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Can China and Japan Think Together?

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China and Japan can certainly think independently. They can even think similarly when they think independently. But can they think together?

Thirty years after Shigeru Yoshida made the momentous decision to rescue Japan after a devastating war by concentrating on economic growth, Deng Xiaoping made a similar but equally momentous decision to rescue China by concentrating on economic growth through "open-and-reform." One cannot fail to detect the striking similarity between China's "good neighbor" policy toward its Asian neighbors since the 1990s and Japan's "Fukuda Doctrine" toward Southeast Asian states since the 1970s: both policies aimed to reassure their respective neighbors.

Unfortunately, for the past two centuries or so, China and Japan have tended to think antagonistically toward each other. This has to do, in part, with the different fate that had befallen the two when Western powers came to East Asia; as history has shown, one rose at the expense of the other. Thus far it has been difficult to conceive of an East Asia that accommodates a powerful China and a powerful Japan at the same time.

But Beijing and Tokyo are wrapping up 2007 in each other's company, as the Chinese leadership welcomes Japanese Prime Minister Yasuo Fukuda's last-minute visit to Beijing at short notice. Relations between the two nations could be maturing.

After Japan became the first industrialized Asian country, it embarked on a tragically misdirected adventure to create a pan-Asia "Co-prosperity Sphere" to compete against the Western powers, by conquering China and much of Asia. The result was a devastating war for Asia and, eventually, for Japan, itself. From 1949 to 1976, China tried to shape East Asia by supporting revolution that resulted in utter poverty, diplomatic isolation, and a security predicament. More recently, a better-intentioned Japan came up with the idea of an "Asian Monetary Fund" after the financial crisis in 1997, when affected countries were in desperate need of financial support. But China - with quiet acquiescence from the United States - shot down this vision despite a shared desire for financial stability in the region, to the quiet dismay of Japan and some other Asian states. The consequence of thinking antagonistically toward each other has been region-wide misfortune, proving that neither Japan nor China can shape East Asia by itself for its own design.

But now things are beginning to look differently for the two countries, because East Asia has matured into region of independent states, and Asians are more able – and desire – to be in control of their destiny. Moreover, contra conventional wisdom, the future of the region depends on the rise of China

and the revitalization of Japan; one cannot happen without the other. In other words, the future now depends on China and Japan thinking together. Crucial to the realization of this goal is the resolve to overcome past animosity and reconcile Asia's tragic modern history.

Historical reconciliation between China and Japan would be truly transformational for East Asia, representing the most important development after the Second World War. Franco-German reconciliation and its impact on peace and prosperity of the European continent and beyond are proof of the stakes. Without it, the future of East Asia will be in peril. Asia's destiny will be in non-Asian hands as it has been in the last two centuries, if mutual suspicion and antagonism continue to shape Sino-Japanese relations. And, one must not lose sight of the fact that enduring peace between China and Japan is no small contribution to world security.

There is – at least we hope – now sufficient momentum in the bilateral relationship for the two sides to seriously map a path toward a robust and genuine reconciliation. After Koizumi, it has become difficult for any politician, nationalist, rightwing or otherwise, to gamble with relations with China. Moreover, the nationalist revival that seemed to echo the neocon revolution in the U.S. has now lost momentum with the abrupt resignation of Prime Minister Abe Shinzo. The trajectory the Japanese leadership has taken since Koizumi via Abe to Prime Minister Fukuda Yasuo suggests that the Japanese elite is finally grasping that Japan, as an Asian country, cannot escape from geography, even though it may cherish 'special' ties with extra-regional powers (first with Britain and now the U.S.).

On the Chinese side, the new leadership has internalized the notion that only a robust reconciliation between China and Japan can guarantee the peace, stability, and prosperity of East Asia. The visit by Premier Wen and the coming visit of President Hu to Japan symbolize the triumphant return of "New Thinking" toward Japan – in a more sophisticated embodiment – in China. The Chinese leadership and most of its foreign policy elite are ready for and look forward to a true partnership with a "normal" Japan that is based on equality.

The road toward true reconciliation will not be easy and straightforward. The thorny problem of history – which must be confronted – is as much a problem of domestic politics and nationalism of both states as it is a diplomatic one. And then there are conflicting issues of sovereignty, such as the disputes over gas field, the Senkaku/Diaoyu Island or a potential mishap over the issue of Taiwan that could saddle the process of reconciliation.

Nonetheless, China and Japan have been learning to cooperate on a wide range of issues that may not each be fundamental but constitute important building blocks. The Asian Monetary Fund has reincarnated itself in the now institutionalized Chiang-Mai Initiative, with China's full backing. China and Japan are poised to cooperate on environmental protection and energy efficiency, two pillars that contribute to preventing global warming. Finally, unlike the Cold War when China and Japan were in opposing camps, today, the two countries are part of a globalized economy, with similar interests and challenges. Working out ways to share energy and resources reflect this new situation where they are economic competitors as well as deeply interdependent partners.

Given the size of the two economies, and the concomitant political influence, major initiatives in East Asia need the backing of both China and Japan. Yet, Sino-Japanese reconciliation and partnership should not be about creating a China-Japan condominium; it certainly should not be about pushing the U.S. out of East Asia, or be construed as driving a wedge between Japan and the U.S. (as some Japanese and Americans are wont to do). On the contrary, this reconciliation actually contributes to containing any potential rupture between China and the U.S. And, in the end, stable development of tripartite relations between China, Japan, and the U.S. will ensure the region a firmer foundation for a brighter future. To this end, Japan must show the ability to maintain relations with the U.S. while forging partnership with China. China, on the other hand, could do well to explain better – thus enhance the transparency of – its rising military expenditure.

Some states might have enjoyed and thus hope for the continuation of a China-Japan rivalry, but in the long run, the region will pay a heavy price for division. There is, of course, inherent fear that a powerful China and a revitalized Japan may be too domineering for smaller Asian states. Even the U.S. may feel the potential of Sino-Japanese relations to threaten its influence in the region, or world affairs at large. But it is also in the U.S. interest to see China and Japan reach a higher level of trust, and to encourage such endeavors for the stability and security in the region. A robust reconciliation and partnership between China and Japan is something the region should cheer, not fear.

It took two centuries of bloody wars for France and Germany to recognize that the only way for them to live is to live together by reconciling and constructing a true partnership. China and Japan would not fare so badly if they can recognize after just over a century of hostility and bloodshed that they are bound together as neighbors, and that they must reconcile and construct a true partnership. This is no time to fall into the ill-conceived trap of building on old threat perceptions and escalating military buildup, when other factors – especially economic – point to the need for a peaceful environment in the region. As Fukuda commented in Beijing, "China and Japan are facing a big chance and responsibility."

The latest Fukuda-Wen talks are encouraging. The leaders agreed to work toward an early settlement to the stalled dispute over gas exploration rights in the East China Sea, to expand cooperation on the environment and science and technology, to coordinate on the North Korean problem, and to exchanges of young officers between the PLA and the SDF.

True leadership and vision from both countries may become a reality in 2008.

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