practicing the Shinto liturgy, and all those who enter its gates to "commemorate" are willfully attending Shinto rites. According to a decision made by the Fukuoka District Court on 4 April 2004, "[The prime minister's attendance] was done with full knowledge of the constitutional questions involved. His actions defy Constitution's Article XX Section 3 prohibiting him from engaging in religious activities."⁷⁶

Secondly, "A-class war criminals" denotes 28 Japanese convicted at the Far East International Military Tribunal of "crimes against peace;" that is, ordering and leading a war of aggression. Of them, seven were executed, including former prime minister Tojo Hideki, army general Itagaki Seishiro and prime minister Hirota Kouki. The Yasukuni Shrine has incorporated into its "litany" these seven and seven others, including foreign minister Matsuoka Yosuke. In addition, the Shrine's "pantheon" also contains about 1000 convicted B- and C-class war criminals.

The problem here is whether or not such people should be commemorated as war dead and war victims by Japan's top minister of state.

This is also related to how one regards the findings of the Far East Tribunal, which, the Yasukuni Shrine believes, ignored international law in its decisions, to the applause of neo-nationalist commentators and politicians.

However, in September 1951, Japan accepted the terms of the San Francisco Peace Treaty and became once again an independent country; and in 1986, when then Prime Minister Nakasone decided not to attend Yasukuni, Chief Cabinet Secretary Gotoda clearly stated, "According to Article XI of the San Francisco Treaty, in its

⁷⁶ *Yomiuri Shinbun*, 2004.4.7 evening edition.

relations with other countries, Japan abides by the findings of the Far East Tribunal.”

Finally, and most vexing, is whether this problem can be considered a domestic issue; i.e., a particular aspect of Japanese culture. Recently, Koizumi himself has chosen to plead “cultural relativism” stating, “It’s an aspect of the Japanese psyche.”

So has his cabinet a member who says;

In Japan, after you die, everybody’s the same, no matter what you did during your lifetime; but in China, evildoers in this life go on as evildoers in the next. We should learn to recognize and understand such differences in our respective views on life and death (Foreign Minister Machimura Nobutaka, 3 October 2004).

First of all, war is not a cultural activity, but rather a serious political act perpetrated by a sovereign state toward a foreign entity.

Secondly, in the words of Takahashi Tetsuya, a Japanese philosopher, the deities worshipped at Yasukuni are not just “those who died in Japan’s wars,” but rather “a select group of war dead chosen by the state for political purposes.”⁷⁷

If so, Yasukuni is not merely an internal question of the heart or indigenous culture, but rather an issue to be discussed with another group of victims created by the same political intent.

[Yasukuni--as a political symbol] This all leaves one in a quandary about how the “culture” and “personal convictions” of a single prime minister can throw relations between Japan and China into such a tizzy. After all, there are so many other problems to be solved between the two countries. But Yasukuni has become a symbol.

For Japan, it is not a problem of “culture” but rather the pique arising out of having some foreign country tell it to quit doing something. For China, Yasukuni houses that same group of A-class war criminals that symbolizes the militarists who exist apart from the rest of the Japanese people they victimized, making up the

⁷⁷ Takahashi Tetsuya, *Yasukuni Mondai* (The Yasukuni Problem), Chikuma Shobou, 2005.

dichotomy within one the basic principles governing its postwar relations with Japan. Chinese leadership is afraid of letting Yasukuni slide would not only fan the flames of emotional nationalism among the Chinese masses, but even threaten the legitimacy of the PRC government.

As Zhu Jianrong puts it, by displaying 14 convicted A-class war criminals as the militarists who inhabit Japan and have them take all the blame for the War, Yasukuni becomes the means by which the historical issues between the two countries will be solved. It is similar to having Lin Biao and the “Gang of Four” take all the responsibility for the mistakes of the Cultural Revolution.⁷⁸

Could there be anything more moronic for a political leader do than to throw the people of a neighboring country into a nationalistic frenzy over a point of “culture?” At least remove the A-class war criminals from the others, and set up a national monument and facility independent of religious foundations and national organizations to commemorate all of Japan’s war dead, so as not to further politicize the Yasukuni problem. Do this and normal Sino-Japanese relations will soon be reopened.

As long as Japan does nothing to create even a minimum degree of consensus about the War and responsibility for it through serious public debate, “the postwar era” will not come to an end.

IV A New Era of Sino-Japanese Relations

1. The 2005 Anti-Japanese Demonstrations

[Anti-Japanese demonstrations] The wave of protest against Japan that flared up on the weekends during April 2005 were mob-like actions calling for a boycott on Japanese goods (despite the growing economic interdependence between the two countries) reminis-

⁷⁸ Zhu Jianrong, *Kokintou Tainichi Senryaku no Honne: Nashonarizumu no Kunou* (Hu Jintao’s Real Japanese Strategy and Worries about Nationalism), Kadokawa Shoten, 2005.

cent of before 80 years slogans but bringing up a new issue, Japan's bid for a permanent seat on the UN Security Council.

It all started on March 1 in Korea, when in a speech commemorating the 74th anniversary of the first Korean declaration of independence President Roo Moo-hyun criticized Japan about their territorial dispute over the Liancourt Rocks and the historical issues that exist between their two countries, in addition to expressing Korea's unconditional "no" to Japan's Security Council seat.

Then on March 20th, the content of the Japanese textbook proposed by the New History Textbook Committee was leaked, and its website carried a list of over 300 supporters and their affiliations. The list was duplicated in the 28 March issue of the *Guoji Xianggu Daobao* and created the false impression that the affiliated organizations listed were also in favor of the textbook. Topping the list was the Asahi Brewery, which became the subject of a boycott on its beer being marketed in the northeast region. The idea caught on and spread to the brands of other producers on the list.

Around the same time, groups of Chinese activists at home and abroad initiated an Internet-based petition opposing Japan's UN Security Council seat, and signatures rapidly increased into the billions.

Then on April 2nd a mob attacked a Japanese supermarket franchise in Sichuan Province, while demonstrations spread even in Guangdong from Shenzhen. A week later in Shanghai, a 50 to 60 thousand member demonstration was organized via the Internet and cell phones. Mob violence resulted in window smashing at a Japanese-run restaurant and the local Japanese Consulate.

[Divergences in the Chinese leadership] It was on the 17th that the government finally stepped to control the demonstrations. On the 19th Foreign Minister Li Zhaoxing in a briefing to his cadres stated that relations with Japan were important and to act calmly, while law enforcement agencies cracked down heavily on the demonstrations and arrested some of their leaders. Then it was observed that CCP leadership was divided in their opinions about the protests.

After its formation in March 2003 the Hu Jintao leadership

decided not to touch upon China's historical issues with Japan. However, at that year's the Central Working Conference on Japanese affairs chaired by Tang Jiaxuan (State Councillor), pressure was applied by a group affiliated with diplomatic hardliner and former party Chairman Jiang Zemin to get those issues back on the agenda.⁷⁹

Just prior to the demonstrations, in March 2005, two conferences were held concerning policy towards Japan and resulted in three decisions;

1. Both "ideological and psychological preparations" should be made for what seems to be rough road ahead for Sino-Japanese relations.
2. If Japan takes a hard line, China will resist it; if Japan shows flexibility, China will respond positively.
3. Channels in the private sector should be broadened in place of government level relations.⁸⁰

There is no doubt that China's leadership was at odds about how to deal with Japan. Given the reasons for Hu Yaobang's dismissal as General Secretary in 1987, issues related to Japan were important enough to shake and rattle the central leadership.

[Internet-Nationalism] At the time of the demonstrations, many Japanese commentators in the media were of the opinion that;

1. The Chinese government was behind the disturbances,
2. A power struggle had broken out at the central level over Sino-Japanese relations, and
3. The demonstrations were the result of the "educational curricula emphasizing patriotism" that had been initiated since the mid-1990s.

It seems, however, that the situation was somewhat more deeply embedded than that. Of course, the "patriotic education"

⁷⁹ Shimizu Yoshikazu, *Chuugoku wa naze Hannichi ni Nattaka?* (Why Has China Turned Against Japan?), Bunshun Shinsho, 2003.

⁸⁰ Shimizu Yoshikazu, *Chuugoku ga Hannichi wo Suteru Hi* (The Day China Abandons Anti-Japan), Koudansha Shinsho, 2006.

campaign waged from 1994 had something to do with it, but more fundamentally, the root causes lay in the diversification of Chinese society and the expansion of freedom within it since the implementation of reforms emphasizing openness.

Particularly noteworthy here is the perpetuation of the previously mentioned brand of nationalism combining pride as a world power with chauvinistic tendencies. Such ideas were probably blown out of proportion through the new information media of the Internet and the cell phone.

The views of radical nationalism is popular among younger people using the Internet, for as Wang Xiaodong states, the task of a nationalist is to agitate for China as a super power. "Since the enormous development of the Internet in China from the end of the 1990s on, nationalism has been freed from the interdiction and taboos imposed by the media up to that time and become able to disseminate its ideas among the people faster and on a broader scale than ever before."⁸¹

Former military man and editor of the People's Daily Lin Zhibo has a clear and challenging view about how to deal with Japan: Appeal to the spontaneous ethnic emotions of the Chinese people, screaming at them, "be firm, don't buy the friendship diplomacy line." Why? Because "China is emerging and Japan wants none of it, economic relations are shifting from mutually offsetting to competitive." Regarding Japan's seat on the UN Security Council, the "angry young men" and their isolationist heroes chime in unison, "China should use its veto...If we don't use it now, we never will."⁸²

From the recent statistics regarding the Internet, of the over 100 million Chinese users, 65% have incomes under 500 yuan, 30% have less than a high school education and 17% are under 18

⁸¹ Wang Xiaodong, "China's Mainstream Intellectuals: Retrospect and Prospects about Contemporary Chinese Nationalism," *Zhongguo yu Shijieguancha* (China and World Outlook), No. 1, 2005.

⁸² Lin Zhibo, "China's Present Day Quest for Nationalism: On Sino-Japanese Relations," *ibid.*, *Zhongguo yu Shijieguancha*, No. 1, 2005.

years of age,⁸³ meaning that it does not seem to the highly educated elite browsing through China's chat rooms these days.

The same phenomenon can be observed in Japan. Make everything simple and clear-cut, appeal to the emotions rather than reason, fill the air with stories of China that threaten and destabilize on emotional levels, emotional issues spread easier and sway evenly. Here we have one more crisis to be faced by Sino-Japanese relations, a lack of objectivity on the part of the media and opinion leaders.

2. Worsening Mutual Images

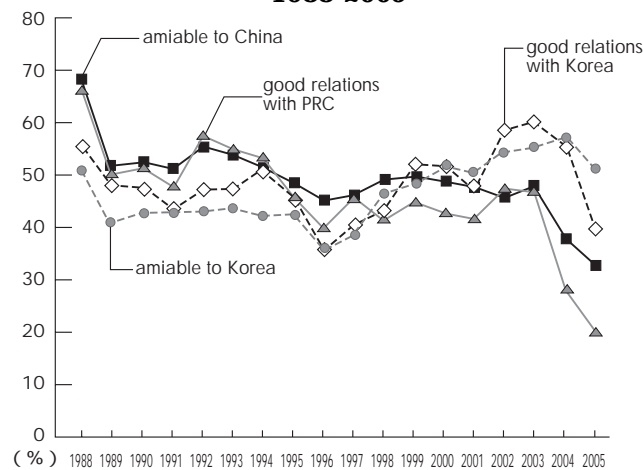
[Sino-Japanese mutual images] What was novel about the 2005 anti-Japanese demonstrations was the inability to control the flow of information, which spread on the worldwide web and cell phone networks.

Sino-Japanese relations had shifted from the government to the private sector. Lying in the background are both worsening PRC about Japan among the Chinese population and chauvinistic ultra-nationalism. A downturn in the image one country holds of the other can be observed on both sides.

According to an Institute of Japanese Studies public opinion survey in Autumn 2004 concerning how Chinese felt about Japan (3000 respondents), 53.6% replied negatively (*Riben Xuekan*, 2004, No. 6). Trends in Japan are shown in Figure 4, the results of a Cabinet Office survey taken among 3000 subjects during October of every year since 1978. The downturn that has taken place in Japan's image of China since the Tiananmen Incident lies in stark contrast to the upsurge in Korea's image since the joint sponsorship of the Soccer World Cup and the popularity being enjoyed by Korean music and film in this country.

⁸³ Tajima Eiichi, "Sino-Japanese Relations in an Era of 'Patriotism,'" *Kokusai Mondai* (International Affairs), No. 549, Dec. 2005.

Figure 4: Changes in Japan's Image of China and Korea: 1988-2005



Source: Cabinet Ministry, Public Opinion Surveys Concerning Diplomacy

The downward trend continued through the Strait of Taiwan missile crisis (1996) until reaching an all-time low of 32.4 (personal) and 19.7% (diplomacy) after the 2005 demonstrations. The gap between the two figures also widened, indicating that the problem lay more on the government level than on an everyday level. However, the two images also tend to effect one another overall, due to the fact that public opinion reacts more emotionally than reasonably.

3. New Things to Fight Over

[Permanent seat on the UN Security Council] Probably the most shocking effect of the 2005 demonstrations for Japan was the petition that circulated around the world opposing its bid for a permanent seat on the UN Security Council. Most Japanese considered themselves a shoe-in for a place at the table, given their no.2 place in the world economy, footing over 20% of the UN's expenses and top or second position among providers of foreign aid.

A strong reaction was issued from the government and else-

where, claiming that the petition reflected the Chinese government's dissatisfaction with any improvement in Japan's international political status. Since the petition was circulated through China's three leading portal sites (SINA, SOHU, NETEASE), these suspicions seem founded, in an indirect sense.

Now, what about this so-called "official" government position? It is my opinion that the April demonstrations themselves were spontaneous occurrences; however, regarding the UN Security Council issue, I think the government was actively involved.

Immediately following the petition movement, Ling Qing, former Chinese ambassador to the UN expressed in a magazine article his strong opposition for the following reasons.

1. By his decision to attend services at Yasukuni Shrine to honor A-class war criminals, the Japanese prime minister is expressing no "heartfelt apology" for the past and in the eyes of neighboring Asian nations such an attitude deserves no seat on the Security Council.
2. Making the Taiwan issue a US-Japan "joint strategic objective" is also not up to snuff.⁸⁴

It was during the following July that the Chinese government publicly announced its opposition to the "four-nation plan" opening the Security Council to Japan, India, Germany and Brazil.

For China, with its serious Taiwan Achilles tendon problem, Japan sporting a brand new and better alliance with the United States was hardly a desirable candidate to sit alongside of as an equal partner in the UN. It was in this sense that the 2005 demonstrations marked the beginning of a new struggle between the two countries involving political power in both the immediate region and global society.

[Taiwan issue and US-Japan security arrangement] Let us now turn in more detail to these two root causes of China's opposition to Japan's bid to become a top player in international politics. In

⁸⁴ Ling Qing, "UN Reforms and Japan's Permanent Membership on the Security Council," *Riben Xuekan*, No. 3, 2005.

December 2004, the Koizumi Cabinet's "new defense plan" touched on for the first time the necessity "to pay heed to the modernization of the Chinese military and its expanded maritime activities." In the background of such an intent lay the incident involving a Chinese submarine's incursion into Japanese waters.

In February 2005 the US-Japan Security Consultative Committee (SCC), which was convened in Washington DC by both countries' ministers of foreign affairs and defense (2+2), came to an agreement on common security objectives based on military cooperation and the reorganization of US forces in Japan.

In Section X of the resulting joint statement, entitled "Common Strategic Objectives in the Region," hope was expressed for a peaceful resolution in the Strait of Taiwan and more military transparency on the part of China. It was the first time a document of this type had ever mentioned China in such a clear manner.

Bitter opposition was immediately expressed by a Chinese Foreign Office spokesperson, who stated, "The US-Japan military alliance is a two-nation relationship created on the unique historical conditions known as the Cold War and should not venture beyond the affairs of those nations. China is strongly opposed to the recent [SCC] joint statement."⁸⁵

As a matter of fact, China is even more sensitive to US-Japan security relations touching upon the Strait of Taiwan than any historical issue that may exist with Japan and is ample proof, beyond the UN Security Council issue, that a power struggle has begun between the two countries within East Asia.

[Territorial disputes] Since 2005 the two countries have also been embroiled in territorial disputes related on both land and sea. One involves the East China Sea Exclusive Economic Zone. In response to Japan's demand that under international law, the median line for demarcating territorial waters should be drawn equidistant between the Chinese coastline and the Okinawa Islands, China cites legal definitions of continental shelf extension in insisting on a 200

⁸⁵ *Peoples Daily*, 21 Feb. 2005.

nautical mile distance to the Okinawa Trough.

Another problem is the development of the natural gas field on the sea bottom boundary line of the East China Sea EEZ. A few years back China put the area up for public bid and a development project, including two US companies, was begun in the area that Japan insists lies on the EEZ border.

Japan says that since the area under development lies only a few kilometers from the borderline, China's attempt to extract gas there raises the possibility of tapping into the gas resources on the Japanese side of the ocean floor. In Spring 2005, the Japanese Ministry of Economy and Industry announced that it had granted rights to a number of private enterprise to begin excavation testing, and since then, several have begun conducting tests.

As Deng Xiaoping stated in October 1978 while on tour in Japan, "Both governments believe it is wise not to take up this issue [of the Senkaku Islands] at this time, since there is no harm in shelving it for even ten years if necessary... We will come to some mutually agreeable solution further on down the road,"⁸⁶ the official Chinese attitude has been to put aside the territorial issue of the Islands and development them jointly.

Given the fact that China and Japan rank first and second, respectively, among the world's importers of energy, this is an issue that requires a rational solution through negotiations based on reason without entwining with issues of history.

4. A New Structure of Sino-Japanese Relations

[Three actors] A recent feature characterizing relations between the two countries is the great amount of influence that the people and public opinion have come to wield in the process. Figure 5 shows the changes which have occurred in the relationships among the government, private business and public opinion sectors through a comparison between 1972 and 2005. In 1972, at the time of diplomatic normalization, only the Chinese government was involved in relations with Japan, and turned a deaf ear to what

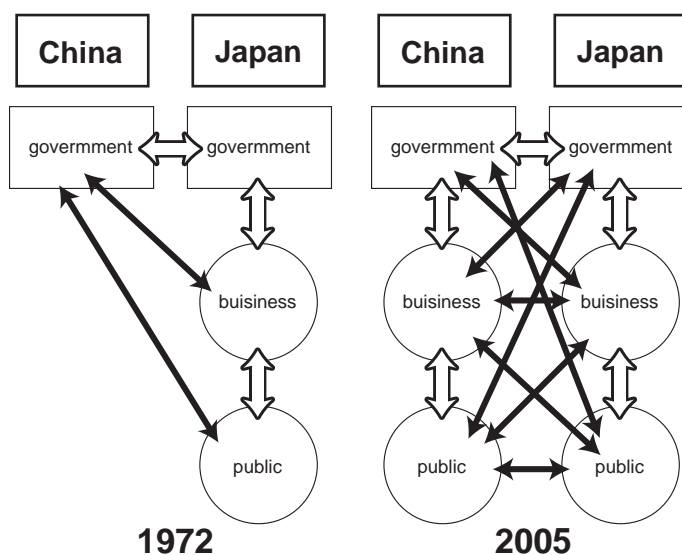
⁸⁶ *Pekin shuuhou*, No. 39, 1978.

anyone else had to say about them. By “government” we mean only a few of the top leaders, like Mao Zedong and Zhou Enlai.

On the Japan side, there stood the business community, which was chomping at the bit for normalization, and public opinion had also favored the government establishing relations with China. Both factors were important in Tanaka Kakuei’s decision to move forward.

The contrast between the two countries in 1972 is like night and day. 2005 presents a more complicated set of circumstances, however, especially in the strong pressure being applied by public opinion in one country on the government and public opinion in the other. Moreover, it has become easy for public opinion in China these days to determine the legitimacy of any regime, and the government is particularly sensitive (susceptible) to what the people think about its relations with Japan.

**Figure 5: The Stratification of Sino-Japanese Relations:
1972 & 2005**

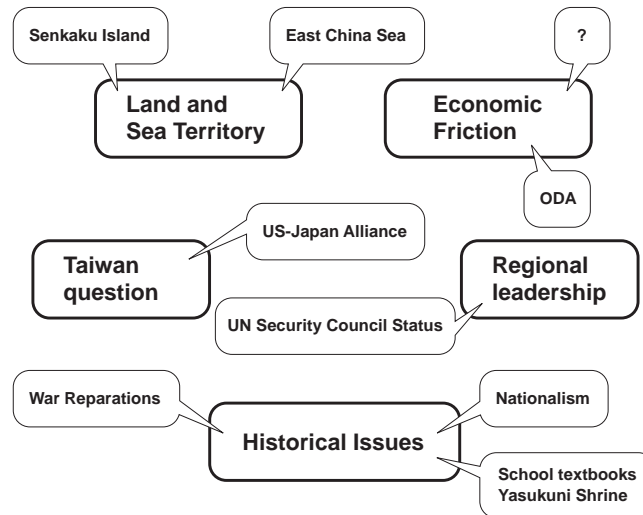


[Tri-level issues] The complex stratification of the players is matched by that of the issues themselves, as indicated by the three levels shown in Figure 6. The first level is related to “values.” The historical issues being related to the evaluation of the direction each state and people are headed, they have become located on this “no deal” value level.

Level two is related to power on the international scene. The Taiwan question is closely tied to the power struggle in Asia. The US-Japan alliance and Japan’s bid for the UN Security Council are problems existing also on this level. They are also tied up with the historical issues on level one.

Level three contains specific issues concerning national interest, like the resources at the bottom of the East China Sea and the Senkaku Islands. Economic relations bind the two countries together even tighter with more friction in the offing, as China’s level of industrialization increases to the point of economic parity.

**Figure 6: The Tri-Level Structure of Sino-Japanese Issues:
Values, Power and Interest**



Conclusion: Six Point Summary

Looking back on the over half century of relations between China and Japan since the formation of the People's Republic, the following points may help to sum up the situation.

- (1) Up until the normalization of diplomatic relations between the two countries in 1972, relations that did exist were determined by an international environment characterized by the Cold War, US-Japan relations and the Taiwan question, especially as it affected domestic politics in Japan, like the inner workings of the Liberal Democratic Party. Normalization was realized in the wake of China's rapprochement with the United States; however, without the preexisting private sector economic relations, action taken by business leaders, efforts on the part of pro-China politicians and a Japanese public demanding something be done, normalization would not have gone as quickly and smoothly as it actually did.
- (2) Normalization resulted in Japan breaking off relations with Taiwan and China relinquishing claims to war reparations. Japan's reflection on its aggressive past was a crucial condition underlying the deal, but the resulting "1972 system" is by no means a perpetual one. On the one hand, the system has turned out to be insufficient in itself; on the other, its first 30 years of existence saw all kinds of tremendous changes in its international milieu, power relations between the two countries and the nature of the Taiwan question.
- (3) After entering a period of turbulence from the mid-1990s on, Sino-Japanese relations have been existing in a kind of limbo. Japan has come to the conclusion that "the postwar era is over," and wants to be a "normal" country like everybody else, aspiring to prominence in world politics. China, on the other hand, has emerged as a first class world economic power, but for many of its people, "the postwar era" is still not over. The gap that has arisen in the two countries' perceptions of what happened to the "postwar era" has accompanied the creation of a rivalry between the "two Asian powerhouses." In

this sense the two countries find them-selves in an “era of mounting contradictions,” to use the phrase coined by Wang Jisi, a Chinese scholar on International Politics.⁸⁷

- (4) There is the question of her own Japanese strategy and policy direction concerning China, or rather the lack thereof except in 1980s. Up until normalization, the United States was the determining factor in Japan’s China policy. That is to say, Sino-Japanese relations existed only in within the realm of US-Japan relations. Then came domestic politics and Taiwan question, as strong determinants.

And let’s not forget China itself, which can’t get over its infatuation with the idea that Japan consists of two groups: militaristic boogey men and the peace-loving people they victimized (liangfen lun). It is this idea that has determined China’s Japan policy for over 55 years now. This is not to say that China’s Japan policy has not wavered to and fro with the vagaries of Chinese politics and the whims of its leaders. Moreover, with the liberation of Chinese public opinion from the 1980s on, China’s Japanese problems are now capable of shaking political regimes to their cores.

- (5) We can just observe the “frailty” of relations between the two countries. This weakness did not appear along the structural lines of governments, political parties or bureaucracies, but rather at points of individual leadership, policy-making ability and their images. This tendency is particularly strong on the Chinese side of the equation. For example, the reason why Sino-Japanese relations were at their best during the early 80s was probably the result of high trust of Chinese leaders to the Prime Minister Ohira Masayoshi individual.
- (6) There is the rise of nationalism on both side of the fence: among the masses in China, among politicians and the media in Japan, but both swaying to the music together and causing the Sino-Japanese boat to rock more violently than ever before.

⁸⁷ Wang Jisi, “Sino-Japanese Relations and East Asian Regional Cooperation,” lecture given at Waseda University, 4 Apr. 2006.

What has to be done under such conditions is to create risk management mechanisms until the two countries can learn to trust one another.

[6 proposals to rebuild Sino-Japanese relations] The above situation definitely requires both countries to make attempts at rebuilding relations, possibly along the following lines.

1. Resort to reason. It is time that political leaders, the media, and the intellectual communities in both countries come to the realization that frailty does exist in their relations, unlike in those of any other countries, and so take serious steps to handle such a delicate condition.
2. Hold regularly scheduled summit meetings. Be they in the form of mutual visits or meetings on the occasion of multi-national gatherings, it goes without saying that such meetings can only take place after Japan solves its “Yasukuni woes,” and China makes a concerted effort to get out of its “historical issue doldrums.”
3. Open channels for every problem area on every level. All problems of interest to both parties can be solved through negotiation, as long as “values,” “historical issues” and the like do not get in the way. Channels of communication should be opened separately for economic friction, territorial disputes, building an “East Asian Community,” etc.
4. Get the facts straight about the history of bilateral relations and East Asia. A joint committee made up of members representing Japan, China (and Korea) should be set up to discuss historical issues, including what is being taught in their schools, from a long-range perspective. The group could be organized on a government or non-governmental level. What is important is responsible consultation continue among the parties concerned.
5. Promote government-sponsored joint international projects (including Korea, if necessary). This is probably the most important step that should be taken. How about an environmental protection project or a comprehensive plan to deal with disaster prevention, containment and assistance. I myself,

majoring in education, proposed the establishment of an East Asian graduate studies educational network aimed at training leaders committed to mutual cooperation and regional security.

6. Create an “East Asian Community” or some other multinational organization. Japanese successes in Asian diplomacy have been few and far between—only the “Fukuda Doctrine” of 1977 and the Ohira administration’s “Asia-Pacific vision” come to mind. China is no exception, seeking only bilateral relations with its neighbors in the region and until recently, refusing to perceive Asia as a geo-political region.

In sum, although forming the core upon which cooperation in East Asia will be realized, both countries avoid Asia like the plague. The most feasible scenario they can come up with to date will be a power struggle with each other over regional hegemony, one that the rest of Asia will not want to see. Rather, it’s about time they live up to their credentials as “countries of Asia” and concentrate on developing ideas and protocols for regional diplomacy, a task that may end up promoting mutual trust and opening a way to solving their “historical” hang-ups.

In any case, there is no doubt that Japan and China have entered a brand new phase in their relations, if the issues discussed in this article have any validity. The task before them now is to realize that fact, come up with rules to guide them based on the agreement made in 1972, and articulate a new framework for regional cooperation.