**Panel:** Could Be Worse? China-Japan Relations

**Date/Time:** Wednesday, April 29, 2015 / 13:30-14:45

**Moderator:** Jane Perlez, The New York Times

**Speakers:** Chen Ping, Global Times English Edition

 Bonnie Glaser, Center for Strategic and Int’l Studies

 Kato Yoichi, The Asahi Shimbun

 Kim Heung-Kyu, Ajou University

Ms. Jane Perlez, Chief Diplomatic Correspondent in the Beijing bureau for *The New York Times*, opened the session titled “Could Be Worse? China-Japan Relations” stating signs of both improvement and deterioration of the relationship. Though anti-Japanese sentiments have reduced compared to 2012 levels, and Abe and Xi have had two official meetings, there are still conflicts in the East China Sea and negative reactions to U.S.-Japan defense guidelines in Beijing. The speakers discussed and analyzed how current improvements have been made and their sustainability into the future.

Mr. Chen Ping, the deputy editor of the Beijing-based newspaper *The Global Times* English Edition, argued that the bilateral relationship has not worsened, given the top level meetings held two times in the last six months, continuation of working-level contacts and recent reduction of anti-Japan sentiments in China. However, Mr. Chen noted that the tie is not likely to be improved in the near future. The current conflicts are mainly based on historical and territorial disputes that are not easy to resolve within a short time span. At the same time, Japan regards China as a threat, while China feels threatened by US-Japan alliance’s defense measures. Mr. Chen laid out the four factors that have shaped the current relationship: 1) Japan’s attempt to revise its constitution, especially Article 9; 2) Tokyo’s ambition to be a permanent UN Security Council member; 3) Japan’s possible attendance in Russia’s WWII ceremony; and 4) Japan’s attitude towards the AIIB.

To improve the relationship, Mr. Chen suggested that the two nations need to identify common interests and integrate them into decision making processes and diplomacy efforts. It was noted that the two countries had previously made efforts to resolve tensions without external interference and that Japan had implemented past political agreements in good faith, such as the 1972 Joint Communique and the 19045 Instrument of Surrender. Mr. Chen also underlined the importance of cooperation on crisis management.

Ms. Bonnie Glaser, senior adviser for Asia in the Freeman Chair in China Studies at CSIS, stated the relations could become much worse. Acknowledging modest improvement, Ms. Glaser finds that the drivers of such change in China’s strategic landscape have begun to shift again. Beijing now sees the China-Japan conflict as too costly, as exemplified by increased hostility in Japan, and has dropped Japanese investments. Moreover, as China keeps confronting Japan over the issues of history, the possibility of direct collision increases. On the U.S. role, Ms. Glaser observed that the United States cannot remain neutral as a Japanese ally and suggested that it not try to mediate the situation between Japan and China. However, it was suggested that the United States should encourage the two countries to find common ground for cooperation and establish crisis management mechanisms. She recommended that the United States, China and Japan revisit the trilateral dialogue mechanism, which came close to being realized in 2009.

Mr. Kato Yoichi, National Security Correspondent at the Asahi Shimbun, argued the China-Japan ties could worsen but not for the time being. Mr. Kato listed three incentives for Abe to relax its policy towards China: 1) to deal with political vulnerability and win the election scheduled in September; 2) to accumulate enough political capital to amend the constitution or the political legacy; and 3) to enhance Japan’s alliance with the United States by not aggravating regional tensions. Mr. Kato pointed to the 4-point agreement as evidence of evolving China-Japan relations that mutually accept “ambiguity” on the historical and territorial issues, which are difficult to resolve in the short term. However, such a tie is still fragile and can worsen at any time. Abe’s statement on the seventieth anniversary can reverse all the improvements made so far, and Xi can utilize anti-Japanese sentiment to restore its legitimacy domestically if Chinese economic performance deteriorates or its war against corruption endangers his domestic legitimacy. Mr. Kato expects that the United States will continue to stand strong behind Japan, simultaneously deterring China’s attempts to isolate Japan in the region and urging the two countries to resolve the conflict.

Dr. Kim Heung-Kyu, a professor in the department of political science and Director of the China Policy Institute at Ajou University, believed that the bilateral relationship can be improved. Dr. Kim focused on five structural factors to assess the future of the relationship: 1) power transition; 2) leadership; 3) legitimacy; 4) U.S.-China relationship; and 5) China’s new diplomatic strategy. Dr. Kim assessed the first three as negative factors that can undermine relations. China’s economic growth, which has already surpassed that of Japan, is expected to continue and destabilize the region. Moreover, the two nations’ leaders are both strong nationalists, who will utilize anti-sentiment to gain domestic supports. U.S.-China relations can go either way as the United States has not yet fully embraced China’s newfound diplomatic influence as a major country since its rise as a global power from a regional power. He acknowledged that the two countries cannot avoid competition for the time being.