Drinking from the Poisoned Well

BY DANIEL SNEIDER

The troubling history of Sino-Japanese tension.



THE MAGAZINE OF INTERNATIONAL ECONOMIC POLICY 220 I Street, N.E. Suite 200 Washington, D.C. 20002 Phone: 202-861-0791 Fax: 202-861-0790 www.international-economy.com editor@international-economy.com our years ago, I gave the students in our Stanford class on U.S. policy in Northeast Asia a detailed simulated crisis set in the East China Sea. In the written scenario, the newly elected Obama Administration was facing multiple problems in the Middle East, from fighting in Gaza to rising frictions with Iran. Meanwhile in Northeast Asia, tensions between China and Japan were quietly growing,

triggered by ongoing territorial and oil and gas drilling disputes in the East China Sea, centered on the disputed group of islets known to the Japanese as the Senkaku and to the Chinese as the Diaoyu.

In the scenario, as Chinese and Japanese leaders exchanged harsh words, vessels and aircraft circled each other uneasily. In the dark hours of an early March morning, a Chinese diesel submarine, attempting to shadow a Japanese flotilla, collided with a Japanese destroyer, sinking to the bottom of the Okinawa trench with sixty crewmembers on board. Chinese outrage, massive anti-Japanese protests, military mobilization, and a call for UN condemnation followed. The Japanese government called on the United States to honor its security commitments and deploy the 7th Fleet and American air forces in support of the Japanese navy. The students were asked to prepare memos on how the United States should respond as if they were members of the White House National Security Council staff.

Daniel Sneider is the Associate Director for Research of the Shorenstein Asia-Pacific Research Center at Stanford University. A former foreign correspondent, Sneider has written extensively on security in Northeast Asia and Japanese foreign policy and co-directs the Center's project on wartime historical memory. The current tensions between China and Japan, set in the disputed rocky island group in the East China Sea, mirror this academic exercise. Both countries are flexing their muscles, putting ships and planes into motion in the waters and airspace around the islands. Neither has the intention of going to war, but their activity increases the odds of an accident or inadvertent event triggering dangerous escalation. Obama Administration officials, facing the same tough choices we posed to our Stanford students four years ago, have already warned both sides against the dangers of escalation.

The parallel is not evidence of my prescience but of the deeply rooted and persistent nature of the clash between two nationalisms in Northeast Asia, the nationalism of a rising China and the nationalism of an aging Japan. These nationalisms are fed by what my colleague, Mark Peattie, an eminent historian of the Sino-Japanese war, calls the "poisoned well" of the fifty years of animosity that began with the Sino-Japanese war of 1895 and ended with the defeat of Imperial Japan in 1945.

As Peattie wrote, Japan drank deeply from the well of Chinese culture for some 1,200 years before it was poisoned by war, invasion, imperial arrogance, and a violence second only to that experienced by the Soviet Union in its battle with Nazi Germany. Without understanding this historical backdrop, and the profoundly different public memories and national myths shaped in both countries, it is impossible to explain how the dispute over the Senkaku/Diaoyu islands has acquired the potency to provoke war.

For the Chinese, the island dispute is emblematic of Imperial Japan's assault on the decaying corpse of the Chinese dynasty. In their narrative, the territory was lost in 1895 as part of the booty of the Sino-Japanese war. Japan's first venture into expansion brought Taiwan under its control, along with footholds on the mainland, and drove the Chinese out of Korea. In the patriotic history widely promoted these days by the Chinese Communist regime, that was merely the first step in an imperial advance that included the takeover of Manchuria in 1931 and the launching of the wider invasion of China in 1937. The Communist government today claims legitimacy not from its defeat of its

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The Slowly Simmering Pot Heats Up

he pot has been slowly simmering since last summer, but it entered a new phase of uncertainly following changes in leadership in both Tokyo and Beijing. In December, Japanese voters returned to power the conservative Liberal Democratic Party, erasing an ignominious defeat three years earlier to the centerleft Democratic Party of Japan. The new prime minister, Shinzo Abe, has a well-deserved reputation as a conservative nationalist, one who decries the demand



Xi Jinping



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for Japan to apologize for its wartime past and advocates a Japan proud of its past and ready to shake off postwar restrictions on its military role and leadership aspirations in Asia.

Meanwhile, China underwent its own, more ordered, transfer of leadership to newly crowned party Secretary General Xi Jinping, a younger, more dynamic figure with close ties to the Chinese military but also to economic reformers. Xi, who formally takes over as president in March, has embraced nationalist sloganeering, seen by many observers as a convenient tool to shift attention away from corruption scandals and economic growth slowdowns that are eating away at the Communist government's legitimacy.

–D. Sneider

Chinese foes in the civil war, but increasingly from its role as the defender of the Chinese nation against foreign invaders.

Official Japanese accounts of the origins of the dispute are quite different. For Japan, the islands were empty lands, claimed lawfully and administered without interruption for more than a century, held by private owners. The Japanese claim is reinforced by the inclusion of the islands in the Ryukyu territory kept under American military control until reversion to Japan in 1972. According to this narrative, China advanced its claims only after normalization of relations with Japan in the early 1970s. Japan argues China cynically uses the issue to further its aspirations for regional hegemony, as it does in claiming almost the entirety of the oil- and gas-rich South China Sea.

Though each country offers documents and legal precedent to support its case, the historical record is impossible to settle. Japan, however, is the *status quo* power, exercising *Continued on page 76*

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administrative control, with the support of its American ally. The United States has a carefully stated position—it takes no formal stand on ultimate sovereignty but it acknowledges Japanese administration, a direct consequence, after all, of American post-war decisions. Given Japanese effective control, U.S. officials have repeatedly stated that the American security treaty guarantee would extend to these rocky outposts.

For decades, Chinese leaders pushed the issue to the side in favor of the more important priority of securing Japanese aid and investment to fuel China's market transformation. But since the 1990s, as the Communists embraced the cause of patriotism to replace their empty collectivist ideology, the territorial dispute and wartime history issues gained prominence. Chinese activists have led the way, sometimes dragging the authorities behind them. A group of demonstrators landed on the islands in 2004, and things got ugly in 2010 after a Chinese fishing boat captain was arrested for ramming Japanese coast guard vessels that were trying to force him out of the waters around the islands. China's own coast guard ships have been regularly entering the islands' waters to assert their claim.

Tensions kicked up another notch last year when the Japanese central government announced a decision to purchase several of the islands from their private owner. For Tokyo this was a move to head off more trouble in the form of a bid by the rightwing nationalist governor of Tokyo to buy the islands himself and start building facilities on them. But the Chinese did not accept that argument, portraying the purchase instead as Japan disturbing the *status quo* by actively asserting its sovereignty, a claim that was still unresolved, for China.

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"Realizing the great rejuvenation of the Chinese nation is the greatest dream of the Chinese nation since the onset of modernity," Xi said in December. "You can say that this is a dream of a strong nation and, for the armed forces, it is also a dream of a strong military."

There are signs, however, that both governments are interested in lowering the volume on the territorial issue. The governments in Tokyo and Beijing have powerful domestic reasons to avoid serious conflict. Abe is desperate to avoid repeating the mistakes that led to his failed first premiership (2006–2007), which floundered on ignoring problems at home in favor of a preoccupation with revising Japan's postwar anti-war constitution. Facing an election this coming summer for the upper house of the parliament, Abe is focusing for now on the economy and on embracing the alliance with the United States. The Chinese leadership has its own mountain of problems at home, from slowing growth to polluted air and visible unrest.

Underlying the logic of easing tensions is the reality of economic interdependence between China and Japan, reinforced by a flow of people and culture that has grown dramatically in recent years. China is now Japan's largest trading partner and Japan is China's second biggest trading partner after the United States. Japanese annual investment in China now dwarfs its investment in the United States, and Japanese companies are the largest foreign direct investors in China. There is a complementary fit between Japan and China, though that is evolving—more advanced Japanese firms provide the machinery and high-end components for the Chinese-made and assembled products that have made China into an export power. And while Japanese firms have tried in recent years to diversify to other countries in the region, from India to Vietnam, the two economies remain highly integrated.

Some Japanese have argued that Japan retains the leverage in this relationship, while Chinese make the opposite case. In reality it is a situation of mutually assured destruction. And the impact of conflict between the two great Northeast Asian powers would extend well beyond their shores. The Apples of this world design their products in Silicon Valley, produce their highest technology components in Japan, and assemble the final goods in Shenzen. How fast would the tenuous gains of economic recovery in the United States and the world economy last in the face of a military conflict involving the second- and third-largest economies on the planet?

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China and Japan have every reason to pull back from the brink of conflict—and most importantly, the United States serves a crucial role in reminding both nations of the need for peace and stability in this vital region. But the economics of the global supply chain cannot wipe away the cumulative effect of the "poisoned well" of a history of hostility. Japanese Premier Abe may wish to put the past aside and be, as he says, "forward looking." But a failure to address the past is likely to lead to repeating it.