gain freedom, but to do this many struggled against their former colonial rulers. Japan lost the war with China and the United States, but the Chinese civil war broke out. When the Communists won, the nation became united in 1949 for the first time since the middle of the 19th century. Within decades, the Chinese nation became much stronger than at any other time in Chinese history.

Japan was unified after the Meiji Restoration of 1868 and leaders sought to make their nation strong to avoid European domination. At the time, Japan was the one country in Asia that completely escaped European colonialism. Japan became strong and modern and began to behave like a colonial power. It took over Taiwan in 1895 and Korea in 1910. Japanese idealists thought they were helping Asia to modernize, but the Japanese government sent troops to control the local populations, and ruled at the top of colonial administrations. After Japanese troops invaded China in 1937, the Japanese were over-stretched and by 1945 Japan was completely defeated. The Chinese had suffered badly under Japanese militarism and the Japanese people also suffered during the war. After 1945, the Japanese strongly rejected militarism and made a strong commitment to peace. The Japanese people were still quite capable of working together, and they worked very hard to pull themselves up after World War II. Although Japanese cities were damaged enormously, people worked quickly to rebuild and to produce goods that could be exported.

Zhang: Many countries fought for and won their independence through Southeast Asia and South Asia. In 1949, China ended the internal disorder by establishing the People’s Republic of China. However, Asia was divided because of the Cold War, and major Cold War divisions continued until 1991, when the Soviet Union collapsed. As countries in Asia started their own development process, they began to reshape Asia. Although Japanese military expansion had

Zhang Yunling: Asia is changing. Let’s start from a general evaluation of what happened after World War II in Asia.

Ezra Vogel: There were enormous changes. World War II in a way marked the basic defeat of European colonialism in Asia. Until World War II, before Asia became alive in international affairs, the Europeans, with their superior technology, dominated many countries in Asia. After World War II, from India all the way to Southeast Asia, colonialism was ending. Forces from Europe could not maintain control over all these developments. Through the independence movements, the local leaders and political groups united to
ended, the Cold War divided Asian countries. Yet economic integration based on market forces gradually extended to more and more economies. Normal state-to-state relations between Asian countries only gradually developed after the Cold War. Multi-layered sub-regional co-operation mechanisms have continued to bring Asian countries closer.

VOGEL: I agree. After World War II, the Japanese, drawing on their earlier industries, modernized quickly. Then modernization spread quickly from Japan to South Korea, to Taiwan, to Hong Kong and Singapore, and thence to other places, including Southeast Asia as well. China’s modernization, of course, had started by the 1950s, but after the new reform and opening policy of 1978, its growth exploded. In the 1950s, China thought that it was going quite rapidly with the introduction of new technology from the Soviet Union. Big projects from the Soviet Union focused on railroads, big projects, and ports. However, before 1978, compared to the speed of the modernization of Japan, Taiwan, and South Korea, China did not grow very fast; the super-fast modernization that began in Japan had established a whole new level of the modernization process.

ZHANG: Japan's modernization started after the Meiji Restoration, and it recovered in the post-World War II era. The South Korean modernization process is really quite new and significant, and the same is true for Southeast Asian countries. The key feature of China’s new modernization after the reform is to participate in the regional and global production market networks, which makes China an integrated part of the regional and global community. Asian countries, while keeping different political systems, share a common interest in open markets and a stable, secure environment for continuing their modernization process.

VOGEL: Advances in communication and transportation after World War II made possible a level of global trade far beyond anything before the War at a speed previously unimaginable.

ZHANG: Rapid economic modernization in Asia has been based on open policies that permitted integration into the global trade system. The World Bank issued a report, *The Asian Miracle*, in the 1980s that summarized the features of modernization. You wrote a book about Japan as No.1 in the late 1970s. How do you see this Asian economic miracle compared with economic development in Latin America and other regions? Why did the miracle occur in Asia?

VOGEL: The Japanese were very ambitious because they had no resources and they could only acquire the food and resources they needed if they sold products to the world market. Latin Americans did not have the same pressure, nor did they have the organization to achieve it.

ZHANG: Japan was defeated in World War II. However, the foundation of its early industrialization and modernization was there, including technology, educated people and organization. The US forced Japan to change its political system, but at the same time, gave support to its economic recovery and further modernization. Japan really benefited from that.

VOGEL: Because of the Cold War, we wanted to help our allies. And the other is America has an open education system, which played an enormous role. Before World War II, we did not have so many foreign students. But after World War II, our universities grew and foreign students decided to come to the US to learn. The spread of technology was aided greatly by the students who came to the US to learn. And we were confident enough that we were willing to share. We thought that to have peace in the world, it would be better for all countries to have a good economic base. In the 1950s and 1960s, we were not worried about competition. We felt we were stronger and we were confident that if other countries learned and developed it would be good for us. So the United States played a very constructive role by educating others and passing on technology.

Of course, some businesses wanted to keep the latest technology to cover research and development costs, but we were happy to teach. Asian countries, starting with Japan, developed strategies to acquire technology and managerial skills. Asian economies began their growth with cheap labor, which gave them a comparative advantage, but they did not want to only profit by cheap labor but sought to raise technological and educational levels and, by doing so, they moved up from labor-intensive production to technology-intensive industries.

ZHANG: The Japanese government played a key role in promoting technological innovation and change.

VOGEL: Japan had a very good strategy for catching up. The government did not try to take the place of private enterprise. Businessmen competing with each other provided energy. The government sought to encourage business and to provide co-ordination for development. But technological innovation was driven by the business community. The government provided “indicative planning.” Government bureaucrats talked with business leaders. They asked the business community, “What can we do together to find a way that you can get more technology and grow rapidly? What can the government do to make that possible? How do we get financing?” and “How do we get the training?” The government helped provide the base and then the raw energy came from business. As a catch-up country with rapid growth, Japan was a pioneer. The Soviet Union and China before the 1978 reforms had tried to catch up, but their governments tried to do too much and did not provide enough incentives for the lower levels.

ZHANG: Before reform and opening, enterprises had very limited power and resources so they lacked incentives. All profits went to the government, so the enterprises could only wait for money from the government. The reforms ended the strict planning system. The government tried to find a way to co-ordinate between the market and business so businesses could compete in the market. The government stayed away from direct business, even in state-owned enterprises. The key to the Asian miracle success has been to create a co-ordinated link between business and government, which allows a market network to develop among different economies. In the “flying geese model,” with Japan as the leading goose, the “Four Dragons” followed, and then the other economies like ASEAN members and China. Why did this happen in Asia, but not in Latin America, which is close to the US?

VOGEL: I think it has to do with the elites in Latin America. They had an investment in the old system. They owned the ranches and plantations, and were living very comfortably. The elites in Japan were educated, but were not necessarily landlords. They did not have a commitment to the old system. They had a commitment to the nation as a whole and for catching up. In short, the elites had different motivations.
**Understanding a Changing Asia**

Asian countries started from a lower level, but were not attractive to investors. In Japan, all the changes were quite different than in Latin America or Africa. The level of organization in East Asia was much higher.

**Zhang:** Let’s turn to the political transition in East Asia. How do you see the process in which economic development was followed by a political transition from authoritarian systems to more democratic ones? How do you see the change of social structure and political formation?

**Vogel:** I am not so convinced by the usual American explanation that first these countries were authoritarian, then the middle class grew and modern democracy followed. I am not sure that it works quite so simply. Let me describe first what I think as a sociologist. As for the change that came with modernization, one of the things that drove the change in people’s thinking was educational opportunities and exam systems. Japan, South Korea, and China all used entrance examinations as a way to select talent for higher positions. With the rise of education and the new opportunities, children began preparing for the examinations, and the parents began training their children. The entrance examination system in Asia provided tremendous motivation and raised the level of knowledge in society. The big change in society, to me, was not so much the political change, but the social change. I am not sure that “the middle class” is the right word to use for that. To me, many people desired education. The whole education system provided the whole new way of thinking about success in society.

**Zhang:** Compared with Latin American countries, East Asian economies adopted an export-oriented growth strategy. This enabled them to use the advantage of cheap labor at the beginning. Once they gained the experience and accumulated money, then they tried to change the structure as wages rose. Latin America adopted a different strategy. They started with import substitution, i.e., importing equipment for their own use in order to substitute their products for imports. Lacking exports, they had to borrow money for imports. The result was increasing debt.

**Vogel:** Latin Americans’ wages were higher than Asians’ wages at that time. Partly because of wages, but also because of the organization and motivation of the elites, those countries were not attractive to investors. In Japan, all the things were quite different than in Latin America or Africa. The level of organization in East Asia was much higher.

**Zhang:** The Four Dragons were closely watching what happened in Japan. At that time, they tried to learn. They opened their markets and tried hard to attract investments from the outside — especially from Japan and the United States. Of course, another very important factor is the US market. The US market has been huge enough to accept their products. The East Asian countries started from a lower level, but they managed to upgrade their technology. As more and more economies joined the production chains created by foreign direct investment, a network based on a changing division of labor has developed.

**Vogel:** I don’t think that the US market was particularly opened to Japan or the Four Dragons. Our markets were also open to Latin America and Africa. Success came to East Asia because they made good use of the open market opportunity. Some other countries did not make good use of that.

**Zhang:** It really raises the quality of people.

**Vogel:** It really raises the quality of people and organization of businesses. With larger businesses, you need people who can use machinery and, more recently, information technology. This requires a well-educated public. All these Asian countries decided to have universal education. Universal education became a national goal. As far as government is concerned, it’s a very complicated situation. One must examine each country separately because the patterns are quite different. It is too simple to say that the political development is from authoritarianism to democracy. Many Americans have too simple an idea about democracy. It’s more complicated.

Japan began a transition to the democratic system in the 1920s. There was a Japanese Diet as well as elections. So the Japanese were familiar with the electoral process long ago, but the power lay with the government bureaucrats. Even before World War II, Japan acquired quite a bit of experience in elections. In some of those periods, Japanese professors correctly see the push of democracy in Japan as a continuation of processes begun in the 1920s. Japan already started democracy, but in the 1930s, authoritarianism interrupted the growth of democracy. Even in the 1950s, when Japan had a popular election system, bureaucrats retained considerable power. Yoshida Shigeru, who was then a bureaucrat, said in the late 1940s that Japan was not used to democracy. In order to have a good government, Japan needed to get a lot of former bureaucrats to become politicians. So he recruited a lot of middle-level bureaucrats into his political party who went on to become politicians. These people had experience and knowledge and they managed to get votes. They were known as the Yoshida School and dominated the political scene in the 1950s and ’60s. They...
worked quite well because the country was united about the future, but those people were not democrats like Americans.

In Japan during that period, through the '60s and even up to the mid-'70s, all those former knowledgeable bureaucrats who had passed the examination to Tokyo University and who had much experience in the Finance Ministry became politicians. At that time, up through the 1970s, while the leftists (socialists and communists) never got a majority, they provided a scare to the other politicians. So the Liberal Democratic Party was very united through its fear of socialism and communism. This fear created a disciplined party system. But after 1990, when socialism fell apart in Eastern Europe and the Soviet Union, Japan's political party system began to change.

ZHANG: As pressure disappeared, the political unity of the Liberal Democratic Party became weak?

VOGEL: Exactly. So it fell apart. Ozawa Ichiro was a good example. After Takeshita, the Liberal Democratic Party (LDP) chose Obuchi instead of his rival in the party, Ozawa. Ozawa then left the party. Before, that would never have happened, because when the socialist party was strong, everybody in the LDP had to be much disciplined. The way democracy worked was very different after the collapse of Japan's Socialist Party. With the collapse of the left, the unity of the Japanese government has disappeared. Since the 1990s, the LDP has found no way to achieve the unity that had existed when it faced a strong leftist opposition.

ZHANG: Now it seems the foundation of elections has become quite different as politicians each seek supporting votes.

VOGEL: The senior bureaucrats used to think about the nation as a whole. Now they think about their districts. They have lost party unity and they have also lost a long-term strategy.

ZHANG: It is interesting to see that the basic dynamic factor which pushes the social and political changes is education and social formulations. You see what is happening in China? The significant change is people’s active participation. Throughout their long history, the Chinese people had very limited participation. Now, with the improvement in education, with the process of modernization, people have become more interested in participating in all kinds of political and social activities. Also, they know more about how and where to play political roles. The public’s voices have become stronger and stronger. At the same time, the Communist Party tried to open the way for people to participate in the process, which is different from the past. Now the party and the government have set up more platforms and channels for people to debate and make suggestions. The legal system also provides better protection for people’s participation in economic and social affairs as well as politics. This is probably a way to modernize China’s politics and society and help China develop its own open politics.

VOGEL: Let me give some of my impressions about the history of China's situation in the late 19th and early 20th centuries. As I understand it, there was already some change in the pattern you described. I agree that there were bureaucratic officials and ordinary people did not participate in most decisions. But, my understanding of late 19th-century China was that there already were quite a few people who prepared for examinations but did not pass them. With the growth of international communication and newspapers along the coast — in Shanghai, Hong Kong, and some other places — people had already begun to have a little more participation than ordinary people. So, at that time, there was some interest in public activities beyond the official class.

ZHANG: In recent times, people have to be mobilized and encouraged into social and political affairs because the comprehensive transition is so diversified and complex. Many changes are directly related to everyone’s life and future. China’s leader Hu Jintao called for a “harmonious society.” He wanted to build a good relationship between the government and the people. China may not go to an American-style democracy and not follow the cases of other East Asian countries, but it must build a democratic system in which people have a direct and strong role in overall affairs, particularly in social and political areas.

VOGEL: I agree with you. This process is continuing as people receive more public education. They began to understand much more about the outside world. In Mao’s day, people in China learned slogans through the Little Red Book and official newspapers. They received official explanations of national policies, but ordinary people had no way to judge. They became students, but they could not evaluate things themselves. They accepted what they were told. People’s knowledge was very narrow.

ZHANG: Now, everything is so closely related to people’s interests. People want to have a role in their own concerns. Actually, we can see these changes everywhere in Asia, though with different structures, different social patterns, different formulations, and different processes.
VOGEL: When people decide their own future, they then want to know what opportunities they will have in the future. As China becomes more open, the information people acquire comes not just from government-controlled media, but also from the outside world. Then they make decisions based on their own judgment.

The leaders in China now have a very hard time trying to control, because the propaganda department cannot control information. Already some people in the propaganda branches are not trying to control all thinking. Some speculate they are trying to control only what seems dangerous to the government. The Internet creates problems. The effort of officials trying to set boundaries has become harder because the department cannot control information. Already some people in the propaganda branches are not trying to control all thinking. Some speculate they are trying to control only what seems dangerous to the government. The Internet creates problems.

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Chinese leaders have been trying to find a different approach for democracy. Based on Chinese tradition, they have tried to learn as much as they can from the experiences of others. This is not easy. For example, China experimented with democratic elections in its villages. Yet, it seems not so successful because in a village, where people used to live together for generations, not only do they know each other well, but they often are relatives. Thus, it seems impossible for the election process to be transparent and fair. In many cases, people who are elected have abused power and have become corrupt.

If China moves toward Western democracy, it may lead China to long-lasting disorder — either because of a new power struggle or an uncontrolled transition process. China has in fact made great progress in modernization under the current system, much better than many other developing countries with democratic systems. Why should China change its current system? Building a democratic society is a goal expressed in the Chinese constitution. Chinese leaders have to find their own way to achieve this. Different democratic systems have developed in Japan, South Korea, and Singapore. They are all different. The key to democracy is to let people undertake economic, social, and political development secured by a legal system.

ZHANG: The Internet has a dual feature. It can also play a positive and powerful role in monitoring the bad guys, the deviations, and the corruption. In China, and also in other Asian countries, people can access the Internet to express their wishes and ideas. They can expose bureaucratic corruption and express other concerns. In an open media space, everything becomes transparent and public pressure becomes so strong that it forces officials to make quick and legally based responses. In China's case, although there is not a direct election system, the open public pressures are becoming ever more powerful since they are related to the credibility of the leaders. When it comes to the future of China's democratization, as I mentioned, the very crucial step is to create a transparent and legal-based system that ensures people's involvement in the economic, social, and political transformation process. Of course, people, through participation, have to learn to be responsible for their behavior. We have seen some irresponsible behavior on the Internet. Probably similar problems could be seen in many countries.

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will behave as a big power in the future. In the past 20 years, China has been friendly to major countries. China announced a “harmonious society and harmonious world.” The statement is very welcome. It is a good policy. But recently, China has stood strong in the South China Sea and has said that they would only deal with issues bilaterally, this frightened many countries that are much smaller than China. So, how do they deal with a strong China? I think these worries can be found throughout East Asia. Other countries don’t know how China will behave 10 or 20 years from now. My teacher, John Fairbank, thought that throughout its history China had been a very proud nation and looked down upon other nations. Deng Xiaoping had a very good saying, “We would never become a hegemon.” I think that is a very good policy. The idea of peaceful development is very good. But how would the super nationalism on the web from some of the young people influence China’s policy? Many nations around China now are very worried. That is a new question for many countries. How can they find a new niche when China can produce so many things? Some of them still have cheap labor, but some have high-priced labor. So, how do they compete and what is their role in the international market? I think that is a new question for them.

ZHANG: From another perspective, the rise of Asia has brought new challenges to the world. China and India alone account for 40 percent of the world’s population. Their modernization has created significantly greater demands for food, water, energy, natural resources, etc. The catching-up model has added effects on pollution and climate change. This shows that we cannot just simply follow the past model with which Japan and the Four Dragons succeeded. These new challenges raise questions about that. We have to find a new approach, a new kind of life, but it is always difficult to build a new model. The new model needs new education, new skill, new knowledge, new culture. This is not just Asia’s problem, but Asia has to make changes since Asia is dynamic and influential. Asia was good on catch-up in the past; they should also be good on “leading-up” in the future. Considering the size of the population and speed of modernization, the challenge of social transition is really serious. The Western world has experienced industrialization and modernization for 200 years. The Asian modernization process is moving too fast. How do we manage the demands and pressure from the people who want to improve as quickly as possible? Individual governments will have to find something new rather than just following the existing pattern. New technology probably helps people live new lives, but it is not easy. For instance, China now consumes 40 percent of the world’s cement just for construction and this demand still continues to rise. The demand pressure happens not just in China but also in the other countries of Asia. China’s rise has brought about both benefits and challenges. While benefitting from the opportunity provided by China’s fast economic growth, as you said, all the countries are also working on how to deal with the competition from China. I remember the story told by my friend from Laos when he visited a Chinese market. He said to me, “Oh, everything is so good and so cheap here. How can we compete with China?” On the other hand, we have seen the opportunities provided by China’s growing economy. China has become a leading factor in supporting the dynamic growth of the region and also, to a great extent, of the world as a whole. China will not stand still using the advantage of cheap labor. It will upgrade its technology and invest abroad.

VOGEL: One way I think about the global economy is that the world now has found a way to produce enough agricultural goods. So we can feed mankind. We also learned to make industries more and more efficient, so we don’t need so many people producing food and industrial goods. In the U.S., maybe 20 percent of the population is involved in agriculture, and we have more than enough for our country. We can export a lot. Even the number of industrial workers needed has declined greatly.

ZHANG: But also because they rely on outside markets to produce.

VOGEL: Not just that, but I think even in China you can become more and more efficient. You do not need so many industrial workers. In Japan at one time, about 40 percent of working people were employed in industry. These numbers are way down. I don’t think we will need more than 10 percent to 15 percent of the workers to be industrial workers. We can produce enough goods for the whole world with a very small population. So the question is how to manage jobs and to keep social order because people used to work for long hours that kept them busy. But now it’s not necessary. We have to find some way around the world to distribute the jobs, to distribute the work, and to give people something to do. This is not just a China problem, it is a world problem. Even without China, we still have a problem. How to manage labor? In the US we have labor unions to look after workers and provide protection. But that does not solve the problem of reduced need for industrial workers. People must
The current generation of top leaders has not have much experience with other countries. Even in the Jiang Zemin generation, many leaders went to Russia and Eastern Europe to study. So they were a little more cosmopolitan. I think your generation, because quite a few of you went abroad, is a much more cosmopolitan generation. But the current generation of leaders did not study abroad.

ZHANG: You mentioned that with the rise of China, people are now talking about China's rising power and future behavior. China is such a big power on the way of rising, while it has so many unsolved problems with its neighbors. Do you think the conflicts will lead to a war or cause a great confrontation? Do you have confidence that Asians can manage this?

VOGEL: We don't know the answer yet.

ZHANG: We have not talked about the factor of the United States' role in Asia yet. Do you have faith to believe they can manage these problems?

VOGEL: I have hope, but I cannot guarantee. I think you have some very thoughtful leaders, and people like you inform your leaders. You have many wise leaders who are well trained.

The communication with other Asian countries is at quite a high level. The current generation of top leaders has not have much experience with other countries. Even in the Jiang Zemin generation, many leaders went to Russia and Eastern Europe to study. So they were a little more cosmopolitan. I think your generation, because quite a few of you went abroad, is a much more cosmopolitan generation. But the current generation of leaders did not study abroad. They came to universities in the '60s — these people did not have experience with other countries. My hope is that your generation and the next generation will have a better understanding of the world and will know it's not such a frightening place and will have a better sense of how to get along with countries — including Japan. I hope that this next generation will have much more contact. There are so many excellent Chinese students at the Kennedy School who meet Japanese and become friendly with each other. If the next generation becomes the leaders, we already have a better basis of communication than this current generation. So I think it depends very much on how wise your leaders will be. The leaders need the help of people like you. The younger ones, who have had more contact outside, have been well trained. China has a very coherent political system. I hope they will have the power to resist a stronger nationalism. Some people on the web who are anti-Japanese and very strong nationalists are very dangerous and could get involved in dangerous conflicts with other countries. I am optimistic that your generation's leaders could keep that under control. I am not 100 percent confident, but if I have to say yes or no, I would say that younger generations will probably keep these people under control.

ZHANG: China's transition process is still very long. Peace and development will be needed for a very long time. If anything happened, not on a large scale, but even a smaller confrontation or a war with a neighbor could really damage the whole process. Some people even think that it does not matter. But anybody on the top has to think about what is the vital need? What is the priority of the country? And what is the result of a war? Many problems are emerging, which in the past could be easily managed, but in the future they could become more difficult. Generally, the top leaders are aware of the situation and know how to manage it. The danger is that if someone should suddenly happen and social became too strong the question would be whether the leaders could manage the balance.

VOGEL: Social pressure can be a problem. I will mention some examples about social pressure. I am sure you have known about these examples, but they made me a little worried. One of the examples was calling the Japanese Ambassador for six times right away. That's a very unusual way to do it. This made the Japanese feel very upset and very anti-Chinese. They could have a lasting impact on Chinese leaders. But I think it was a period for a few weeks and, in my view, it's something for other countries to worry about. A second example is the reluctance to have military discussions with the United States and Japan. This is a very worrisome issue. The US has made mistakes, too, of course. I think Rumsfeld was very bad. He didn't want to have talks between the Chinese and US militaries. But now the people in charge of the American military realize that the important result of talks is not that someone learned military secrets. Talks could help produce a stable, balanced understanding that will reduce the chance of mistakes. We need to have more discussion. So, on this I think Chinese leaders also have not done enough. Recently in Southeast Asia, China insisted that it would only deal with problems on the South China Sea...
bilaterally. This scared these small countries. So they will respond very strongly to China's doing that. You can argue whether one way is right or wrong, but the effect of this would be to create more opposition in Southeast Asia, and they will come running to the United States. Then there is the danger of confrontation between the United States and China. In these cases, in my view, Chinese leaders have not been quite wise enough. In balance, I have a high opinion of most current Chinese leaders, but those three examples have very much worried me. I don't know how you feel about the future.

ZHANG: Concerning the dispute between China and Japan on Diaoyu Island, what made the Chinese angry was that Japanese politicians/government announced it would use the domestic law to punish the Chinese fishermen. That means Japan totally refused the existence of the disputes and treated the Diaoyu Island as a Japanese internal matter. Generally, Japan has handled the fishing boats carefully and released the fishermen quietly. But, during the election, politicians seemed very strong on receiving more support. In face of the new crisis, the Chinese leaders were under very great pressure to respond strongly also. From China's perspective, Japan should release the fishermen earlier and not the Chinese had released the fishermen earlier and not.

The real challenge for Chinese-Japanese relations is how to manage the historical reversal of the power balance between the two countries. In modern history, Japan used to be stronger than China. A strong Japan invaded China and many other Asian countries. Now China's economic size is much larger than Japan. The gap will become larger. For Japan, it is necessary to adopt a policy of living with a rising China; China needs to accept a “normal country” based on understanding and cooperation.

On the South China Sea dispute, from the Chinese view, China has done nothing more. Rather, it is Vietnam that expanded its occupation of the islands and built lots of facilities on those islands. It is the US that has used the disputes to strengthen the military relationship with the Philippines and they have taken the Vietnamese side. What made China angry was that they used the ARF (ASEAN Regional Forum) to challenge China. I really worry that if the US becomes too involved against China, this could make the problem more complex and difficult. Finally, the issues relating to the islands and the exclusive economic zone must be negotiated between the countries that are directly involved. That's a dispute over sovereignty, not over freedom of international navigation. We cannot expect a quick solution as the dispute has been going on for several decades. China has no intention to seize the islands controlled by other countries. Actually, the code of conduct (COC) originally proposed by ASEAN and lately just became a declaration. China is open to talk about COC, but it is not a document for solving the issue of sovereignty.

On the ASEAN side, why is there an emerging distrust of China? You mentioned two reasons: one is economic competition; the other is China's future behavior. ASEAN and China have developed a very close relationship since 2000 with the establishment of a FTA. It seems that they can manage the competition well as China becomes the largest market for ASEAN exports. As for the behavior of China, the rising military power of China is really a big concern for ASEAN. But military power itself is not the root of the problem, but the root — i.e. whether China would use its rising military force to solve disputes. China and ASEAN have already built up many kinds of dialogue and cooperation platforms. ASEAN needs to play a strong role in coordinating the policies among the members on the one hand, and, on the other, to keep the dialogue and consultation with China on disputes and other issues. However, in the end, the disputes regarding sovereignty over the islands have to be negotiated on bilateral levels. But I think the parties involved can discuss the issues on resource exploration and protection and on free and safe navigation on the sea. China has set up a special fund to support the dialogue and joint research on the South China Sea, which is open to all ASEAN members. I do not think China is willing to use its military power to solve the disputes.

VOGEL: You can find some way to resolve the problem in the international court.

ZHANG: I do not think the international court could solve this as the disputes are between several countries and they should all agree on the basic principles.

VOGEL: I am not a specialist in the issues of ASEAN, but I just look at the reaction of ASEAN countries and how upset they are and how worried they are about Chinese power. Now some of them want the US to play a role. This Chinese way of responding is pushing these countries to ask for the help of the US military and to play a larger role to defend their future. I am not sure that's a good result.

ZHANG: I do not think the United States could solve the issue. To invite the US seems just a strategy to balance China.

VOGEL: But how to find a better way?

ZHANG: For regional relations, we should use regional forums like the EAS (East Asian Summit) better. The US has joined the EAS, which means that it is a dialogue partner. All the major powers, like China, Japan, Russia, India, the U.S., as well as ASEAN are there. Each should play a positive role and make a positive contribution to regional peace. The United States should come to the region not to contain China, but to cooperate with China. Many people see the current problem as a strategic competition between China and the United States, which makes the situation more complex and more risky.

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