Signs are Positive, but China and Japan Aren’t Yet Ready for Détente

By J. Berkshire Miller

Tensions between Beijing and Tokyo have long been a staple of geopolitics in Asia despite the region’s two biggest economies being closely tied and having much at stake in better co-operation. There are signs, though, that tensions have begun to ease under the leadership of Shinzo Abe and Xi Jinping. But it’s too early to say whether bilateral relations between the two countries are truly headed for greener pastures, writes J. Berkshire Miller.

ON THE SIDELINES of this year’s Asia-Pacific Economic Co-operation (APEC) summit in Vietnam, Japanese Prime Minister Shinzo Abe met with Chinese President Xi Jinping. In a photo released following the summit, both Abe and Xi had smiles on their faces — a welcome sign perhaps that long strained relations between Japan and China are turning a corner. During his most recent exchange with Xi, Abe stressed the need to “continue to proactively pursue improvements in the relationship under the Mutually Beneficial Relationship Based on Common Strategic Interests.” Xi, meanwhile, stressed “positive trends” in bilateral relations.1 In addition to the Abe-Xi meeting, there was a second follow-up summit between Abe and Chinese Premier Li Keqiang two days later in Manila on the sidelines of the East Asia Summit meetings. During that meeting, both exchanged views on how to promote bilateral ties and potentially realize a number of summit meetings in the coming year to mark the 40th anniversary of the Treaty of Peace and Friendship between both sides.

Indeed, there has been some reason for optimism in the strained relationship between Tokyo and Beijing recently. Earlier this year, Abe and several of his cabinet ministers made a high-profile visit to the Chinese Embassy in Tokyo to mark the 45th anniversary of the resumption of diplomatic relations with the People’s Republic of China. Abe’s presence was the first such visit from a Japanese prime minister in 15 years — and was intended to show goodwill towards Beijing during the diplomatic anniversary. The step did not go unnoticed in China, with state-run newspaper Global Times, normally known for its hawkish views on Japan, commenting: “Though bilateral ties are complicated, they should be maintained in a stable manner, not only because it is of vital importance to the Asia-Pacific region, but also because both countries are important trade partners.”2

There have also been positive signs in other areas. During a speech this past summer, Abe appeared to temper his administration’s long-standing skepticism regarding China’s Belt and Road Initiative, stressing that the initiative “holds the potential to connect East and West as well as the diverse regions found in between.”3 Abe similarly indicated his support for efforts to finalize the Regional Economic Comprehensive Partnership (RCEP) — a multilateral trading pact that is being negotiated by an array of states in the region, including China, India, Japan and countries in the Association of Southeast Asian Nations (ASEAN). During the same speech, Abe indicated that RCEP “is [Japan’s] future goal, [and] can become a high-quality agreement by building on the rules that came to fruition under the Trans-Pacific Partnership.”4

Similarly, on the security side, there have also been some noteworthy moves, at least in principle, to soothe tensions between the two sides on their dispute over the Senkaku Islands, which are administered by Japan but also claimed by China, which refers to them as the Diaoyu Islands. Both sides have agreed to resume high-level maritime talks to avoid an unintended clash around the disputed isles and have rhetorically noted a common interest in establishing crisis-management tools such as a hotline and the use of common radio frequencies by respective Coast Guard and naval vessels. Both sides held their latest round this December in Shanghai.5

There has also been a flurry of diplomacy behind the scenes, with key advisors to Abe paying visits to Beijing with suggestions to resume bilateral summity with Xi. Abe has floated a desire to potentially hold three summits over the next year: official visits in both China and Japan, in addition to an opportunity for an additional one in Tokyo through the planned resumption of the Trilateral Co-operation Secretariat leaders’ summit with South Korea.
CONVERGENCE ON ECONOMICS AND TRADE?
The most plausible form of co-operation between China and Japan in the coming months will be on the economic side. On the Belt and Road Initiative, Japan — while still guarded on the geopolitical motivations of the initiative — continues to demonstrate its interest in participating. During their latest summit meeting in November, Xi and Abe agreed to co-operate in principle on China and Japan in the coming months will be a massive opportunity to link Northeast Asia's three largest economies more closely.

PRAGMATISM, NOT DÉTENTE
While it is important to note and commend the attempts by Beijing and Tokyo to lower the temperature of their diplomatic feud, it is important to recognize that we are not approaching a détente and there remain a host of structural impediments to an improved relationship between the two sides. For example, on the economic side, behind Abe's positive messaging on the Belt and Road initiative and the AIIB, there are deep geopolitical concerns about Chinese motivations for expansion and its desire to use both as a cloak to support its serious issues of overcapacity in sectors such as steel production, and there are also real concerns about the transparency and governance of these initiatives.

In other words, for Japan — and many others with concerns about the Belt and Road, such as India and the US — infrastructure development should be done for an “inclusive good” for the broader region rather than an “exclusive good” that disproportionately benefits Chinese state-owned enterprises at social and environmental cost to countries in South and Central Asia. Some of the promise of the Belt and Road — such as enhancing rail and road links and creating connectivity on energy supplies and digital-supply chains — is appealing and should not be dismissed outright because of geopolitical suspicions. That said, Beijing has yet to articulate this vision into a real, tangible strategy with measurable benchmarks and, most importantly, critical project oversight and a promise of good governance. Realistically, these concerns remain. So, why has Abe taken the step to soften his tone? This is more based on pragmatism rather than a desperate olive branch to Beijing. The Abe administration understands the importance of these signature foreign-policy initiatives to Xi and also understands that ignoring the initiatives would neutralize Japan's ability to shape their development. In many ways, Tokyo seems to be learning a lesson from its flawed initial reaction to China's launch of the AIIB last year. At first, Tokyo had similar concerns about the institution, but then watched from the sidelines as nearly every country in the region, along with most of the developed world except the US, endorsed the AIIB and joined as founding members.

Political pragmatism rather than rapprochement also explains developments on the security side. The sharp uptick of tensions on the Korean Peninsula has forced both China and Japan — despite their different strategic drivers — to concentrate on mitigating the risk of conflict and constraining new provocations from Pyongyang. Tensions on the Korean Peninsula are reaching a boiling point with a series of destabilizing provocations from North Korea over the past few months — including a test of a hydrogen bomb in September and multiple launches of its ballistic missiles (both intermediate and intercontinental). More alarming to Tokyo is the fact that Pyongyang now appears to believe that it has established a “new normal” with its two missile tests over Japan's airspace. Abe also has realized that it remains crucial to have Chinese support on the issue in order to implement new sanctions at the UN Security Council.

But most importantly, the main issues that drive the two sides apart — the Senkakus dispute and differing geopolitical visions for the region — will persist and likely worsen in coming years. Despite pledges to implement crisis-management mechanisms in the East China Sea, neither side has agreed to even the most baseline conflict-avoidance mechanisms.

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baseline conflict-avoidance mechanisms. Meanwhile, Chinese vessels — and aircraft — continue to intrude around the waters and skies surrounding the Senkaku Islands with little sign of easing. China also continues to diversify its blend of vessels and tactics in the waters of the East China Sea through the employment of “gray-zone” tactics that look to gradually push boundaries without crossing redlines to provoke a united response from Japan and the US.

Tensions over maritime security have not gone away — rather, they have been normalized to a point where both sides reluctantly accept that neither side will back down. This is also true in the South China Sea, where China continues to ignore the validity of The Hague arbitration ruling in favor of the Philippines — which de-legitimized its land reclamation and massive maritime claims. Tokyo, meanwhile, continues to push back on Chinese claims and has been stepping up its capacity building with littoral states in Southeast Asia, such as Vietnam and the Philippines, through the provision of coast guard vessels and patrol aircraft.

Finally, on a political level, leadership stability has led to reluctant acceptance from both sides on the need to move forward pragmatically. While Xi’s place in power was never in question, the 19th Communist Party Congress held in October further entrenched his status as one of the most powerful leaders in the history of the Chinese Communist Party, perhaps only topped by Mao Zedong and Deng Xiaoping. Abe’s sustained perch as prime minister and leader of the LDP was not as guaranteed and there were some in China who initially favored “waiting out” Abe after his election in late 2012. This analysis was based on the fact that, traditionally, Japanese leaders end up having a short tenure. Abe has bucked this trend, however, and scored another definitive election victory earlier this fall, which likely could keep him in office until 2021. As a result, Beijing has had to adapt, and pursue, a more pragmatic approach toward Japan.

In conclusion, it is important to highlight the positive moves and the increase in high-level meetings between Japan and China. There are positive developments on the economic front and it is becoming clear that both sides desire to return to a period where political and historical tensions don’t serve as an impediment to economic co-operation. That said, Tokyo and Beijing continue to suffer from a long-running and structural trust-deficit on a range of issues, from maritime security to military modernization. Related to this is the growing strategic competition between the US and China, which is both pushed and pulled by Washington’s alliance relationships in the region, such as that with Japan. For China, enhancing ties with Japan — while desirable — is likely to be seen as politically sensitive, considering the long running feud between both sides over historical issues and their territorial row in the East China Sea. Likewise, Tokyo desires a positive relationship with China — but not at the cost of its principles and national security. In other words, any improvement will be approached cautiously, and timing is critical.

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