## Japan, China, and the Tide of Nationalism

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Tensions between Japan and China over the Senkaku/Diaoyu Islands have escalated to a new, troubling level. On September 11, Japan's cabinet secretary announced the-government had <a href="mailto:purchased the islands">purchased the islands</a> from a Japanese citizen. Since then, China has sent nearly twenty marine surveillance ships to patrol through the islands, prompting a full alert by Japan's Coast Guard. In addition, two Japanese activists landed on the Senkaku Islands on September 18.

Anti-Japan demonstrations spread across China, reaching more than 100 cities, with Japanese businesses targeted for looting and damages. China's Internet was alive with condemnation of Japan on September 18, the anniversary of the Japanese military's invasion of China in 1931.

Japan's Prime Minister Yoshihiko Noda called upon China to calm its citizens and ensure the safety of the roughly 125,000 Japanese citizens in China. In Tokyo on September 17, U.S. Defense Secretary Leon Panetta **echoed the appeal for calm** and reminded his audience that if attacked, all territory under Japanese administration would qualify for U.S. defense assistance obligations in the U.S.-Japan security treaty. Panetta met with Chinese military leaders in Beijing on September 18, urging a peaceful resolution of the dispute and noting the U.S. commitment to Japan's defense.

The disputed islands sit above an area rich in fisheries that has long been thought to contain significant hydrocarbon resources. Taiwan and China both claimed these islands when the United States returned them to Japanese sovereignty in the Okinawa Reversion Agreement that ended the U.S. occupation of Okinawa in 1972. Today, China's claim that its exclusive economic zone [EEZ] extends to the edge of its continental shelf could provide yet another challenge to Tokyo. Sovereignty over the Senkakus would allow China to extend its EEZ right up to Japan's territorial waters.

## **Stirring Nationalism**

Nationalist activism on both sides of the East China Sea has intensified over this dispute. Tokyo governor Shintaro Ishihara exacerbated this current round when he announced his intention to

purchase the islands on April 16. A month later, he established a <u>Senkaku fund</u>, and as of September 13 had collected approximately 1.47 billion yen (\$18.7 million) from more than 100,000 donations. Ishihara said he was stepping forward because the national government was too weak in response to Chinese sovereignty claims, thereby forcing the hand of the Noda cabinet to acquire the islands.

Since the normalization of relations between Tokyo and Beijing in the 1970s, leaders of both countries have sought to prevent these islands from taking center stage in the relationship. Yet there have been repeated efforts to lay claim to them, with incidents involving Chinese fishing boats and activists from Taiwan and Hong Kong.

In September 2010, a Chinese fishing trawler rammed two Japan Coast Guard vessels in waters around the Senkakus. The ship captain was detained until the investigation was complete, prompting a diplomatic dispute and China's decision to temporarily suspend exports of rare earth materials to Japan. The captain was released by prosecutors after two weeks, but the incident sparked an intense domestic debate over Japan's weakness in the face of Chinese pressure.

Public skepticism of Chinese government intentions coupled with the rise of Chinese influence increasingly worry Japanese and create doubts about Tokyo's ability to manage China. Increasingly, Tokyo is turning to Washington for support in its relations with Beijing.

## **End of the Status Quo?**

The dispute over these islands goes beyond history; it also shapes debate over the Japanese and Chinese claims to fisheries and seabed resources of the East China Sea. Tokyo and Beijing have been careful to keep their navies far from the islands, yet the growing presence of Chinese ships from various maritime agencies worries Tokyo. Tokyo has used its coast guard in response to Chinese activists, but surveillance of the East China Sea is carried out by the Japanese navy, the Maritime Self Defense Force.

The five Senkaku islands are currently uninhabited, but Governor Ishihara and candidates in the LDP leadership race now argue for stationing Japanese government personnel there to ensure their defense.

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Guard and activist ships are rising, but today, as Chinese state vessels patrol the islands, the standoff could get more difficult to manage. The islands are 105 miles from the closest Japanese islands as well as from northern Taiwan; they are 205 miles from the Chinese coast.

Miscalculation by either side could result in serious damage and even loss of life. Panetta was correct in reminding his audience in Japan that there is ample danger of an incident, and that it is in "everyone's interest for Japan and China to maintain good relations and to find a way to avoid further escalation."

The increasing presence of Chinese state patrols in these waters suggests Beijing wants to test the Japanese response and escalate the standoff over the islands. The more China pushes the envelope, the stronger the calls in Tokyo will become for a more muscular defense of the islands. The prime minister's office has formed a task force to manage growing tensions, and on September 18, after the intrusion of more Chinese vessels, Cabinet Secretary Osamu Fujimura announced that <u>Japan was</u> <u>preparing for a variety of scenarios</u> and mobilizing its defenses accordingly.

Meanwhile, Japanese opposition politicians have upped their rhetoric, calling for a tough military posture to deal with the sovereignty challenge. Noda has sought to dampen domestic calls for inhabiting the islands. The Japan Coast Guard has also been judicious in its handling of the Chinese ships. However, the Liberal Democratic Party, Noda's conservative opposition, has now included the goal of inhabiting the Senkakus in its electoral manifesto. With a party leadership election underway, all five candidates are advocating a stronger national defense to more effectively deal with sovereignty issues.

Finally, the safety of Japanese in China will be paramount to managing this most recent round of tensions. Already, Japanese businesses have suffered damages and closed for business. Aeon, Ito Yokado, and Uniqlo retail stores have been closed, and Japanese convenience stores, including 7-Eleven and Lawson, have closed in some areas. Panasonic and Nissan have shut their plants after damaging attacks over the weekend.

## **Calming Measures**

Japan and China have deeply interdependent economies. In 2011, total trade between the two giants reached \$349 billion, and Japanese investment in China reached \$6.3 billion, the third-highest after Hong Kong and Taiwan. Foreign Ministry spokesman Hong Lei said on September 17 that the Chinese government would protect Japanese businesses and citizens, and asked protestors to obey the law. But he emphasized that the "gravely destructive consequences" of Japan's "illegal" purchase were steadily emerging, suggesting that the worst was not yet behind.

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The governments of both Japan and China have been hard pressed to manage the rising activism focused on the sovereignty dispute. The reactive cycle of citizen mobilization in Japan and China is more visceral today as popular sentiment in both countries seems ever more sensitive to China's rise. This week, the Chinese government made moves to try and break up protests; the phrase "anti-Japan" is no longer searchable on the web and the Chinese police have sent text messages to citizens urging them to demonstrate calmly. Both governments will need to continue to find ways to dampen domestic activism, while at the same time enhancing their ability to contend with potential incidents or accidents that might result in the future.

U.S. authorities will need to continue to work both publicly and behind the scenes to urge calm, and to encourage the peaceful resolution of the dispute.

Ultimately, the governments of Japan and China will need to commit to a more serious effort to develop shared crisis management mechanisms for the East China Sea. In February, the two governments began cautiously to discuss maritime confidence building. This effort should become a priority for the two nations and should be accelerated.

As Chinese influence and presence continue to grow, the potential for incidents--and the active encouragement of confrontation by those who want to see a more contentious relationship between Tokyo and Beijing--will only intensify.