

China and Japan: partners, rivals, and their clash over the
Senkaku/Diaoyu Islands

Erasmus University Rotterdam

Erasmus School of History, Culture and Communication

Master Global History and International Relations

Master Thesis

Supervisor:

dr. Mark Hay

Author:

Christian Senkel

Student number:

595656

Word count:

20154

Rotterdam, 26-06-2022

A handwritten signature in black ink, appearing to read 'C. Senkel', is positioned at the bottom of the page.

Table of Contents

Table of Contents	I
List of abbreviations	II
Introduction	1
Theoretical Framework.....	2
Historiography	4
Primary Sources.....	12
Methodology.....	14
1. Establishing the lens of the Senkaku/Diaoyu Islands dispute	15
2. Liberal Peace in contemporary Sino-Japanese relations	20
2.1. Economic Interdependence and Trade	20
2.2. Bilateral Cooperation and Mutual Trust.....	23
2.3. Multilateral Institutions and Regional Frameworks	28
3. Realist Tensions and the Potential for Conflict between China and Japan	33
3.1. Economy and Multilateralism from a Realist Perspective	33
3.2. The Rise of Historic Nationalism and Soft Power in Domestic Politics	38
3.3. Maritime Security and Power Balance	50
Conclusion.....	59
Bibliography	64

List of abbreviations

ACFTA	-	ASEAN-China Free Trade Agreement
ADB	-	Asian Development Bank
ADIZ	-	Air Defense Identification Zone
ADMM	-	ASEAN Defense Ministerial Meeting
AIIB	-	Asian Infrastructure Investment Bank
ARF	-	ASEAN Regional Forum
APT	-	ASEAN Plus Three
ASEAN	-	Association of Southeast Asian Nations
CCP	-	Chinese Communist Party
CEPEA	-	Comprehensive Economic Partnership for East Asia
EAFTA	-	East Asia Free Trade Agreement
EEZ	-	Exclusive economic zone
EU	-	European Union
FDI	-	Foreign Direct Investment
FTA	-	Free Trade Agreement
IR	-	International Relations
LDP	-	Liberal Democratic Party
MOFA	-	Ministry of Foreign Affairs
NATO	-	North Atlantic Treaty Organization
NGO	-	Non-governmental organisation
OBOR	-	One Belt, One Road

ODA	-	Official Development Assistance
RCEP	-	Regional Comprehensive Economic Partnership
SDF	-	Self-Defense Forces
TMD	-	Theater Missile Defense
TPP	-	Trans-Pacific Partnership
UN	-	United Nations
UNCLOS	-	United Nations Convention on the Law of the Sea
U.S.	-	United States of America
WTO	-	World Trade Organisation

Introduction

In the light of global challenges and tensions in international society, the current state of international relations can be portrayed as being at the edge of a precipice. One of the crucial locations to decide whether this is truly the case is Asia. Even though a profound understanding of the region is necessary for global politics and the field of international relations, Asia is enormous in terms of scale, size, and diversity. To bring the resultant complexity in line with the limitations in place, the proposed master's thesis will therefore spatially focus on the relation of China and Japan as two of the most powerful actors in the region with substantial influence on global society. Since China and Japan have interacted for centuries, especially due to their close geographical proximity, they have accumulated a shared history with numerous impactful instances considerable for this thesis. However, the research goal for this thesis considers very specific developments for which an ideal starting point has been identified. Therefore, the beginning of the periodisation was set in the 1990s for following reasons: the end of the continuous rule of the Japanese LPD, the economic bubble burst, the Chinese Tiananmen Incident in 1989, and the collapse of the Soviet Union marking the 'major turning point' in Sino-Japanese relations.¹

Fundamentally, the thesis focuses on the dynamics, connections, and developments between China and Japan by answering the following of research questions:

- I. As seen through the Senkaku/Diaoyu dispute, how has the bilateral relationship between China and Japan affected the balance of power in Asia from 1990 to the present?

To unravel these dynamics, connections, and developments for the outlined period, the case of the so-called Senkaku/Diaoyu Islands dispute will be utilised as a lens that focuses on the economy, society, and political system of both countries to significant degree. This allows for the desired elements to be examined in a more concise and specific manner

¹ Ryosei Kokubun et al., *Japan–China Relations in the Modern Era* (Routledge, 2017), 132.

that still allows reflections and conclusion regarding the overall research question. This approach is justified since the Senkaku/Diaoyu Islands dispute is not only a significant issue for both countries, but as a territorial issue it is closely tied to general national interests. Therefore, it reflects a 'state's intentions and ambitions'.² By drawing upon these elements, the following sub-questions, which ultimately allow for answering the overall research question, were derived:

1. How is the discourse surrounding the Senkaku/Diaoyu Islands dispute affecting the relationship between China and Japan?
2. Is the bilateral relationship of China and Japan characterised by peaceful cooperation or tensions?
3. What are the liberal elements characterising the interests of China and Japan?
4. What are the realist elements characterising the interests of China and Japan?

Theoretical Framework

This thesis applies two schools of liberal and realist theory to conceptualise the central characterisation of peaceful cooperation and tensions introduced in the third and fourth sub-question. The thesis will utilise the two theories to establish the relevant elements to analyse the case study from the respective perspective.

First, the liberal peace theory by Min Gyo Koo was selected to serve as the foundation for cooperation perspective and as the ontological explanation for potentially peaceful Sino-Japanese relations. The theory stresses how peaceful negotiations and economic interdependence on the bilateral and multilateral level can establish a peaceful relationship. Since China and Japan are the two of the most powerful economies in the region, the resulting binding and containing forces are especially strong, which is demonstrated by their substantial trade volume and interest to maintain it. These aspects foster peaceful relations by giving states an economic incentive to avoid costly military disputes. This not only includes the natural costs of armed conflict in the case of a military

² M. Taylor Fravel, "Explaining Stability in the Senkaku (Diaoyu) Islands Dispute," *Getting the triangle straight: Managing China-Japan-US relations*, 2010, 144.

escalation of the dispute, but also the additional costs of damaging the economic relationship between China and Japan. Therefore, it is in the interest of both countries to de-escalate the dispute in favour of the economic incentives.³ Furthermore, the liberal perspective will also incorporate the concept trust as a prerequisite for negotiations and cooperation. This will require an examination of long-time interactions between actors to assess evidence of trustworthy behaviour and how a sense of trust between China and Japan has been established.⁴

Second, the conflict perspective is based on Yida Zhai's concept of realist constructivism. Zhai introduces so-called discourse power, which combines realist material power with the constructivist concepts of moral power application and construction of narratives. Even though these are generally two different schools of thought, Zhai emphasises how they can be compatible. On the one hand, realists focus on power struggles to survive in the anarchic world of states to explain their behaviour through the achievement of interests 'in a self-help manner'. In the process, states compete for relative power, which can include military assets, economic wealth, natural resources, or strategic positions. In the case of the Senkaku/Diaoyu dispute as a territorial sovereignty issue, this behaviour crucially involves 'seizing territories can be viewed as evidence of a rising country's expansion of power'. On the other hand, power will also be conceptualised as 'meaningless in the absence of morality'. Therefore, the struggle for it also includes an important element of discursive construction, which is addressed by constructivism and its emphasis on ideas, values, and norms shaping state behaviour. The concept also expands classical realism by stressing the importance of society and individual human agency to shape these constructivist elements and utilise them to legitimise behaviour. This involves crucial factors such as the 'domestic political structures, institutions, and the political leaders' ideologies. This also serves as an explanation for non-rational behaviour of actors to address potential miscommunications

³ Min G. Koo, "The Senkaku/Diaoyu Dispute and Sino-Japanese Political-Economic Relations: Cold Politics and Hot Economics?," *The Pacific Review* 22, no. 2 (2009): 206; Graeme Auton, "Nationalism, Populism, Realism and the Intensification of East Asia's Maritime Disputes," in *Proceedings of the 3rd Law & Political Science Conference, Lisbon* (International Institute of Social and Economic Sciences, 2018), 3.

⁴ Kazuhiko Togo, "Japan-China-US Relations and the Senkaku/Diaoyu Islands Dispute: Perspectives from International Relations Theory," *Asian Perspective* 38, no. 2 (2014): 250-56.

and misperceptions. Since the interplay between power and shared ideas is not mutually exclusive, this does not necessarily contradict the realist idea of maximising power. Instead, constructive power of ideas function as a way to complement material power in the sense that states 'actively pursue power in a realist way, while ideas and values shape how they do so in a constructivist way'.⁵ By combining the two disciplines, the sovereignty claims of islands cannot only be assessed as a security issue, but also as a dispute of constructed discourses influenced by the respective societies and crucial actors in power.

Historiography

Out of the numerous ways China and Japan can be and have been studied, this thesis will focus on the specific selection of studies aligned to the periodisation. The highlighted events were defining factors for the so-called third period of Sino-Japanese studies that focuses specifically on the rivalry of China and Japan in the domains of politics, economy, and military. Furthermore, the core debate revolves around the presumed rise of China in conjunction with the relative decline of Japan. This will be the foundation for the conceptual chapters of the thesis. In addition, the outlined lens of the Senkaku/Diaoyu Island dispute will be examined by referring to the increase of traditional and non-traditional security studies for the region since it involves both an unresolved territorial issue and energy security.⁶

In terms of perspectives involved in the debate, this thesis will focus on two ways this period of Sino-Japanese studies is approached by scholars. The first way is generally in line with the neorealist perspective of the theoretical framework and is addressed by scholars such as Chiang, Hahn-kyu, Haruko, Fravel, Koo, Lijun, and Masafumi. They express the prevailing thought that the power transition enhances the rivalries of Japan

⁵ Yida Zhai, "Discourse Power: Sovereignty Claims over the Diaoyu/Senkaku Islands," *Territory, Politics, Governance* 9, no. 2 (2021): 204-7; Auton, "Nationalism, Populism, Realism and the Intensification of East Asia's Maritime Disputes," 2-3, 28; Park Hahn-kyu, "The China-Japan-South Korea Trilateral Summit: Realpolitik or Liberal Peace?," in Lam, *China-Japan Relations in the 21st Century*, 294-95.

⁶ Caroline Rose and Ed Griffith, *Sino-Japanese Relations Since 1945* (2013), 1.

and China as well as the U.S. and China, destabilising the region and preventing cooperation in the process. Furthermore, this process is facilitated by the rise of nationalism and the historical perception of the respective other that are characterised by mistrust and differentiating elements China and Japan disagree and fight over. This point is primarily based on China's growth being linked to seeking ideologic strength in the past and Japan's ambiguous relation with its militaristic past, with most of the population leaving it behind while conservative factions attempting to re-introduce it. The dispute over the Senkaku/Diaoyu Islands functions as a contested factor within the relationship that risks the escalation of all these interlinked elements, which is demonstrated by the diplomatic exchanges and events examined throughout the thesis. Overall, this perspective on Sino-Japanese relationships emphasises the highlighted issues as the defining factors. Since these factors continuously strain the relationship and non-sufficient progress is being made to resolve them, the relationship is considered to be tense at the verge of potential escalation triggered by volatile situation such as the Senkaku/Diaoyu Island dispute.⁷

However, this perspective also stresses the importance of agency and behaviour for the development of the Sino-Japanese relationship, which involves behaviour both on the individual and state level. Scholars such as Lam and Kokubun et al. have examined how policymakers have addressed nationalism on both sides, the geopolitical situation, and key events such as the Trawler Collision Incident, the landing of activists on the islands or the Japanese purchase of private land. While governments such as the Hu and Jiang administration in China as well as the Fukuda or Koizumi administration in Japan have considerably influenced the examined period, the focus of the third period has primarily been on Xi Jinping and Shinzo Abe and how their policies have shaped the relationship. Due to the importance of the U.S. as an ally for Japan and rival of China, many studies

⁷ Yang Lijun, "A Clash of Nationalisms: Sino-Japanese Relations in the Twenty-First Century," in Lam, *China-Japan Relations in the 21st Century*, 83; Iida Masafumi, "Japan-China Relations in East Asia: Rivals or Partners?," *Japan-china relations in east Asia*, 2008, 139; Koo, "The Senkaku/Diaoyu dispute and Sino-Japanese political-economic relations: cold politics and hot economics?" 209; Fravel, "Explaining stability in the Senkaku (Diaoyu) Islands dispute," 159; Satoh Haruko, "Japan's "Postmodern" Possibility with China: A View from Kansai," in Lam, *China-Japan Relations in the 21st Century*, 104; Hahn-kyu, "The China-Japan-South Korea Trilateral Summit: Realpolitik or Liberal Peace?" 291, 302; Min-Hua Chiang, "Contemporary China-Japan Relations: The Politically Driven Economic Linkage," *East Asia* 36, no. 4 (2019): 272.

involve the interactions of the trilateral relationship and how policy or government shifts have affected it. The general consensus is that the U.S. and Japan have substantial security and economic influence because of their well-matched strengths and interests, even though their views do not align all the time or in any case. Especially the Trump administration is considered a destabilizing factor of the generally united front against China and their jointed activities in the region. In terms of the bilateral relationship, one essential example for this is the rise of China not only as an economic power but also a military one and how Abe responded with a revival of Japanese militarism to counter the perceived attempt to 'change the regional status quo by coercion'. This had several effects that have been meticulously studied in recent years. On the hand, Abe's policy shift has been perceived as radical to a degree that it led to domestic criticisms and damage to Japan's established soft power in the region. Even though these two points are crucial study points on their own, most of attention has been directed to how Abe's decisions contributed to the clash of nationalisms between China and Japan. The key points in this regard are the crucial role of nationalism in contemporary China as a tool for state building with socio-political leverage capabilities as well as its distinct anti-Japanese militarism properties. On the other hand, the perception and role of post-war history has been identified as key aspect for both nationalisms and bilateral politics. A frequently studied case for this is the Yasukuni Shrine and how its symbolic meaning causes tensions in the bilateral relationship due to China criticising Japan for downplaying its past. Furthermore, the importance of policymakers acting within the respective political system is also emphasised, not only in terms of the particular legal characteristics but also regarding the struggle of different political factions. Subsequently, the contemporary Sino-Japanese relationship has been characterised with a lack of mutual trust, common identity, a shared regime types, and political values despite their inherent geographical and historical closeness.⁸

Nevertheless, the ability of both sides to manage current relationship is stressed across examined studies by Akio, Chiang, Hahn-kyu, Haruko, Koo, and Lam, despite the outlined diplomatic, political difficulties and potential 'realist self-fulfilling prophecy'. As

⁸ Kokubun et al., *Japan–China Relations in The Modern Era*, 132–71; Peng E. Lam, “China-Japan Paradox: Antagonism Despite Interdependency,” in Lam, *China-Japan Relations in the 21st Century*, 3–9.

a result, a so-called 'paradox of rising political antagonism' has been identified and this has drawn academic attention to the factors that enable policymakers to manage the relationship. Crucially, there is a consensus that the contemporary Sino-Japanese relationship is not at an immediate risk to escalate. Instead, it is mostly about the accumulation of several smaller events and the highlighted interconnecting factors facilitating tensions that could lead to an escalation in the future, such as the rising nationalism, the geopolitical situation, individual actors, and social aspects. The Senkaku/Diaoyu Islands dispute is one of most frequently mentioned factors with the potential to tip the scales. In terms of factors determining future possibilities of control, the realist perspective highlights the generation changes in both countries both in terms of their relationship to the post-war past and education for the future. Especially the effects of the internet on people and to spread distinct information have been receiving an increasing amount of attention. All of this involves considerable uncertainty because of many unanswered questions about the capabilities, possibilities, attributes of power in postmodern states, how it functions and develops.⁹

However, even among tendentially realist authors such as Chiang and Kokubun et al. there is certain acknowledgement of friendly aspects tying the relationship of China and Japan together, even though it is accompanied with fear of deterioration in future and doubt of the possibilities to stabilise the relationship. Authors such as Akio, Hahn-kyu, Haruko, Lam, Kokubun et al., Masafumi or Ying argue in favour of the defining features of the Sino-Japanese 'friendship paradigm' such as a shared civilisation, established connections between the peoples of China and Japan, and especially their economic relations in accordance with the established liberal theory. One common argument is that breaking the highlighted ties would cause such great costs that both sides are not willing to risk an escalation, even with the acknowledge risk enhancement of the Senkaku/Diaoyu islands. In this case, both sides would resort to managing the situation to maximise the benefits a peaceful economic generates with the islands not matching the value of this

⁹ Takahara Akio, "Forty-Four Years of Sino-Japanese Diplomatic Relations Since Normalization," in Lam, *China-Japan Relations in the 21st Century*, 60; Hahn-kyu, "The China-Japan-South Korea Trilateral Summit: Realpolitik or Liberal Peace?" 314; Haruko, "Japan's "Postmodern" Possibility with China: A View from Kansai," 109; Koo, "The Senkaku/Diaoyu dispute and Sino-Japanese political-economic relations: cold politics and hot economics?," 228; Lam, "China-Japan Paradox: Antagonism Despite Interdependency," 9.

relationship. However, the capability of the economic ties alone to secure a peaceful Sino-relationship is disputed. Instead, it is considered just a one pillar and all the outlined issues need to be managed in addition. For this, actively communication, crisis management agreements, and control mechanisms are highlighted as the most essential tools. Hagström elaborates further since these tools by themselves are sufficient. Instead, they must also be applied in a way that actually builds mutual recognition and trust to achieve lasting peace, which requires an emphasis on deliberation, non-domination, and cooperation. Furthermore, multilateral institutions and frameworks are also crucial as an inherently effective way to manage relations. On the one hand, the U.S. and Japan have pushed these frameworks and institutions as part of the established order. On the other hand, China and the region as a whole have engaged more actively with them out of their own interest, especially because events such as financial crises demonstrated the need for them. Nevertheless, the consensus is also that the current multilateral frameworks and institutions are not advanced enough to completely contain national interests with ongoing debates whether this is feasible or desirable for the region.¹⁰

Another important factor to point out are the respective interests of China and Japan in the bilateral relationship. In terms of China, the maximisation of power has been identified as its primary interest. While this is generally the case for states, China has been especially eager in this regard due to its position as a rising hegemon with considerable potential for growth. Nevertheless, China still demonstrates considerable responsiveness towards other actors and dependency on the existing order due to not being an undisputed hegemon. While the growth efforts are focused on the economic and military domain, China has also exhibited a considerable concern for its domestic and public perception. Japan fulfils a crucial role for all of these aspects since it is the most important business partner and military rival in the region. Therefore, China wants to use

¹⁰ Akio, "Forty-four Years of Sino-Japanese Diplomatic Relations Since Normalization" 52, 58, 63; Chiang, "Contemporary China-Japan Relations: the Politically Driven Economic Linkage," 287; Hahn-kyu, "The China-Japan-South Korea Trilateral Summit: Realpolitik or Liberal Peace?," 293-95; Haruko, "Japan's "Postmodern" Possibility with China: A View from Kansai," 104; Lam, "China-Japan Paradox: Antagonism Despite Interdependency," 2, 9; Kokubun et al., *Japan-China Relations in The Modern Era*, 179-81; James Manicom and Andrew O'Neil, "Sino-Japanese Strategic Relations: Will Rivalry Lead to Confrontation?," *Australian Journal of International Affairs* 63, no. 2 (2009): 216; Masafumi, "Japan-China Relations in East Asia: Rivals or Partners?," 139-40; Fan Ying, "Growing Interdependency Between China and Japan: Trade, Investment, Tourism, and Education," in Lam, *China-Japan Relations in the 21st Century*, 81; Linus Hagström, *Japan's China Policy* (Taylor & Francis, 2005), 6-10.

Japan to shape its image and influence its policies for greater gains while simultaneously profiting from the economic ties. In a multilateral setting, China is also primarily concerned with pushing its regional influence as the rising hegemon and persevering its own sovereignty while preventing Japan from leveraging its advantages.¹¹

In contrast to the Chinese push for growth, Japan is more concerned with maintaining its position and re-adjusting its power in a responsive manner. On the one hand, this is the case for its domestic situation because Japan needs to find solutions for its mounting social and demographic issues. For the third period, embracing multilaterals and alliances has been identified as Japan's primary interest. This includes its partnership with the U.S., continuously expanding its network of allies, and focusing on institutions to generate power. On the other hand, responding to Chinese actions is the other primary interests, especially if they are perceived as a threat or coercive in nature. This includes the utilisation of multilateral frameworks to contain China and balancing against its actions, especially in the maritime domain.¹²

Lastly, the overall assessment of the third period studies whether the current state of Sino-Japanese relationships is characterised by the illustrated concept of liberal peace or realist tensions is not conclusive towards either side. Instead, both states remain in constant flux with a delicate balance determined by several interlinking factors. Even though the current state quo can be defined as peaceful, substantial efforts are required to support the factors contributing to this peace and managing the factors that facilitate tensions towards potential escalation. In terms of IR theory, Hahn-kyu and Drifte stress that both China and Japan have valid arguments supporting either side. Consequently, the debate is still open with an undecided outcome being entirely depended on how the 'litmus test' between the powers unfolds.¹³ This naturally draws importance to the practical side of the situation in which both actors are actively shaping the bilateral relationship, even

¹¹ Kokubun et al., *Japan–China Relations in The Modern Era*, 191–92; Haruko, “Japan’s “Postmodern” Possibility with China: A View from Kansai,” 109; Masafumi, “Japan-China Relations in East Asia: Rivals or Partners?” 140; Zhai, “Discourse power: sovereignty claims over the Diaoyu/Senkaku Islands,” 219.

¹² Masafumi, “Japan-China Relations in East Asia: Rivals or Partners?,” 140; Haruko, “Japan’s “Postmodern” Possibility with China: A View from Kansai,” 111–12; Lam, “China-Japan Paradox: Antagonism Despite Interdependency,” 3.

¹³ Reinhard Drifte, *Japan's Security Relations with China Since 1989* (Taylor & Francis, 2003), 173; Hahn-kyu, “The China-Japan-South Korea Trilateral Summit: Realpolitik or Liberal Peace?,” 291.

though the relationship is also determined by independent factors. As described by Drifte, Fravel, Lam, Pugliese Rose and Griffith, as well as Zhai, the current state of relationship with varying but continuous tensions is a result of the engagement policies of both China and Japan. Crucially, the relationship has not deteriorated to the point of escalation, even though this is no guarantee for any future peace. However, the existence of tension does also not disprove the functionality of the established peace framework. The absence of escalation is at least partly attributable to it, but its elements were evidently not enough to prevent the occurred tensions. Therefore, the examined studies have reached conclusions regarding two perspectives. On the one hand, the elements supporting the bilateral peace between China and Japan have remained substantially relevant but sufficient by themselves. Instead, the persistent peace is a result of the overall benefits of relationship in combination with the costs of a potential escalation outweighing the elements of tension. This is also the case regarding the Senkaku/Diaoyu Islands dispute since the involved tensions still exist but remain manageable. In addition, delaying a resolution involves relatively low cost but generates benefits for China and Japan as well as opportunities to improve their mutually beneficial cooperation in the domains of energy resources and crisis management, even though this is considered difficult to achieve in a territorial dispute as a 'zero-sum conflict'. This is even further the case on the multilateral level that provides additional incentives such as 'pandemics, piracy, human trafficking, [or] jihadist terrorism'. On the other hand, just as it was caused by them, the development of the bilateral relationship is highly depended on the behaviour of China and Japan, their diplomatic policy decisions, and the determining factors. This is emphasised under the condition of rising interdependency since it raises the cost of failed diplomacy and deterrence policies. Since behaviour, policies, and factors are subjected to constant change, the examined studies substantially focus on the conditions for potential change, especially regarding the reduction or even elimination of the factors facilitating tensions both of the Chinese and Japanese side. While China could adjust its ways of maximising power to cause less friction with other countries, Japan's strategy to multilaterally unite the region against China is not considered unfeasible, even with the support of the U.S. Since neither side can unilaterally succeed over the other in a multilateral setting, a universal agreed on code of conduct would be preferable over forcings members to choose sides. Instead, Japan could also shift its containment strategy

to a more open engagement of China as well as its institutions and frameworks such as the AIIB. Especially in the long-term, the construction of a common regional identity could provide 'opportunities for functional cooperation despite their bilateral rivalry' and create a 'common ground for conflict resolution', or at least decrease the economic and symbolic importance of the islands. While a multilateral creation of the required norms, values, and principles would be ideal, the more realistic and effective implementation would be domestically due to the ability to pass respective laws, education policies, or publish media coverage. Such measures would be desirable because they actively address nationalistic or patriotic actors or political factions as primary factors for tensions due to the way the view and utilise history, nationalism, policies, and disputes. In addition to direct measures, there is also indirect factors such as the demographic changes in Japan and social changes China's 1.3 billion population towards being 'more urban, middle class, better-educated and travelled, pluralistic, and with higher expectations', even though the exact impact and manner of these changes are difficult to predict. Overall, there are considerable long-term possibilities that the Sino-Japanese relationship will passively change due to internal or independent external factors and that it will be actively changed by domestic actors. However, even with 'without a significant change in the mentalities and sentiments of their respective top political elites and general public', China and Japan can still influence their relationship towards either cooperation or conflict with the means and tools at their disposal.¹⁴ The same assessment is described in regard to the Senkaku/Diaoyu Islands dispute. However, the dispute is generally considered as a source tension despite the opportunities it also entails. Therefore, Fravel, Lam, and Pan highlight the need for China and Japan to reduce their involvement in the dispute for a peaceful relationship in line with the other ways to reduce factors tensions. However, the dispute is likely to stay relevant and active not only because of the unresolved status but also because it is interconnected with other regional disputes that involve China and Japan.¹⁵

¹⁴ Drifte, *Japan's Security Relations with China since 1989*, 173; Fravel, "Explaining stability in the Senkaku (Diaoyu) Islands dispute," 145, 157-61; Lam, "China-Japan Paradox: Antagonism Despite Interdependency" 1, 18-21; Rose and Griffith, *Sino-Japanese Relations Since 1945*, 14; Giulio Pugliese and Aurelio Insisa, *Sino-Japanese Power Politics: Might, Money and Minds* (London: Palgrave Macmillan UK, 2017), 94; Zhai, "Discourse power: sovereignty claims over the Diaoyu/Senkaku Islands," 219.

¹⁵ Fravel, "Explaining stability in the Senkaku (Diaoyu) Islands dispute," 160; Lam, "China-Japan Paradox: Antagonism Despite Interdependency," 18-19; Zhongqi Pan, "Sino-Japanese Dispute over the

Since discourse is both the central element of Zhai's framework and stressed as being influential through the literature of the third period, the primary sources of thesis will be utilised to specifically cover it, with the case of the Senkaku/Diaoyu Islands serving as a point of connection.

Primary Sources

The primary sources selected for this thesis address the necessity to gain insight into the interest of China surrounding the Senkaku/Diaoyu Island. By combining the ability to effectively examine discourse based on Zhai's framework with accessibility of the related sources material due to being in the modern media age, the manner China and Japan construct and utilise discourse to project power and their policy goals can be assessed. On the one hand, the analysis will focus on the *Japanese Ministry of Foreign Affairs* and the *Chinese Ministry of Foreign Affairs* as diplomatic sources outlined the official perspective of the respective nations on the general Sino-Japanese relations and the Senkaku/Diaoyu Island situation. In addition, the MOFAs also provide statistical data on economic, trade, and tourisms as well as a list of political meetings. On the other hand, *People's Daily* and *Nikkei Asia* function as the sources representing news outlets. Naturally, information retrieved from these publications should be treated more cautiously since they are created by journalists for non-academic purposes. Nevertheless, these sources serve as a mean to access information that is directed to the public. Therefore, it also allows to assess the nationalistic tendencies in the country and provide a more social, widespread perspective for the analytical decision between cooperation and conflict. The analysis will account for the natural bias towards the respective discourse and context they were created in and link the findings to the conceptual analysis. Additionally, the information the *People's Daily* will be analysed through the lens of being closely linked to the Chinese government and military in accordance with Akio's and Fravel's assessment.¹⁶

Diaoyu/Senkaku Islands: The Pending Controversy from the Chinese Perspective," *Journal of Chinese Political Science* 12, no. 1 (2007): 85.

¹⁶ Fravel, "Explaining stability in the Senkaku (Diaoyu) Islands dispute," 154; Akio, "Forty-four Years of Sino-Japanese Diplomatic Relations Since Normalization," 63.

As for the set of primary sources acquired from news outlets, the amount of total search results for the term *Diaoyu* was 270 on *People's Daily* and 580 on *Nikkei Asia* while *Senkaku* was found 19 times on *People's Daily* and 897 times on *Nikkei Asia*. The difference in terminology usage can be explained with the fundamental disagreement of China and Japan regarding the islands. If one side is not recognizing the respective other as the rightful administrator of the islands, it should be more inclined the domestic terminology. In fact, from the examined sources the term was only stated explicitly clarify the respective other side uses it.¹⁷ For that reason, the search was narrowed down to *Diaoyu* for *People's Daily* and *Senkaku* for *Nikkei Asia*. In terms of chronological distribution, all of the publication on the *People's Daily* mentioning *Diaoyu* have been released from January 1, 2014 onwards, with 26 publications in the timeframe January 1, 2021 to May 14, 2022, which will be referred to as the recent publications from now on. This equivalent to an average of 2.7 publications per month (ppm) for the entire timeframe and an average of 1.6 ppm for the recent one, which account for 9.6 percent of all publications. Meanwhile, *Nikkei Asia* has released 830 publications containing *Senkaku* with an average of 8.3 ppm since January 1, 2014 and 169 recent publications with an average of 10.3 ppm, which account for 20.3 percent. Overall, this general analysis of the data set shows that *Nikkei Asia* releases significantly more publications that incorporate the islands in comparison to *People's Daily*. Furthermore, a noteworthy difference is that the average ppm and the share of recent publications have increased on *Nikkei Asia* compared to the total amount. Meanwhile, both of these variables have decreased for recent publications on *People's Daily* compared to the total amount.

¹⁷ 'Changing Name of Diaoyu Islands Won't Prevent Japan from Declining,' *People's Daily*, September 22, 2017. Accessed January 8, 2022. <http://en.people.cn/n3/2017/0922/c90000-9272520.html>; 'Japan and China Agree to Launch Defense Hotline Next Year,' *Nikkei Asia*, December 27, 2021. Accessed May 12, 2022. <https://asia.nikkei.com/Politics/International-relations/Japan-and-China-agree-to-launch-defense-hotline-next-year>; 'Japan, India Oppose Attempts to Alter Indo-Pacific Status Quo,' *Nikkei Asia*, September 24, 2021. Accessed May 12, 2022. <https://asia.nikkei.com/Politics/International-relations/Indo-Pacific/Japan-India-oppose-attempts-to-alter-Indo-Pacific-status-quo>; 'Japan, Philippines to Aim for New Defense Cooperation Pact,' *Nikkei Asia*, April 9, 2022. Accessed May 12, 2022. <https://asia.nikkei.com/Politics/International-relations/Indo-Pacific/Japan-Philippines-to-aim-for-new-defense-cooperation-pact>; 'Japan PM Kishida and Biden Commit to Defending Senkaku Islands: New Leader and US Counterpart Confirm Alliance's Strength During First Talks,' *Nikkei Asia*, October 5, 2021. Accessed January 8, 2022. <https://asia.nikkei.com/Politics/International-relations/Japan-PM-Kishida-and-Biden-commit-to-defending-Senkaku-Islands>.

Even though the sources have been chosen with quality and balance in the mind, the current data set is still flawed in several regards. A considerable number of sources was omitted due a disparity in accessibility. While many Japanese sources are available in English, sources representing the Chinese perspective and within the considered period are almost exclusively in Chinese, which currently disqualifies them for an adequate analysis. According to the limitations of the thesis, *People's Daily* and *Nikkei Asia* were selected to ensure a consistent standard for the respective publications and because of their comparatively high significance of three million circulations each.¹⁸ However, this decision comes at the downside of not being able to balance out the bias between several papers and available types of publications. Considering the number of all available news outlets, the analysis may be significant but surely fully representative. For example, the publications of *Nikkei Asia* were more varied since they included commentary and opinions in addition to more interviews and guest articles compared to *People's Daily*. In addition, there is personal bias in regard to the selection of publications since not all of them were analysed. Even though the selection was conducted with balancing the topics in mind, a possibility of the set being skewed cannot be fully denied.

Methodology

As highlighted in the introduction, the necessary analysis and research is intended to be contemporary. Subsequently, the thesis has been narrowed down the outlined periodisation from the beginning of the 1990s until the present. The reasoning for this decision is that answering of the research question requires an understanding of the severe impact of these events on the security, economic and socio-political relations between China and Japan, which have identified as the key analytical elements due to their implementation in liberal and realist theory. Due to their ontological opposition, these elements will be assessed separately via an interpretive analysis of the primary sources, with a case study of the Senkaku/Diaoyu Islands serving as an analytical lens to identify their effect on the Sino-Japanese relationship. To solidify the findings from the primary

¹⁸ People's Daily, "Introduction to People's Daily," accessed May 15, 2022, <http://en.people.cn/other/about.shtml>; Nikkei Asia, "About Us," accessed May 15, 2022, <https://info.asia.nikkei.com/about>.

source analysis, they will be compared to the literature of the third period of Sino-Japanese relations. As the respective historiography has shown, the subject has been studied extensively in a variety of ways. This comprehensive pool of secondary sources will be conceptually analysed to create a well-grounded foundation for the interpretive approach. In further alignment with the theoretical framework, this conceptual framework will address the self-same elements of the contemporary power balance, the socio-political landscape of both China and Japan, the influences and ideas about cooperation and trust as well as the impact of ongoing conflict and lasting tensions. The findings of the source analysis in combination with a reflection of the secondary literature will lay the foundation for a well-founded final assessment whether the current bilateral Sino-Japanese relations are characterised by cooperation or conflict, ultimately answering the overall research question.

1. Establishing the lens of the Senkaku/Diaoyu Islands dispute

As highlighted in the methodology, the Senkaku/Diaoyu Islands dispute ties the theoretical, conceptual, and analytical elements of the thesis together and narrows down the utilised complex and nuanced concepts. To fulfil the desired function, the dispute itself needs to be properly established.

First and foremost, the historical context for the dispute needs to be addressed, which dates back to the Asian post-war resolution. The basic conflict is rooted in treaties addressing the territorial situation according to international law with China and Japan holding on conflicting stances. On the one hand, Japan bases its claims on the Treaty of Shimonoseki and San Francisco Peace Treaty, which settled sovereignty decisions of territories previously owned by Japan. Consequently, the islands were administrated by the U.S. until 1971, when the Okinawa Agreement was reverted, and control was transferred to Japan. On the other hand, China claims the islands based on the Cairo Declaration, which prescribed the return of stolen Japanese territory, and the Potsdam Declaration, which limited the extent of Japan's territorial sovereignty. Crucially, the islands had not been officially disputed by China until 1970/1971 and formal negotiations did not start until 1972. Without reaching an agreement, the negotiations were indefinitely

shelved in 1979. While Japan has retained de facto control over the islands and considered the dispute officially settled since then, China has refuted this to this day. Moreover, China has re-emphasised during the Jiang administration with the Law on the Territorial Sea. With 'no prospect of a negotiated or arbitrated solution' in the foreseeable future, the dispute has reached a political stalemate.¹⁹

Even though international lawyers consider Japan's to be more persuasive, the dispute remains unresolved with China being resolved to exclude any third parties from the issue. This fact is connected to ability of great powers like China and Japan to 'cherry pick' certain treaties and construct a narrative in support of discourse. Crucially, the resulting disagreement is not about factually convincing the respective other since there are officially recognised documents that adhere truth to either side. Instead, both China and Japan have resorted to a constructivist discourse on a bilateral level through the usage of history, the system of international law, modern media, and soft power. On the one hand, China asserts that imperialist Japan 'stole' the islands from a weakened China at the time, which even former Japanese prime minister Yukio Hatoyama acknowledged as an 'understandable' perspective. Furthermore, the negotiations of the San Francisco Peace Treaty are considered as an illegitimate 'backroom deal' by China due to its absence, framing Japan as a revisionist state regarding the dispute. On other hand, Japan supports the validity of its documents based on the recency and recognition by the majority of the international community, in additional to its de facto control over the islands. Consequently, Japan frames itself as the victim of Chinas territorial expansion as a

¹⁹ Togo, "Japan-China-US Relations and the Senkaku/Diaoyu Islands Dispute: Perspectives from International Relations Theory," 244; Fravel, "Explaining stability in the Senkaku (Diaoyu) Islands dispute," 144; Reinhard Drifte, "From 'Sea of Confrontation'to'sea of Peace, Cooperation and Friendship'?-Japan Facing China in the East China Sea," *Japan aktuell*, 2008, 28-30, 40-45; Drifte, *Japan's Security Relations with China since 1989*, 50-53; Hahn-kyu, "The China-Japan-South Korea Trilateral Summit: Realpolitik or Liberal Peace?," 303; Pan, "Sino-Japanese Dispute over the Diaoyu/Senkaku Islands: The Pending Controversy from the Chinese Perspective," 72-76; Kokubun et al., *Japan-China Relations in The Modern Era*, 138, 164; Lijun, "A Clash of Nationalisms: Sino-Japanese Relations in the Twenty-First Century," 83; William Choong, "The Senkaku/Diaoyu Dispute," *Adelphi Series* 54, no. 445 (2014): 75; Hagström, *Japan's China Policy*, 125-26; Akio, "Forty-four Years of Sino-Japanese Diplomatic Relations Since Normalization," 56-57.

coercive, revisionist act, which also supports its image as pacifistic nation acting in accordance with international law.²⁰

The constructivist perspective of the dispute allows for the evaluation of the utilisation of discourse tools such as modern media and international documents. This thesis considers two major influences shaping this discourse on both sides. First, there is history-orientated nationalism whose impact has not only been growing on the domestic level but also on the bilateral level as an influencing factor on mutual perceptions. The islands function as an enabling, facilitation, and enhancing element in this regard. On the one hand, this is the case because of their 'symbolic significance', role in recent post-war history, and territorial properties as an intrinsic part of a nation. On the other hand, the islands have both been target and cause of nationalistically motivated activities. For the considered period, this includes the landing of Hong Kong activists in 2003 and 2012 who planted flags and build a makeshift lighthouse. This caused both protests and direct clashes with Japanese activist groups, most prominently the *Nihon Seinensha*. In addition, these activities motivated a purchase attempt by Tokyo Governor Ishihara Shintaro as well as the realisation of the purchase plan for 2.05 billion yen (US\$26.2 million). Just like the Trawler Collision Incident in 2010, this forced immediate political actions as well as cause protests in both China and Japan, with the highlighted anti-Japanese demonstrating the destructive potential of domestic responses to the dispute. Both events in 2010 and 2012 are essential examples for 'the political sensitivity of information' and the importance of 'media reporting'.²¹

As for the other important influence on the discourse competition, domestic actors fulfil an essential role in managing and deliberately shaping the discourse according to

²⁰ Zhai, "Discourse power: sovereignty claims over the Diaoyu/Senkaku Islands," 6, 9-12; Peng E. Lam, "Japan and the South China Sea Dispute: Preventing 'Lake Beijing'," in Lam, *China-Japan Relations in the 21st Century*, 257; Choong, "The Senkaku/Diaoyu dispute," 71, 74.

²¹ Zhai, "Discourse power: sovereignty claims over the Diaoyu/Senkaku Islands," 204-5; Victor Teo, "Hong Kong and the Diaoyu/Senkaku Dispute in Sino-Japanese Relations," in Lam, *China-Japan Relations in the 21st Century*, 325-27; Pan, "Sino-Japanese Dispute over the Diaoyu/Senkaku Islands: The Pending Controversy from the Chinese Perspective" 85; Kokubun et al., *Japan-China Relations in The Modern Era*, 160, 180-185; Hahn-kyu, "The China-Japan-South Korea Trilateral Summit: Realpolitik or Liberal Peace?," 305; Phil Deans, "Contending Nationalisms and the Diaoyutai/Senkaku Dispute," *Security Dialogue* 31, no. 1 (2000): 120; Choong, "The Senkaku/Diaoyu dispute," 61; Auton, "Nationalism, Populism, Realism and the Intensification of East Asia's Maritime Disputes," 19; Akio, "Forty-four Years of Sino-Japanese Diplomatic Relations Since Normalization," 48.

their own interest. This thesis will focus on soft power, social issues, intra-party power struggles, and achieving policy goals as the main motivators for actors to utilise the islands. Soft power has grown in importance in recent years as another asset a nation can maximise in according to constructivist realist framework. The 2010 Trawler Collision Incident and 2012 purchase of the islands by Japan serve again as case studies that demonstrate how the utilisation of modern media and the simultaneous release of official diplomatic documents by the two MOFAs can be used for 'communicative purposes such as narration, argumentation, warning or proposing' to construct 'discourse on identities and ideologies'. This allows not only to achieve policy goals by leveraging the dispute but also to strengthen positions against domestic political opposition. This includes addressing the nature of nationalism to function as a double-edged sword since protests can also target the domestic government, especially to denounce social issues. The dispute has proven to be effective to mitigate these socially and politically motivated protests that are usually difficult to control for a government. The Trawler Collision Incident and anti-Japanese protests have shown how China can achieve concessions from Japan by using its dual strategy to a point the bilateral relationship is destabilised or public sentiment is shifting against the government. Japan has similarly effective policy instruments like the ODA or FDI, they are not employed as publicly and expressly. Instead, Japan uses the islands to gain relational power since they enable Japan to perform its security role in the region and increase its soft power.²²

Besides the non-military discourse domain, the Senkaku/Diaoyu Islands despite also has implications on hard power security. As highlighted in the security sub-chapter, the islands represent strategical valuable space for military assets, TMD capable to reach either both Chinese and Japanese mainland, the control over maritime space based on UNCLOS, and a hypothetical extension of the Chinese ADIZ. However, there are also the incidents of clashing vessel in the surrounding sea due to the conflicting claims of territory. This not only includes military vessels, even though these incidents could have considerably severer consequences in terms of escalation, but also regular fishing and

²² Zhai, "Discourse power: sovereignty claims over the Diaoyu/Senkaku Islands," 208–10; Pan, "Sino-Japanese Dispute over the Diaoyu/Senkaku Islands: The Pending Controversy from the Chinese Perspective," 85; Kokubun et al., *Japan–China Relations in The Modern Era*, 180–89; Hagström, *Japan's China Policy*, 115–68; Deans, "Contending Nationalisms and the Diaoyutai/Senkaku Dispute," 120.

survey vessels. As Trawler Collision Incident demonstrates, these confrontations can get the coast guards involved and even trigger political responses. Even without a military escalation, these encounters subvert 'Japan's effective administrative control over the islands' and enforce a Japanese to re-affirm control. While this allows Japan to improve its soft power, any response involving hard power does not only involve costs but plays into the anti-Japanese militarism of the Chinese nationalism, appeals military supporters on both sides, and fuels domestic fear of a re-emerging Sino-Japanese rivalry. These fears improve the effectiveness of the Chinese dual strategy and can even contribute to political changes in Japan such as Abe's election in 2012, which happened at a high point of tensions regarding the dispute. During this time, Japan registered 17 intrusions into its maritime territory and 117 interceptions of Chinese aircraft within three months. Even though encounters have not been as frequent since then, the International Crisis Group has assessed a general increase of military presence around the islands going. With encounters going as far as destroyer Yudachi being locked on by a fire- and radar system, these incidents remain a constant risk for the security structure in the region that even the outlined joint agreement of 2012 has not nullified so far.²³

The last point involves the uncovered large-scale oil and natural gas reserves near the island in 1968 in addition to fishing rights attached to the islands. Should even be a fraction of proven and probable 60 to 100 million barrels of oil in proven and one to two trillion cubic feet natural-gas reserves beneath the entire East China Sea be located near the islands, both the Chinese and Japanese economy could benefit immensely, especially the natural resource focused China with its focus on continuous growth. Chinese sources even estimate up to 160 million barrels of oil and 250 trillion cubic feet of gas. This discovery is considered a primary reason China has claimed control over islands after

²³ Lam, "Japan and the South China Sea Dispute: Preventing "Lake Beijing," 252; Kokubun et al., *Japan-China Relations in The Modern Era*, 146, 164, 184-190; Hahn-kyu, "The China-Japan-South Korea Trilateral Summit: Realpolitik or Liberal Peace?," 308; Choong, "The Senkaku/Diaoyu dispute," 75-76, 83; Renato C. de Castro, "Sino-Japanese Rivalry in Maritime Southeast Asia," in Lam, *China-Japan Relations in the 21st Century*, 210; Auton, "Nationalism, Populism, Realism and the Intensification of East Asia's Maritime Disputes," 23; Akio, "Forty-four Years of Sino-Japanese Diplomatic Relations Since Normalization," 48.

over two decades had passed since the San Francisco Peace Treaty. On the one hand, these resources enable the core economic interests of both China and Japan.²⁴

2. Liberal Peace in contemporary Sino-Japanese relations

As previously established in the introduction, this chapter will illustrate from a liberal perspective how the islands affect Sino-Japanese relations based on four pillars: economy, interdependence, mutual trust, and institutions. In alignment with the established liberal theory framework, this chapter examines the possibilities for these elements to create peaceful Sino-Japanese relationships.

2.1. Economic Interdependence and Trade

The first element directing the Sino-Japanese relationship towards a more peaceful direction according to the established liberal theory is bilateral economic interdependence as an essential power resource raising the cost of conflict.

As far as the primary sources are concerned, the Chinese discourse generally connects economy with 'growth'.²⁵ From historical perspective, the third period literature heavily emphasises how this has been China's focus throughout the considered period. Japan has been a major contributor to the Chinese economy, even during periods of political tensions. This was especially apparent during the Koizumi administration, which 'marked the start of a new phase' of tensions in Sino-Japanese relations and originated the concept of 'cold politics, hot economics'.²⁶ Since the Chinese MOFA keeps track of the bilateral

²⁴ Kokubun et al., *Japan–China Relations in The Modern Era*, 163, 180, 183; Choong, “The Senkaku/Diaoyu dispute,” 59–60; Drifte, *Japan's Security Relations with China since 1989*, 50; Hahn-kyu, “The China-Japan-South Korea Trilateral Summit: Realpolitik or Liberal Peace?,” 305; Krista E. Wiegand, “China's Strategy in the Senkaku/Diaoyu Islands Dispute: Issue Linkage and Coercive Diplomacy,” *Asian Security* 5, no. 2 (2009): 190.

²⁵ ‘Chinese Ambassador Emphasizes Potential for China-US Relations in Addressing Global Challenges,’ *People's Daily*, February 8, 2021. Accessed January 8, 2022. <http://en.people.cn/n3/2021/0208/c90000-9817381.html>.

²⁶ Koo, “The Senkaku/Diaoyu dispute and Sino-Japanese political-economic relations: cold politics and hot economics?,” 205; Peter van Ness, “Introduction to the Special Issue: Reconciliation between China and Japan: The Key Link to Security Cooperation in East Asia,” *Asian Perspective* 31, no. 1 (2007): 9; Rose and Griffith, *Sino-Japanese Relations Since 1945*, 12; Mindy L. Kotler, Naotaka Sugawara, and

with Japan, these contributions are evidently considered valuable.²⁷ This can be anchored to the contemporary trend in East Asia of developing towards regionalism. This is connected to a commitment to 'export-led growth for rapid national development', which can be achieved through trade, foreign investment, and economic interdependence.²⁸ During the immediate post-war period, the Japanese contributions in form of FDI and ODA have substantially supported China's growth, its firms, especially the ones involved in manufacturing, have substantial investments in China. Subsequently, these firms have also developed close ties with local Chinese firms, which had mostly focused on providing labour and comparatively low-value exports. In addition, the path for rapid growth initially created substantial demand for 'integrated circuits, parts and components, machinery, engines, steel, and chemical materials', which Japan could provide. Subsequently, many Japanese firms have shifted their production directly to China. However, as a result of China's continuous growth and international integration, its contemporary economy has opened up and diversified its exports, making it less depended on Japan and the bilateral trade less important lower than the total foreign trade. Japan has reacted to this and adjusted its FDI to include research and development besides the historically important manufacturing and modern service industries 'like finance, insurance, wholesale, and retail'. This extensive involvement and reliance on China to generate economic profit is crucial long-term strategy for Japan. On the one hand, Japan wants to be less purely reliant on its local economy, resulting in its modern focus on oversea growth and profit. On the other hand, this approach counteracts Japan's increasing demographic issues, leading to a growing shortage in labour forces to sustain the local economy. This is reflected in Japanese FDI in China, which consistently amounted to US\$10 billion and US\$11 billion annually from 2014 to 2018. Even though higher peaks were registered in previous years and significant growth is unlikely due to the substantial baseline that has already been achieved, 48 percent of Japanese firms still expressed their

Tetsuya Yamada, "Chinese and Japanese Public Opinion: Searching for Moral Security," *Asian Perspective* 31, no. 1 (2007): 118; Akio, "Forty-four Years of Sino-Japanese Diplomatic Relations Since Normalization," 45.

²⁷ 'China and Japan,' *Ministry of Foreign Affairs of the People's Republic of China*. 2013. Accessed January 10, 2022.

https://www.fmprc.gov.cn/mfa_eng/wjb_663304/zzjg_663340/yzs_663350/gjlb_663354/2721_663446/.

²⁸ Hahn-kyu, "The China-Japan-South Korea Trilateral Summit: Realpolitik or Liberal Peace?," 293.

'willingness to expand their business in China in the next 12 years' at the end of 2017 after the same survey registered 67 percent in 2011.²⁹

The Japanese MOFA not only tracks its current FDI to and from China, but also the total trade that accounted for US\$206.2billion in exports and US\$165.9billion of imports in 2021. Moreover, the relationship with China is explicitly described as 'most important' to Japan, which is underpinned with their 'close economic relation', the relation between the people, cultural exchanges, the importance of trade, and FDI.³⁰ In connection with the bilateral cumulative economy of China and Japan, which achieved 'US\$99 billion by 2014', and approximately 23,000 Japanese firms creating around ten million jobs in China around the same time, one can affirm that appreciation for the bilateral economy is mirrored on the Japanese side. Furthermore, the Japanese discourse asserted the importance to maintain these 'close economic relation' with China as well as the need to facilitate 'economic exchanges'. This was emphasised by Chinese and Japanese Minister for Foreign Affairs in November 2021 as well as Kishida and Xi the month before.³¹ Overall, the Japanese perspective agrees on 'preserving trade ties with China' as a key goal.³² The literature further states that this is the case despite periods of decline and political tensions, which further underlines the Japanese dependence on the Chinese market for a prosperous economic relationship for its highly valuable, technological exports.³³ This dependence is reflected on Chinese side as well, even though it has become asymmetrical in the past decade. Since then, China has become considerably less reliant on foreign financial support and achieved a trade surplus with Japan. Yet, the economic ties with Japan remained highly valuable due to technological cooperation 'in

²⁹ Chiang, "Contemporary China-Japan Relations: the Politically Driven Economic Linkage," 279–81; Drifte, *Japan's Security Relations with China since 1989*, 145.

³⁰ 'Japan-China Relations,' *Ministry of Foreign Affairs Japan*. November 18, 2011. Accessed January 9, 2022. <https://www.mofa.go.jp/region/asia-paci/china/index.html>

³¹ 'Japan-China Foreign Ministers' Telephone Talk,' *Ministry of Foreign Affairs Japan*. November 18, 2021. Accessed January 9, 2022. https://www.mofa.go.jp/press/release/press1e_000234.html; 'Japan-China Summit Telephone Talk,' *Ministry of Foreign Affairs Japan*. October 8, 2021. Accessed January 9, 2022. https://www.mofa.go.jp/a_o/c_m1/cn/page3e_001151.html.

³² 'Biden's China Playbook: Cooperation or Confrontation?,' *Nikkei Asia*, December 1, 2021. Accessed May 12, 2022. <https://asia.nikkei.com/Editor-s-Picks/Interview/Biden-s-China-playbook-Cooperation-or-confrontation>; 'Japan PM Kishida and Biden Commit to Defending Senkaku Islands: New Leader and US Counterpart Confirm Alliance's Strength During First Talks,' October 5, 2021.

³³ Ying, "Growing Interdependency Between China and Japan: Trade, Investment, Tourism, and Education," 67-68.

energy saving and environmental protection' and the investments during periods of economic crisis. In sum, China and Japan still enjoy a mutual, highly profitable trading relationship with China becoming Japan's number one trading partner while Japan had become the second largest trade partner for China after the U.S.³⁴

This first sub-chapter underscores the central argument that the Sino-Japanese bilateral economic relationship has proven to be 'mutually beneficial' and 'indispensable.' The resulting economic interdependency of China and Japan has been increasing since the 1990s despite lasting disputes and reoccurring tensions. Even though economic experts such as Ying expected this interdependency to deepen further, 'it is not inconceivable that prolonged political turbulence over sovereignty disputes and conflicting historical narratives may undermine this crucial economic relationship'.³⁵ However, it has been shown that the economic relationship undoubtedly impacts the Sino-Japanese relationship and is considered worthwhile to be extended even during periods of cold politics, which is highlighted by the continuous growth of the bilateral trade and economic ties during the Koizumi administration.³⁶ Analysts such as Drifte even claim China's economy has reached a degree of entanglement with Japan and the world economy that 'it could not extract itself without suffering severe domestic problems'.³⁷ However, the questions why it has proven so resilient despite economic alternatives as well as whether it actually promotes peaceful relations and not just withstands tensions still require further investigation.

2.2. Bilateral Cooperation and Mutual Trust

The first aspect of trust it is addressed directly throughout the set of primary sources. The *People's Daily* does so in conjecture with security confrontations by referring to the

³⁴ Akio, "Forty-four Years of Sino-Japanese Diplomatic Relations Since Normalization," 50–52; Hahn-kyu, "The China-Japan-South Korea Trilateral Summit: Realpolitik or Liberal Peace?," 296.

³⁵ Ying, "Growing Interdependency Between China and Japan: Trade, Investment, Tourism, and Education," 68; Fravel, "Explaining stability in the Senkaku (Diaoyu) Islands dispute," 160–61.

³⁶ Kotler, Sugawara and Yamada, "Chinese and Japanese Public Opinion: Searching for Moral Security," 117.

³⁷ Drifte, *Japan's Security Relations with China since 1989*, 142.

Chinese Defense Ministry to address their causes. Regarding the islands, these causes include the 'contradictions and differences' as well as 'misgivings, misunderstanding and miscalculation' connected to the dispute. 'Escalation' of said dispute is universally portrait as a non-desirable result, something to be 'prevented'.³⁸ This matter can be connected not only to the mutually exclusive position of China and Japan regarding the dispute, but also to reconciliation over the connected historical issues. Chinese leaders such Jiang have frequently expressed memory issues with pre-war Japan; and after the acknowledgement of the Second Sino-Japanese War as a war of aggression by Japan the relationship improved. This marked the beginning of a period of ' more pragmatic, forward-looking relations', which is highlighted by China's New Thinking debate towards. Hu was one of the major supporters of this approach to the extent Japan has atoned for the war and for China to leave history issue behind. For the sake of future developments, the historical bilateralism was to be transformed into future-orientated 'neighbourly friendship'. Even after the Fukuda administration addressed increasing frictions in the East China Sea in 2007, both leaders could still find a common agreement on 'a sea of peace, cooperation, and friendship'. Afterwards, China still maintained a positive evaluation of Japan's post-war development.³⁹ However, cooperative projects such as the Joint Historical Research Project Reconciliation and a workshop organised by Australian National University have shown that reconciliation is a continuing process depending on domestic, regional, and global factors. Since this gravely effects opportunities for cooperation between China and Japan, an accepted solution that both sides commit to would be beneficial. Yet, reaching

³⁸ 'China, Japan Agree to Manage Maritime Differences, Safeguard Maritime Stability,' *People's Daily*, December 21, 2021. Accessed January 8, 2022. <http://en.people.cn/n3/2021/1221/c90000-9935406.html>; 'China Urges Japan to Avoid Actions That Could Complicate Diaoyu Islands and East China Sea Issues,' *People's Daily*, November 12, 2021. Accessed January 8, 2022. <http://en.people.cn/n3/2021/1112/c90000-9918757.html>; 'China Warns Japan Not to Stir up Trouble on Diaoyu Island Issue,' *People's Daily*, April 17, 2021. Accessed January 8, 2022. <http://en.people.cn/n3/2021/0417/c90000-9840168.html>; 'Chinese Defense Minister Urges Japan to Learn from History, After Japanese Forces' Mock Drills Concerning Diaoyu Islands,' *People's Daily*, December 28, 2021. Accessed May 12, 2022. <http://en.people.cn/n3/2021/1228/c90000-9938121.html>; 'Japan and China Agree to Launch Defense Hotline Next Year,' December 27, 2021.

³⁹ Kokubun et al., *Japan–China Relations in The Modern Era*, 138; Hahn-kyu, "The China-Japan-South Korea Trilateral Summit: Realpolitik or Liberal Peace?," 292.

'even a limited consensus about the contested Sino-Japanese history of the past is difficult enough'.⁴⁰

Furthermore, the term 'trust' or even 'friendship' is used to refer to legal agreements such as the 'four-point principled consensus', which is associated with achieving 'stability' in Sino-Japanese relations.⁴¹ This consensus is the result of political efforts during the third period to 'build frameworks for cooperation'. These have been based on five essential pillars: mutual trust based on visits and dialogues, promotion of media and cultural exchanges, beneficial cooperation in essential sectors such as energy, environment, food, trade and resource development in the East China Sea, as well as cooperation to solve regional and global issues, which directly align with the liberal peace theory of the thesis. The respective MOFAs have ultimately agreed on four core documents four before the Japan-China Summit to 'develop a strategic mutually beneficial relationship': the joint statement in 1972, the Japan-China Treaty of Peace and Friendship in 1978, the joint declaration in 1998, and the joint statement in 2008. This includes 'some' shared recognition of the history issue, the construction of a management mechanism to address different views on issues such as the dispute. However, it was explicitly clarified that recognition did not mean a resolution of pending issues.⁴²

The sources also provide the means to achieve the desired trust, which include diplomatic 'dialogue and consultation' and the other aspect 'cooperation'.⁴³ The latter is associated with the maritime affairs surrounding the dispute and practical opportunities such as environmental protection, search and rescue, fisheries, disaster prevention and personnel exchanges to more proactively create 'stability'.⁴⁴ The Japanese MOFA directly connects this aspect to the islands with a referral link to two recent telephone conferences. The first one was between the Japanese foreign minister and the Chinese state councillor

⁴⁰ van Ness, "Introduction to the Special Issue: Reconciliation between China and Japan: The Key Link to Security Cooperation in East Asia," 10–12.

⁴¹ 'China, Japan Agree to Manage Maritime Differences, Safeguard Maritime Stability,' December 21, 2021; 'China Urges Japan Not to Mislead the Next Generation,' May 12, 2022.

⁴² Masafumi, "Japan-China Relations in East Asia: Rivals or Partners?," 128; Kokubun et al., *Japan–China Relations in The Modern Era*, 175, 193.

⁴³ 'China Urges Japan to Avoid Actions That Could Complicate Diaoyu Islands and East China Sea Issues,' November 12, 2021.

⁴⁴ 'China, Japan Agree to Manage Maritime Differences, Safeguard Maritime Stability,' December 21, 2021.

at the time who emphasised the 'concerns' of both countries regarding the islands, which is directly followed by expressing the need for a 'constructive and stable' relationship, 'dialogue', 'cooperation' and the 'economic relation'.⁴⁵ The other call was the first meeting between Kishida and Xi who exchanged 'views on various concerns between the two countries'. They also emphasised the intention to 'continue holding dialogues', the need to 'cooperate', and to facilitate 'economic and people-to-people exchanges'.⁴⁶ The literature outlines how these practical opportunities are enabled through the geographical and cultural closeness developed over centuries of shared history. One practical manifestation of this is educational exchange between China and Japan, which is shown to be more resilient to tensions. This can be attributed to push-pull factors such as escaping from bad living conditions and pursuing better job prospects. The continuous flow of students between China and Japan has been identified to 'promote mutual understanding in the years ahead'. Therefore, education exchanges can produce 'results of joint promotion' that are 'practical, varied in forms, and rich in content.' Another example is based on the economic benefits of human mobility, which is exemplified by the influential tourism generating considerable profits and fosters the overall Sino-Japanese relations. However, it is also shown to be more prone to tensions between the two countries. For example, the number of annual Japanese tourists in China decreased back to 2.50 million in 2015 from 3.98 million in 2007 after several years of tense relations.⁴⁷

Furthermore, the established economic relations between cooperate actors have laid further groundwork for practical cooperation, with the resulting structures being supported and used by both governments. Even after the Tiananmen Incident, there were still a variety of effectively functioning 'official and private channels for improving relations'.⁴⁸ In terms of political agency, leaders and essential actors have been meeting with each other to 'establish a hotline between the two governments and [...] appropriately handle the issues, differences of opinion and disputes which currently exist and may arise in the future'.⁴⁹ The launch of a hotline has also been discussed since 2018

⁴⁵ 'Japan-China Foreign Ministers' Telephone Talk,' November 18, 2021.

⁴⁶ 'Japan-China Summit Telephone Talk,' October 8, 2021.

⁴⁷ Ying, "Growing Interdependency Between China and Japan: Trade, Investment, Tourism, and Education," 68–72, 80–81.

⁴⁸ Kokubun et al., *Japan–China Relations in The Modern Era*, 133.

⁴⁹ Masafumi, "Japan-China Relations in East Asia: Rivals or Partners?," 127.

in regard to the islands with an emphasis to 'manage' risks, 'avoid' clashes and 'reduce' tensions.⁵⁰ Therefore, the primary sources directly align with the previous aspect of trust and the general political agenda assessed in the literature. One example for this agenda is the Sino-Japanese Summit in 2008 that served as a stage for China and Japan to affirm their joint efforts 'to build a mutually beneficial relationship'. Especially for Japan such opportunities are crucial to push its response strategy of engaging China. This underpins the importance and scope of such cooperative meetings, which resulted in the Japan-China High-Level Economic Dialogue, the Renminbi Qualified Foreign Institutional Investors programme backed up with 200 billion yuan (US \$31.3 billion), and a three-year currency swap agreement of up to 3.4 trillion yen (US\$30.4 billion).⁵¹ Furthermore, personal links are increasingly being formed both between elite level individuals and the ordinary public due to modern levels of communication as well as the growing influence of cooperative NGOs in both countries. While Japan has passed special reforms to support NGOs, China has been more reluctant and cautious, but similar organisations have formed, nonetheless. Consequently, a substantial foundation for non-governmental cooperation also exists, especially for problem-solving of environmental and social issues.⁵²

Ultimately, the notion of stability and the self-same approach to trust as well as cooperation is also used within the Japanese discourse, which is reiterated as an agreed upon strategy in the 2021 phone call between Kishida and Xi.⁵³ Subsequently, researchers such as Masafumi have concluded that both China and Japan share the view that the 'cooperation between the two countries is growing in importance, and that further strengthening and developing the friendly and cooperative relations between the two countries not only serve the fundamental interests of their peoples, but also positively contribute to the peace and development of the Asia-Pacific region and the world as a whole'. Overall, these common interests and policies of mutual benefit function as a

⁵⁰ 'Biden's China Playbook: Cooperation or Confrontation?,' December 1, 2021; 'Japan and China Agree to Launch Defense Hotline Next Year,' December 27, 2021.

⁵¹ Chiang, "Contemporary China-Japan Relations: the Politically Driven Economic Linkage," 272, 275; Masafumi, "Japan-China Relations in East Asia: Rivals or Partners?," 275.

⁵² Utpal Vyas, *Soft Power in Japan-China Relations: State, Sub-State and Non-State Relations*, Routledge Contemporary Asia Ser 29 (Milton Park, Abingdon, Oxon, New York: Routledge, 2011), 76.

⁵³ 'Japan-China Foreign Ministers' Telephone Talk,' November 18, 2021; 'Japan-China Summit Telephone Talk,' October 8, 2021.

substantial stabilising factor.⁵⁴ Yet, obstacles and unresolved issues persist so more often than not cooperation bet China and Japan still fail to reach a common consensus. However, this analysis on the bilateral level has shown that the highlighted frameworks are generally considered important. Consequently, they have been extended not only in form of permanent institutions, but especially beyond the bilateral level. After all, interaction and cooperation are rarely restricted to just two parties. Therefore, this necessitates an analysis of the multilateral level as well.

2.3. Multilateral Institutions and Regional Frameworks

The last element of the liberal peace theory is based on the idea that costly conflict can be prevented through the utilisation organisations, rules, and institutions. On a larger scale, 'international organizations, treaties, explicit rules, and general working procedures can be established to make international relations more transparent, more predictable, less risky and dangerous'. The primary motivation for facilitating multilateral cooperation and regional frameworks is to be become more resilient against the financial crises that occurred since the 1990s. To reduce the future vulnerability of individual countries in the region, the Chiang Mai Initiative has been established as an initial, but insufficient measure. After the global financial crisis in 2008, 'cooperation under the principles of openness, transparency, [and] mutual trust' were considered the ideal way to ensure a 'peaceful, prosperous, and sustainable future'. Consequently, existing regional frameworks such as ASEAN should be enhanced in a 'complementary and mutually reinforcing manner'. These endeavours were later extended beyond economic interests to traditional and non-traditional security cooperation, such as infectious outbreaks and natural disasters, as well as strengthening multilateral regional cooperative mechanisms, to create a more advanced framework in form of the APT. These existing frameworks have been used to promote FTAs as a substantial cooperative instrument, with the first attempt being undertaken by China in form of the EAFTA. However, the 2002 ACFTA was the first successful one with Japan as a key member, while China was excluded. Since Japan feared subsequent repercussions to its multinational firms in region, it proposed

⁵⁴ Masafumi, "Japan-China Relations in East Asia: Rivals or Partners?," 127.

CEPEA, which exceeded EAFTA in scope and membership. In the process, several countries successfully agreed on regional FTAs such as the TPP and an FTA between China and South Korea signed in 2015. Yet, China and Japan themselves were not able to decide on a bilateral FTA for years despite being the largest economies in the region. However, significant progress has been achieved in recent years with the APT framework to establish an expansive free trade area in the form of the RCEP. This framework does not only have 'positive and significant effects on inward FDI' in the region and paves the 'road to the investment policy framework for sustainable development', but it also enables to mitigate 'occasional political tensions' as they are spread out in this large-scale framework.⁵⁵ This approach of changing the security and economy structure resembles the EU and reflects an ongoing transition away from the modern nation state, when persevering integrity was essential and sovereignty was considered 'more absolute'. The postmodern interpretation considers sovereign rights to be more 'negotiable and less absolute', particularly because a 'broader and more diverse social, cultural, and ideological landscapes' has created a greater acceptance for institutionalism. Subsequently, the multilateral frameworks created and expended in the region since the 1990s have established the necessary scope of interdependence and cooperation to significantly reduce the 'possibility of conflict' in line with the liberal peace theory.⁵⁶

As for China specifically, it needs to be noted that the multilateralism is not mentioned when referring to the islands or the bilateral relation with Japan. Instead, the support of multilateral institutions is more globally orientated according to a 2021 interview with the Chinese Ambassador Cui Tiankai.⁵⁷ This aligns with the literature assessment of the Chinese engagement in multilateral frameworks, which is characterised as 'unstable'. The reason for this is associated with the extension beyond economic aspects to include political and security fields as well and is rooted in the way China pursues core

⁵⁵ Masafumi, "Japan-China Relations in East Asia: Rivals or Partners?," 133, 141-142; Kokubun et al., *Japan-China Relations in The Modern Era*, 151-52; Hahn-kyu, "The China-Japan-South Korea Trilateral Summit: Realpolitik or Liberal Peace?," 295-99; Ying, "Growing Interdependency Between China and Japan: Trade, Investment, Tourism, and Education," 82; Nathapornpan P. Utama, "International Investment Agreements Provisions and Foreign Direct Investment Flows in the Regional Comprehensive Economic Partnership Region," *Economies* 9, no. 1 (2021), 28.

⁵⁶ Hahn-kyu, "The China-Japan-South Korea Trilateral Summit: Realpolitik or Liberal Peace?," 293-94, 297-300; Masafumi, "Japan-China Relations in East Asia: Rivals or Partners?," 128-29, 133, 138.

⁵⁷ 'Chinese Ambassador Emphasizes Potential for China-US Relations in Addressing Global Challenges,' February 8, 2021.

national interests via multilateral frameworks. The respective policies had originated during the presidency of Hu who set out to construct 'harmonious East Asia.' One key aspect of this were the five steps set out by Jiabao that involve improved planning, economy, security and cultural cooperation as well as increased public health. While Hu, emphasised 'peace, development and cooperation' as an integral theme, Jiabao identified harmony as shared Asian value as the solution for 'lasting peace and common development'. To realize this idea of harmony, multilateralism, mutual trust and benefits as well as equality and cooperation were frequently expressed as central themes. To uphold these themes, tranquillity and stability, common prosperity through globalization and support of developed countries, as well as inclusiveness regarding diversity were being highlighted as the most essential methods. This included following the example of the UN and implementing reforms. Subsequently, China focused on strengthening its periphery to create stability and establishing friendly relations. This integrations into liberal order allowed China to efficiently profit from its cooperation with Japan as the appreciation for the yen facilitated further growth through Japanese FDI.⁵⁸ While this correlates with the elements of liberal peace and the economic interests of China, it does not explain why these regionally and globally orientated policies are not addressed regarding Japan and the islands. This connected to the Chinese policy shift regarding multilateralism towards large-scale projects that enabled through it is own institutions the ADB and AIIB. One such project is the OBOR. It directly spread China 's acquired influence through multilateral frameworks. Even though the project creates structures supporting the entire region such as 'logistics hubs, communication networks, airports, railway lines, modern highways, ports, and a military component', the involved countries inevitably get drawn closer to China politically and strategically.⁵⁹

In contrast to the Chinese discourse, multilateralism is single most mentioned aspect regarding the islands and when dealing with its relations to China, with an explicit focus a 'free and open Indo-Pacific'. Crucially, it is universally expressed how this can only be achieved through strengthening of alliances and joint activities. This suggests that

⁵⁸ Masafumi, "Japan-China Relations in East Asia: Rivals or Partners?," 129–31; Chiang, "Contemporary China-Japan Relations: the Politically Driven Economic Linkage," 278.

⁵⁹ Hahn-kyu, "The China-Japan-South Korea Trilateral Summit: Realpolitik or Liberal Peace?," 311–13.

Japan attaches considerable importance to the aspect of multilateralism.⁶⁰ This makes sense because engaging with regional frameworks has been identified as a core element of Japanese foreign policy and power strategy. Advanced multilateral frameworks and stronger regional partners allow Japan to shift most effectively utilise its FDI and ODA to counterbalance its dependency on China in its favour and contain the 'negative influences' originating from bilateral tensions by containing China in the regional frameworks. This became especially apparent during their initial cooperation within APT in 1997. During this period, both countries were aware how their 'political antagonism' hampered their involvement. Since both China and Japan were not sufficiently powerful at the time to dominate the entire process by itself, they left the initiative mainly to the other members. This changed during the Hu administration when the policy goals aligned with Japan. Subsequently, their partnership flourished, and interests enhanced each other to produce cooperative stability. Not only did this result in positive views by scholars in terms of future regional cooperation at the time, but this is also created more opportunities for practical projects such as investing cooperatively in the infrastructure of regional developing countries, whose wide development gap were being considered one of the major obstacles for regional cooperation. Subsequently, China and Japan had also recognized the need for dialogue between and implement respective measures. One example for this was the Japan-China Policy Dialogue to specifically support the Mekong in 2008. As a result, China and Japan identified 'protection and energy conservation [as] prospective areas for a strategic partnership'. This has been a core interest especially for China to not only prevent the 'degradation of the environment' as a result of its economic focus, but it also to maintain the growth of its economy in the future. Subsequently, core regional infrastructure such as ASEAN Power Grid and the ASEAN Gas Pipeline was

⁶⁰ 'Biden's China Playbook: Cooperation or Confrontation?,' December 1, 2021; 'China Builds up Blue-Water Presence as World Focuses on Ukraine,' *Nikkei Asia*, March 29, 2022. Accessed May 12, 2022. <https://asia.nikkei.com/Politics/International-relations/Indo-Pacific/China-builds-up-blue-water-presence-as-world-focuses-on-Ukraine>; 'Japan, India Oppose Attempts to Alter Indo-Pacific Status Quo,' September 24, 2021; 'Japan, Philippines to Aim for New Defense Cooperation Pact,' April 9, 2022; 'Japan PM Kishida and Biden Commit to Defending Senkaku Islands: New Leader and US Counterpart Confirm Alliance's Strength During First Talks,' October 5, 2021; 'Japan, US and Australia Must Strengthen Cooperation on China,' *Nikkei Asia*, January 12, 2022. Accessed May 12, 2022. <https://asia.nikkei.com/Opinion/The-Nikkei-View/Japan-US-and-Australia-must-strengthen-cooperation-on-China>; 'US and Japan Voice Concern over China's Nuclear Arsenal at ASEAN Talks,' *Nikkei Asia*, August 7, 2021. Accessed May 12, 2022. <https://asia.nikkei.com/Politics/International-relations/US-and-Japan-voice-concern-over-China-s-nuclear-arsenal-at-ASEAN-talks>.

enhanced, research and creation of renewable and cleaner energy production were promoted, the foundation for respective financing systems in less-developed countries was laid. This illustrates how multilateral framework do not only have a positive impact on the bilateral Sino-Japanese relationship, but also fulfil the necessity of 'massive transnational transfers of persons, technologies and finance' to stay competitive in the modern age and advance core interests effectively.⁶¹

This additional context explains how Japan can make more effective use of multilateralism in the bilateral relationship with China, especially since it also implemented the liberal ideology. For China, this has not only been the case during the Hu administration. Instead, China has shifted away of a joint multilateral approach together with Japan and towards a policy serving its national interest. This is addressed in the debate about the 'transitioning from the neoliberal Washington Consensus to a Beijing Consensus founded on state capitalism' further underpinned China's growing soft power and sense of nationalism. By 2010, the power shift became so evident that a truly critical juncture formed in Sino-Japanese relations – China further grew its influence by facilitating infrastructure projects such as OBOR by establishing the AIIB, duplicating the role of the ADB of which Japan is the largest shareholder. While not being directly excluded and praising the significance of the AIIB, Japan has not joined the AIIB, pointing out issues regarding 'governance of the institution and borrowing countries' debt sustainability'. However, Japan still contributed to related development programs via the ADB using ODA. The engagement in China's own institutions clashes with the persisting strategy of the U.S. and Japan to contain China within shared multilateral frameworks, which becomes apparent due to their attempts to include Australia, New Zealand and India. Even though China resists the extension of further members and pushes its own multilateral position, Japan is considered to hold the overall advantage regarding multilateral frameworks.⁶² The potential Chinese acknowledgement of Japan's advantage in multilateral frameworks could serve as explanation why this element is absent in its

⁶¹ Masafumi, "Japan-China Relations in East Asia: Rivals or Partners?," 129–30; Haruko, "Japan's "Postmodern" Possibility with China: A View from Kansai," 104–8; Chiang, "Contemporary China-Japan Relations: the Politically Driven Economic Linkage," 282 ; Drifte, *Japan's Security Relations with China since 1989*, 101.

⁶² Masafumi, "Japan-China Relations in East Asia: Rivals or Partners?," 135, 141–42; Kokubun et al., *Japan–China Relations in The Modern Era*, 178..

discourse, as it would mean challenging Japan in a disadvantages situation. Furthermore, the dispute could be brought about against China in multilateral settings due to its conflicting territorial claims with other countries in the region. The increasing tensions of China with its neighbours is even addressed in one Japanese article outlining its stance on a free Indo-Pacific.⁶³ This further strengthens the hypothesis that the Japanese perspective on the dispute is favoured in a multilateral setting.

3. Realist Tensions and the Potential for Conflict between China and Japan

After examining the elements facilitating peace in accordance with the theoretical framework, the following chapters will explore the factors contributing to tensions between China and Japan by assuming a realist perspective to determine the potential for conflict.

3.1. Economy and Multilateralism from a Realist Perspective

Even though the primary sources suggest that China and Japan approach economy from a liberal perspective regarding the islands, there is at least one article covering how the Japanese company 7&i Holdings was fined for labelling the islands as Senkaku on a map, together with other related issues. The article demonstrates how 'upholding the principle of one China' is considered worthwhile enough to damage economic relations with Japan.⁶⁴ Therefore, it should be explored who the economy does not exert a purely positive influence from a realist perspective since it functions as a just another element of state power to compete over. Subsequently, economy can also be employed as a political tool to exert power. This chapter will examine how the discourse power framework views the economic aspect of the Sino-Japanese relationship.

⁶³ 'China Builds up Blue-Water Presence as World Focuses on Ukraine,' March 29, 2022.

⁶⁴ 'Obey One-China Principle in Deeds, Not Words,' *People's Daily*, January 9, 2022. Accessed May 12, 2022. <http://en.people.cn/n3/2022/0109/c90000-9942464.html>.

In the case of China and Japan, the previously explained ODA serves as an example for this, with Japan intentionally using the ODA to influence China's policies since it has been such a crucial factor for economic growth and stability. Historically, this has happened as response to the Tiananmen Incident and underground nuclear tests in 1994. On the one hand, this can be interpreted as Japan pressing its political and security interests. On the other hand, there is also the aspect of domestic criticism of the ODA relating to human rights issues in China and after China had started to increase its military spending. This added layer of Japan's fiscal and national interest has led to a directional shift of the ODA to 'environmental protection, preservation of ecosystems, poverty assistance'.⁶⁵ Regarding the effectiveness of this practice, it has been shown that it provides Japan with 'some leverage' in the bilateral relationship. Furthermore, it has a considerable effect on the nature of the relationship. The freeze of the fourth ODA package in 1994 resulted in a reduction of the 'heat of bilateral conflicts' at the time and even allowed for open Japanese criticism of China. Moreover, a similar period of cold tensions after the Tiananmen Incident was only alleviated after the freeze of the third package had been lifted. However, it also needs to be asserted the effectiveness has decreased in recent years due to China's economic progression and the relative decline of the weight of yen loans.⁶⁶

The illustrated example of the ODA also highlights another crucial argument in terms of the evaluation the importance of economy for a peaceful Sino-Japanese relationship – economy is intertwined with other interests that also can be pushed through economic frameworks. This can be examined by looking at multilateral institutions in which countries still represent and act by themselves, despite the characteristically high degree of interdependence. Due to the considerable interest in China's geopolitical development, analysts such as Drifte have conducted research in this regard. While China has certainly developed a more 'open-door policy and [...] economic interdependence with the outside world' in the past three decades, it has shown only a limited 'positive contribution' and

⁶⁵ Kokubun et al., *Japan–China Relations in The Modern Era*, 134, 141, 153; Drifte, *Japan's Security Relations with China since 1989*, 144; Akio, "Forty-four Years of Sino–Japanese Diplomatic Relations Since Normalization," 41.

⁶⁶ Drifte, *Japan's Security Relations with China since 1989*, 146–47; Reinhard Drifte, "The Ending of Japan's ODA Loan Programme to China—All's Well That Ends Well?," *Asia-Pacific Review* 13, no. 1 (2006), 115-16.

acted rather reactively as well as passively with a focus on greater regional and global dynamics. Furthermore, the increase in 'interdependence is not the same in all sectors' and the observed tendencies might also not continue or even reverse at any time. From the Japanese perspective, high interdependence with China is also not considered purely positive. China's economic development still and will continue to face major challenges and eventual failures could have severe 'negative implications' for Japan. This analysis highlights the ambiguous nature of interdependence in terms of actual economic interactions.⁶⁷

However, there is also the aspect national economic interests can also be pushed more directly and recklessly in terms of potentially causing negative repercussions. For example, China issued a widespread boycott of Japanese goods and restricted the export of crucial rare earths to Japan in response to the Senkaku/Diaoyu Islands dispute, which severely strained both the economic and political relationship. The tendency to still prefer national interests is even paramount in multilateral settings. Despite the illustrated efforts to contain China within them, Chiang assess the Sino-Japanese relation in multilateral frameworks as unpredictable because the engagement policy through economic means has been too unreliable. Pointed out reasons for this include the wariness of Chinese ambitions, especially in regard to FTA frameworks, and geopolitical uncertainties. In recent years, the U.S. withdrawal from the highly Japan supported TPP agreement during the Trump administration has been one primary example for a third, but crucial party to externally upset the balance between China and Japan. Especially the geopolitical dynamic between China and the U.S. has had a restraining effect and Sino-Japanese economic cooperation and has shown the limitations of regional multilateral cooperation.⁶⁸

Researchers such as Chien-peng even went one step further and have examined multilateral frameworks as 'another arena for great power competition' between China and Japan. Subsequently, their involvement of China and Japan in the ARF or APT has described as 'pro forma attendance' with 'mutual tolerance amidst rivalry.' Even signature

⁶⁷ Drifte, *Japan's Security Relations with China since 1989*, 136–45.

⁶⁸ Chiang, "Contemporary China-Japan Relations: the Politically Driven Economic Linkage," 273–86; Hahn-kyu, "The China-Japan-South Korea Trilateral Summit: Realpolitik or Liberal Peace?," 301.

cooperation projects such as the RCEP have been subjected the 'respectively expressed interest' of China and Japan. On the one hand, the withdrawal of U.S. from TPP has forced Japan to agree to a more regional trade framework. On the other hand, China and Japan compete for influence over the different members. In this competition, they utilise their respective strengths in the region, with China being economically powerful and Japan offering security advantages with the backing of the U.S. and attempting to install mechanisms that weaken the other's advantages. For example, Japan has tried to further include members such as India, Australia, New Zealand, Russia, and the U.S. on the basis of 'universal political values stressing human rights and democracy' to mitigate China's influence. Furthermore, Japan has attempted to push China to 'agree to on a code of conduct' to allow for freedom of navigation by using the ASEAN framework. China has countered these attempts by pushing the existing members as the 'core' and Asian regionalism, which also favours its position and interests. Meanwhile, China attempts have focused on deepening its finance advantages through institutions like the AIIB, which generate a higher initiative over more regional projects and affirm Chinese interests such as its maritime territory claims via interconnectivity ASEAN provides. Despite the relative shifts in power, neither China or Japan has ever fully gained the upper hand or dominate the negotiations. Even with Japan's early focus in the ARF, it was not able to secure its desired role or fully influence developments and subsequently expressed doubts about the effectiveness of the ARF. Furthermore, the interactions between China and Japan within the ARF have not alleviated periods of tensions, but rather even worsened in several cases. One of these cases was the attempt to negotiate a 'maritime Code of Conduct to manage the South China Sea disputes peacefully' in 2012. This aligns with China's consistent stance that the South China Sea issue is not a multilateral issue discussable under the ASEAN+8 framework. Since then, multilateral security frameworks such as the ADMM have achieved neglectable success and attempts by Japan and the U.S. to discuss maritime territorial disputes have been pushed back with support by ASEAN.⁶⁹

⁶⁹ Chung Chien-peng, "China and Japan in East Asian Arrangements: More Rivalry, Less Interdependence," in Lam, *China-Japan Relations in the 21st Century*, 133–51; Hahn-kyu, "The China-Japan-South Korea Trilateral Summit: Realpolitik or Liberal Peace?," 310–11; Castro, "Sino-Japanese Rivalry in Maritime Southeast Asia," 225; Drifte, *Japan's Security Relations with China since 1989*, 154.

Lastly, there is also the social consequences of the economic relationship that needs to be addressed. After all, economic developments do not exclusively positive effects. As Kotler describes, both China and Japan have transformed rapidly through free-market capitalism causing substantial social change. So far, the respective governments have had limited success in ensuring 'social stability, cohesion, a sense of safety and material well-being'. These social aspects are crucial for the domestic stability of a country. Subsequently, the failure to provide them sufficiently could strain both the domestic societies and the bilateral relationship. Both countries currently struggle with several issues that can be attributed to economic developments or social changes caused by it. On the one hand, Japan is confronted with its rapidly aging population and one of the highest suicide rates in the world. Furthermore, recent economic recessions have caused 'a growth in temporary employment, a widening income gap, and an increasingly dismal sense of economic security' accompanied with a widespread 'sense of resignation and powerlessness.' China, on the other hand, must deal with a severe income gap and uneven regional development as a substantial source of social discontent. According to the United Nations Development Program UNDP, the respective inequality was among the highest in the world in 2005. In addition, people who did profit from the economic growth have not been necessarily happier. This is connected to the changes of market fundamentalism has on values and norms, in the sense that it impairs 'the cultures, traditions and ethics of our society of mind' and 'creates an unhappy society.' This is created a mutual decline of trust between China and Japan that 'coincides with a rise of internal socioeconomic anxieties in both countries'.⁷⁰

Overall, it can be concluded that the stated arguments for liberal peace in the previous chapters are not without counter perspectives. Regarding bilateral economic interdependence, it has not proven effective and binding to solve tension and political divisions as well as 'maintaining peaceful relations' all by itself. The aftermath of the bubble burst and the unsuccessful attempts of China to ensure peaceful relations and lasting influence through FDI as well as ODA in the case of Japan have shown the current limitations of economic interdependency. Even if the economic relationship remains

⁷⁰ Kotler, Sugawara and Yamada, "Chinese and Japanese Public Opinion: Searching for Moral Security," 94–122.

mutually beneficial, the 'deepening rivalry over energy resources' could erode over time. Consequently, there is 'no guarantee that states with diverging strategic outlooks do not descend into war' despite their economic relationship.⁷¹ Furthermore, the Sino-Japanese rivalry and their high individual power also translate into multilateral frameworks, causing strong push-and-pull effects between confrontation and bandwagoning 'along the lines of the political values, economic interests, and foreign policy positions of its member states.' This severely weakens the institutions and effectiveness of multilateral frameworks surrounding China and Japan.⁷² Ultimately, 'none of the countries in the region [...] wants to have to choose between China and Japan', which puts a high emphasis on the agency of China and Japan to sort out their issues and provide the necessary joint incentives.⁷³ A key factor for this are the trust issues addressed in the last section of the chapter. Even though the scope and true validity of the stated developments certainly need further research, the strains put on the bilateral Sino-Japanese relationship caused by the economic ties between country are a relevant factor for evaluating the social stability in and trust between China and Japan. However, trust can be influenced by a variety of factors and since it is an essential for the purpose of the thesis, the concept will be examined further in regard what else contributes to potential conflict of the comparison.

3.2. The Rise of Historic Nationalism and Soft Power in Domestic Politics

As already outlined in the previous sub-chapter, the liberal trust argument has been by weakened by the worsening mutual perception since the 1990s. Yet, the realist aspect of Zhai's framework allows for more approaches to this element, especially with the more classical interpretation based on society and power politics. As a starting to point, the constructivist perspective shows how the discourse in the *People's Daily* is frequently

⁷¹ Chiang, "Contemporary China-Japan Relations: the Politically Driven Economic Linkage," 272; Castro, "Sino-Japanese Rivalry in Maritime Southeast Asia," 205–7; Manicom and O'Neil, "Sino-Japanese strategic relations: will rivalry lead to confrontation?," 228–29; Heng Yee-Kuang, "China and Japanese "Soft Power" Projection: A Tangled Web of Culture, Geostrategic Competition, and Naval Power," in Lam, *China-Japan Relations in the 21st Century*, 263.

⁷² Chien-peng, "China and Japan in East Asian Arrangements: More Rivalry, Less Interdependence," 133–52.

⁷³ van Ness, "Introduction to the Special Issue: Reconciliation between China and Japan: The Key Link to Security Cooperation in East Asia," 8–9.

connected to the historical aspects of the islands. For example, this includes an article about the opening of a digital museum exhibiting both the legal and historical items supporting the Chinese perspective of the dispute.⁷⁴ To understand the full context behind this, the educational systems of China and Japan provide insightful information how history fosters a more negative perception of the respective other. For example, the Chinese curriculum focuses considerably on the WWII 'while paying little attention to changes in Japan in the post-war period' after the Outline on Implementing Patriotic Education shifted education towards ethnic patriotism. This creates a wariness of a militaristic Japan within in a society harbouring considerable discontent due to the previously illustrated socio-economic issues. People growing up with that mindset are also more receptive for media coverage of right-wing nationalist groups in Japan demanding more militarisation. Meanwhile, the Japanese system covers more of Chinese pre-modern history when it was regional hegemon and relatively neglects 'Japan's early twentieth-century aggression'.⁷⁵

This theoretical reasoning for the potential worsening of mutual perception also correlates with data underpinning this trend. For example, annual polls conducted by *Genron* NPO had been showing an initial steady increase of a favourable impression of Japan by the Chinese people. However, after the events revolving the Senkaku/Diaoyu Islands in 2012 the number of Chinese people expressing a generally negative impression jumped from 57 percent in 2006 to over 90 percent, which is also mirrored on the Japanese side. The lasting effect of this event is emphasised that the response for the self-same survey has been still 74 percent a year later and 83 percent of Japanese did indicate 'any affinity with China' in a survey on Sino-Japanese friendship conducted in 2016. Overall, these opinion polls can be considered the summary of 'the mass of bilateral links, both trade-related and cultural, at lower levels of government and between regional and non-state actors'. While the general negativity reflected is significant, it is also based on a 'lack of general

⁷⁴ 'China Launches English, Japanese Versions of Digital Museum of Diaoyu Islands,' *People's Daily*, April 27, 2021. Accessed January 8, 2022. <http://en.people.cn/n3/2021/0427/c90000-9844127.html>

⁷⁵ Vyas, *Soft power in Japan-China relations*, 72–76; Caroline Rose, *Interpreting History in Sino-Japanese Relations: A Case Study in Political Decision Making*, 1. Publ, The Nissan Institute/Routledge Japanese studies series (London: Routledge, 1998), 248–52; Kokubun et al., *Japan–China Relations in The Modern Era*, 142.

knowledge regarding the depth of relations between the two countries.⁷⁶ While this is an assessment of general negativity might be limited and temporary, scholars like Manicom and O'Neil conclude that the current relationship is 'characterised by enmity [rather] than friendship'. Furthermore, 'mutual mistrust and wariness about the longer-term intentions of the other, coupled with persistent societal antipathies, will probably prevent any meaningful diplomatic breakthrough in the bilateral relationship'.⁷⁷

It was already established that the dispute surrounding the islands is grounded in history. However, the connection of history in the context of the manner it is taught to the people and the islands within the examined discourse as well as the correlation between events surrounding the islands and the worsening of mutual perceptions suggests that there is more to be examined. A closer look at the sources of the *People's Daily* show how issues surrounding history are not simply presented, but also connected to actions such as 'urging' Japan to 'reflect on' and 'learn from' its post-war history with an emphasis to not 'downplay' its 'atrocities'. Even teaching the Japanese version of the discourse is condemned as a 'lesson on history' that 'misleads the next generation'.⁷⁸ This is because China had struggled with its 'weak national identities' due to the historic 'humiliation [...] suffered at the hands of imperialist' and its vulnerability at the time, which resulted in the inability to 'protect territorial integrity.' Consequently, China turned to nationalism as 'the ideological mortar of the state' to building stronger national identities with a specific sensitivity to territorial issues according to Pugliese.⁷⁹ This explains why China demonstrates such domestic resolve regarding the Senkaku/Diaoyu islands dispute. Even the Chinese MOFA stresses in its argumentation for rightfulness of the Chinese

⁷⁶ Kotler, Sugawara and Yamada, "Chinese and Japanese Public Opinion: Searching for Moral Security," 94–108; Akio, "Forty-four Years of Sino–Japanese Diplomatic Relations Since Normalization," 47–49; Pugliese and Insisa, *Sino-Japanese Power Politics*, 94; Vyas, *Soft power in Japan-China relations*, 156; Lam, "China-Japan Paradox: Antagonism Despite Interdependency," 2.

⁷⁷ Manicom and O'Neil, "Sino-Japanese strategic relations: will rivalry lead to confrontation?," 214, 227.

⁷⁸ 'China Urges Japan Not to Mislead the Next Generation,' *People's Daily*, August 28, 2021. Accessed May 12, 2022. <http://en.people.cn/n3/2021/0828/c90000-9889194.html>; 'Chinese Defense Minister Urges Japan to Learn from History, After Japanese Forces' Mock Drills Concerning Diaoyu Islands,' December 28, 2021; 'Japanese PM Kishida Sends Offering to Notorious War-Linked Yasukuni Shrine,' *People's Daily*, April 21, 2022. Accessed May 12, 2022. <http://en.people.cn/n3/2022/0421/c90000-10087037.html>.

⁷⁹ Lijun, "A Clash of Nationalisms: Sino-Japanese Relations in the Twenty-First Century," 88; Pugliese and Insisa, *Sino-Japanese Power Politics*, 88–92; Giulio Pugliese, "The China Challenge, Abe Shinzo's Realism, and the Limits of Japanese Nationalism," *The SAIS Review of International Affairs* 35, no. 2 (2015): 49.

perspective on the dispute that the islands are 'inalienable territory', which is emphasised to be 'fully proven by history'.⁸⁰ To achieve its nationalistic goals, China has shaped the collective memory in a targeted fashion and the islands fulfil an essential symbolic purpose in that regard. Subsequently, these 'emotive memories' has been utilised to wariness of Japanese militarism based on its historic image in China. The examined sources demonstrate the effectiveness of such portrayed failures 'to make a sincere apology for wrongdoings committed by Imperial Japan' to address people aware to this topic.⁸¹

However, the sources also show that the history aspect of the islands is also utilised in a political manner by connecting it to the actions of Japanese politicians and their policies. On the one hand, this is case for the Chinese MOFA, which lists Abe visiting the so-called Yasukuni Shrine among 'sensitive issues' describing it as an 'egregious action' met with 'strong and resolute measures in response'.⁸² On the other hand, the same notion is repeated by the *People's Daily* regarding Abe, with only one article describing the decision of the new prime minister Kishida to not attend an annual event at the shrine in a positive manner. Nevertheless, the article also states that another member of Kishida's party is attending who is referred to as a 'conservative hardliner'.⁸³ For example, during a meeting between Abe and Xi in 2015, Abe addressed the representation of remorse and the notion of aggression but avoided the direct Japanese terms *owabi* and *shinryaku*. The same was the case during a speech to the U.S. Congress in the same year. While Chinese reactions were openly critical in these two instances, they had been considerably more forthcoming in response to the report using the terms.⁸⁴ This demonstrates the small intricacies of the history issue in Sino-Japanese relations and the impact the actions of individuals can have. Since the shrine is mainly perceived as a war memorial by the

⁸⁰ 'Some Sensitive Issues,' *Ministry of Foreign Affairs of the People's Republic of China*. May 8, 2002. Accessed January 10, 2022.

https://www.fmprc.gov.cn/mfa_eng/wjb_663304/zzjg_663340/yzs_663350/gjlb_663354/2721_663446/2722_663448/200205/t20020508_514225.html.

⁸¹ Teo, "Hong Kong and the Diaoyu/Senkaku Dispute in Sino-Japanese Relations," 333–34; Hahn-kyu, "The China-Japan-South Korea Trilateral Summit: Realpolitik or Liberal Peace?," 303–8; Kotler, Sugawara and Yamada, "Chinese and Japanese Public Opinion: Searching for Moral Security," 109–24.

⁸² 'China and Japan,' 2013.

⁸³ 'Japanese PM Kishida Sends Offering to Notorious War-Linked Yasukuni Shrine,' April 21, 2022; 'Some Sensitive Issues,' May 8, 2002.

⁸⁴ Kokubun et al., *Japan–China Relations in The Modern Era*, 195–96.

Chinese people, it explains why political visits have already caused political tensions during the Koizumi administration, despite its several other traditional functions in Japan. However, the shrine has reached a new level of contentiousness as part of Xi's strategy labelled as the 'great renewal of the Chinese nation'. This strategy is outlined in the longest article in the *People's Daily* solely dedicated to Xi Jinping. It outlines the goals of the great renewal as leading China to be a 'powerful country' during an 'era of strength' with a 'forward-looking vision'. This section describing the rise of China is underpinning by its economic status and association with 'action'. Furthermore, the aspect of nationalism and history is covered by referring to the past as 'legacy' and the future with the 'Chinese Dream of national rejuvenation'.⁸⁵ On the one hand, this strategy addresses 'aggravating corruption and nepotism; environmental degradation, especially water shortage in northern China and nationwide air pollution; and creeping inflation and stagnation in the rise of living standards'. As a result, history and nationalism serve as a political tool to ensure social stability since people respond positively to the idea of a better China. However, they also negatively associate this idea with Japan in the process, which can cause it to become target of build-up frustration. On the other hand, the idea of the great renewal is also fuelled by China's recent growth, which amplifies the contemporary Chinese nationalism with elements of assertiveness and self-confidence.⁸⁶

In addition to using the historic anti-Japanese aspects implemented in the new Chinese nationalism to achieve domestic effects, the 'strong and resolute measures' within the Chinese discourse are connected to 'historical issues' and Japan's 'decline'.⁸⁷ This combination of historic and politics can be analysed as a 'dual strategy of issue linkage and coercive diplomacy' to purposefully utilise the historical grievances, assertive nationalism, and threat perceptions. By deliberately linking the dispute with other policies,

⁸⁵ 'Xi Jinping, the Man Who Leads CPC on New Journey,' *People's Daily*, November 6, 2021. Accessed May 12, 2022. <http://en.people.cn/n3/2021/1106/c90000-9916332.html>.

⁸⁶ Kotler, Sugawara and Yamada, "Chinese and Japanese Public Opinion: Searching for Moral Security," 120; Akio, "Forty-four Years of Sino-Japanese Diplomatic Relations Since Normalization," 38-39,54-55; Auton, "Nationalism, Populism, Realism and the Intensification of East Asia's Maritime Disputes," 20; Kokubun et al., *Japan-China Relations in The Modern Era*, 157; Drifte, *Japan's Security Relations with China since 1989*, 151.

⁸⁷ 'Changing Name of Diaoyu Islands Won't Prevent Japan from Declining,' September 22, 2017; 'China and Japan,' 2013; 'Chinese Ambassador Emphasizes Potential for China-US Relations in Addressing Global Challenges,' February 8, 2021. https://www.fmprc.gov.cn/mfa_eng/wjb_663304/zzjg_663340/yzs_663350/gjlb_663354/2721_663446/.

China can employ 'coercive diplomacy [...] as bargaining leverage to compel Japan to shift its policy on another issue it has diminished influence, such as economic aid, U.S. security agreements, or potential Japanese troop deployments'. This is possible because Japan is the one 'risking the loss of territory' and is likely to comply if the demands are set up accordingly. This allows China to shift the balance in the bilateral relationship with Japan in its favour since it pushes China's economic advantage with military and nationalistic means. Therefore, it strengthens the domestic agenda of the CPP to build up its legitimacy. However, this strategy relies on balancing a fine line because it still risks and facilitates a potential escalation, even though it does not require China to take over the islands.⁸⁸

There is also an additional factor that makes it worthwhile for China to purposefully utilise nationalism and historical grievances at the risk of escalation. This aspect is outlined in the dedicated Xi article that connects the outlined ambitions and challenges of the great renewal strategy to the 'intra-party' process.⁸⁹ Considering that the CCP is not one political monolith, e.g., with supporters for closer cooperation with Japan in the CCP, Xi requires a way respond to the various interests within the party. Due to their outlined significance and effectiveness as a symbol, the islands are also utilised to influence the different stances positions on Japan and to shift the intra-party power structure, which was the case when an open resignation letter was sent to Xi in 2016. However, the practical implementation is enabled though the Chinese approach to a 'consultative authoritarian model' called legalism, which is not universally supported as people remain doubtful about the 'legal system, institutions, and enforcement agencies' even though the fundamental authority of legalism 'is derived from the inner support and sincere faith of the people' and the CCP stresses the sincerity of the 'underlying beliefs' of its 'flexible, responsive, and open to liberal interpretations' of this traditional concept. With the different powerful factions arguing about legalism, Xi simultaneously introduced another cause for 'factional infighting and elite rivalry' through his attempts to

⁸⁸ Wiegand, "China's Strategy in the Senkaku/Diaoyu Islands Dispute: Issue Linkage and Coercive Diplomacy," 171–78;

⁸⁹ 'Xi Jinping, the Man Who Leads CPC on New Journey,' November 6, 2021.

contain it.⁹⁰ Furthermore, social groupings such as Hong Kong activists have also used the increasingly politicized dispute and China's geopolitical situation with Japan to pressure the government and push their own interests. Even though their motivations are only partly nationalistic, they utilise the anti-Japanese narratives and 'maintain a higher profile stance' due to the high effectiveness. Consequently, these activists have maintained 'their own autonomous and political space' and substantially impacted the discourse in China and Japan because they are not only able to effectively push the narrative via modern media, but also complicate the situation with their protests. Both aspects have warranted decisive responses by the government that increased political tensions.⁹¹ Therefore, the utilisation of the islands and politicised history are also a double-edged strategy that risks the increase of tensions.

Another point of discussion is the risk of escalation as it was the case with the anti-Japanese demonstration following the outlined purchase the islands in 2012. While the case is mentioned in one of the Chinese sources connected to the idea of nationalism, the events that followed are not.⁹² However, the 'destructive potential' has been researched and connected to the 'highly voluntary, emotional, and sometimes even violent' consequences of nationalism. As previously outlined, the contemporary Chinese nationalism contains anti-Japanese elements which were triggered by the purchase of the islands. It was researched how this was enough for groups to start demonstration without hardly any planned organisation. Moreover, the movement started to radicalize and escalate into widespread demonstrations across several cities after related threads were being spread on *Sina Weibo*, demonstrating the catalysing of modern media in such a case. Crucially, their actions were not simply directed against Japan, but also involved the denunciation of social issues and the Chinese government, which demonstrates the outlined risk regarding the legitimising aspect of nationalism. Since it was only at this point when the Chinese government started intervening, this also supports the hypothesis that the Chinese government tolerates nationalism as long as its legitimacy is not

⁹⁰ Kokubun et al., *Japan–China Relations in The Modern Era*, 176–92; Akio, “Forty-four Years of Sino–Japanese Diplomatic Relations Since Normalization,” 59; Adam Tyson and Xinye Wu, “Ethnic Conflict and the New Legalism in China,” *Nationalism and Ethnic Politics* 22, no. 4 (2016): 373–88.

⁹¹ Teo, “Hong Kong and the Diaoyu/Senkaku Dispute in Sino-Japanese Relations,” 324–34.

⁹² ‘Changing Name of Diaoyu Islands Won't Prevent Japan from Declining,’ September 22, 2017.

undermined or a political escalation with the Japan is at risk. Therefore, as the long as dispute persists, individually motivated groups and activists have 'raised the risk of an unplanned incident' based their own interests and values. These incidents and interests do not even need to directly involve the islands but just utilise its symbolic value, as it was the case with 800 academics condemning Japanese right-wing activities and resurging militarism via a joint declaration in 1996, which was followed by a street protested with 12,000 people. Therefore, the 'dangers of nationalism' China remain despite its prevalence and effectivity as it threatens China's opening policy and can have undesirable effects on the relations with Japan as well as its neighbours.⁹³

Crucially, the benefits of the dual and intra party strategies would not work without any legitimate basis. The Yasukuni Shrine and historic issues by themselves are not sufficient to describe Japanese actions regarding the islands as 'foul play' and 'provocations', especially if are considered grave enough to 'incite' conflict and 'complicate' issues.⁹⁴ It also needs be noted that there is one article on *Nikkei Asia* agreeing with this notion of Japanese 'provocation'.⁹⁵ This can be explained in two ways. The first is the reason why sources explicitly address 'conservative hardliners' and 'right wing activities' in Japan.⁹⁶ This refers to nationalistic groups in Japan such as *Ganbare Nippon*, *Sousei Nippon*, and *Nihon Seinensha* have been the most active and assertive in the examined period, especially in regard to the Senkaku/Diaoyu Island dispute. Their activities include strengthening the nation through identity politics such as 'promotion of patriotic education

⁹³ Pugliese and Insisa, *Sino-Japanese Power Politics*, 94–97; Kokubun et al., *Japan–China Relations in The Modern Era*, 181; Fravel, “Explaining stability in the Senkaku (Diaoyu) Islands dispute,” 151; Hahn-kyu, “The China-Japan-South Korea Trilateral Summit: Realpolitik or Liberal Peace?,” 309; Deans, “Contending Nationalisms and the Diaoyutai/Senkaku Dispute,” 119–24; Teo, “Hong Kong and the Diaoyu/Senkaku Dispute in Sino-Japanese Relations,” 319–26; Lijun, “A Clash of Nationalisms: Sino-Japanese Relations in the Twenty-First Century,” 85..

⁹⁴ ‘Changing Name of Diaoyu Islands Won't Prevent Japan from Declining,’ . September 22, 2017; ‘China and Japan,’ 2013; ‘China Builds up Blue-Water Presence as World Focuses on Ukraine,’ March 29, 2022; ‘China Urges Japan Not to Mislead the Next Generation,’ August 28, 2021; ‘China Urges Japan Not to Mislead the Next Generation,’ May 12, 2022; ‘Chinese Defense Minister Urges Japan to Learn from History, After Japanese Forces' Mock Drills Concerning Diaoyu Islands,’ December 28, 2021; ‘PLA Holds Large Drills Amid Military Threats,’ People's Daily, August 6, 2021. Accessed May 12, 2022. <http://en.people.cn/n3/2021/0806/c90000-9880902.html>.

⁹⁵ ‘Japan's Main Opposition Pays Price for Ignoring Security Realities,’ *Nikkei Asia*, November 11, 2021. Accessed May 12, 2022. <https://asia.nikkei.com/Spotlight/Comment/Japan-s-main-opposition-pays-price-for-ignoring-security-realities>.

⁹⁶ ‘Japanese PM Kishida Sends Offering to Notorious War-Linked Yasukuni Shrine,’ April 21, 2022; ‘Some Sensitive Issues,’ May 8, 2002.

and the consolidation of domestic morale'. In addition, they are considerably influential on the political level in their role as 'civil society organizations' supporting political elites and campaigning with their own 'articulate actors'. Consequently, the political parties Japan have been more inclined to employ nationalism. Abe has been the most prominent figure for the examined period. During his time as prime minister Abe has applied nationalistic ideology to address Japan's post-war history and re-establish Japan's military. Subsequently, Abe also joined previous prime ministers in symbolic acts such as visiting the Yasukuni Shrine to affirm this ideology. Furthermore, the illustrated Chinese assertiveness has fuelled the China threat theory and a 'sense of danger' from the Japanese perspective. Abe's administration has responded by denouncing these actions, which ought to support his planned reforms and demonstrate the Japanese resolve to defend the Senkaku/Diaoyu Islands in return.⁹⁷

The simple denunciation is consistent with general argument regarding the islands that is frequently repeated throughout the Japanese discourse. This includes refuting the claim to the islands as 'unlawful' according to the 'rule-based international order' and directly emphasising Japan's administration of the islands.⁹⁸ Since this approach is rooted in the discourse domain and consists of pitting the mutually exclusive claims of islands against each other, it also does not sufficiently justify the Chinese claims, especially since these political groups are not part of the political mainstream. In addition, they are known for their 'civilized and peaceful' nature and conduct non-violent protests. Instead, it was Abe's decision to re-employ traditional elements in his nationalism to shape Japan as a nation and address the previously stated social issues. This was based on the 'glory days of Imperial Japan' and the 'sense of national superiority', which included the romanticisation of the Yasukuni Shrine or traditional Japanese values as well as the prevention of the historic inferiority feeling towards emerging power such as China. This feeling was

⁹⁷ Kokubun et al., *Japan–China Relations in The Modern Era*, 181; Lijun, “A Clash of Nationalisms: Sino-Japanese Relations in the Twenty-First Century,” 84–86; Deans, “Contending Nationalisms and the Diaoyutai/Senkaku Dispute,” 124–25; Drifte, *Japan's Security Relations with China since 1989*, 33–34; Alana C. G. de Oliveira, “Mobilizing Resources and Signaling Intentions: A Neoclassical Realist Analysis of Japan’s Domestic and International Instrumentalization of the Senkaku Islands Dispute and China’s Maritime Assertiveness,” *Revista Brasileira de Política Internacional* 64, no. 1 (2021): 7; Haruko, “Japan’s “Postmodern” Possibility with China: A View from Kansai,” 113, 127.

⁹⁸ ‘China Builds up Blue-Water Presence as World Focuses on Ukraine,’ March 29, 2022; ‘Japan, India Oppose Attempts to Alter Indo-Pacific Status Quo,’ September 24, 2021; ‘Japan, Philippines to Aim for New Defense Cooperation Pact,’ April 9, 2022.

triggered when Japan started to relatively decline because of 'a 20-year-long economic recession, a large government debt, loss of international competitiveness due to its aging population' while China continued to grow economically and militarily. Abe in the traditional realist interpretation of the 'power politics' role in combination with his individual 'personality, outlook, and values' considered these developments reason enough to 'perceives China as a challenger, if not a threat'. Abe's subsequent choices to more openly confront China are criticised as a radical shift that 'could provoke China and increase the risks of triggering an unexpected contingency'. This demonstrates the issues with this approach since this directly fuels the outlined Chinese nationalism and political strategy with the elements it is built on, especially since it based on an individual outlook that is universally shared. Previous governments like Fukuda administration demonstrated the influence of Japanese leadership as an 'intervening variable' in Sino-Japanese relations through decision such as publicly declining a visit to the Yasukuni Shrine. In addition, Abe's decisions were also not widely accepted across the Japanese population. The reason for that is Japan's ideological post-war development based on remorse with a particular emphasis on peacefulness. Subsequently, people largely prefer leaving Japan's war history behind, especially the younger generation who no longer feel responsible for the war. This is also connected to Japan's previously illustrated anxiety regarding public safety, economy, and education, which is overall reflected in one of 'the lowest ratio of national pride' with 65 percent. In addition, Japan has socially developed to greater acceptance towards diversity both regionally and internationally. As a result, the norms and values of the right-wing nationalism do not resonate as strongly with the modern population and has resulted in 'strong domestic opposition', prevented it from receiving mainstream support. This is consistent with the previous analysis of the Japanese mainstream of not responding emotionally to the national security matters and not exhibiting extreme anti-Chinese sentiments. Instead, the nationalistic themes that address social security and economic policies have been met with far greater approval. This is reflected in the dips of Abe's approval ratings following his attempted security reforms as well as public polls underpinning the Japanese anti-militarism. For example, a 2014 Joint Japan-China Public Opinion Poll '63.7 percent of Chinese respondents [...] favoured more forceful assertions of effective control in the Senkaku/Diaoyu Islands, in contrast to 22.7 percent of Japanese respondents'. This highlights how 'Japanese public's

perception of the threat China [...] does not translate into bellicose popular enmity, certainly not with regard to the Senkaku/Diaoyu islands'.⁹⁹

This examination shows how the history aspect and connected nationalism do not favour Japanese perspective as it plays into the elements of the Chinese discourse and is only mildly effective domestically. Therefore, it makes sense that this element is not represented within the Japanese sources, similar to the multilateral aspect in the Chinese discourse. Instead, Japanese sources respond to the news and information associated with Chinese 'contingency' and 'escalation' caused by 'unilateral coercion' with its position according to 'international law' and within the international community by stressing how it effects its alliance members and overall institutional system build on cooperation. While this is the case through the articles on *Nikkei Asia*, the sources on the Japanese MOFA cover in particularly great detail with several dedicated pages and documents. This includes a Q&A flyer that comprehensively illustrates the development in the post-war period with maps and pictures showing both the strategical position of the islands and how Japan has administered them. The flyer also highlights the 'great importance' of the issue for the Sino-Japanese relationship as well as the overall repercussions for the entire region. Therefore, it is emphasised how China should act responsively as a 'member of the international community', which is promoted by 'mutually beneficial' strategies. Furthermore, a position paper published in 2012 specifies that this 'firm response' to 'coercion' is backed up by Japan's 'unshakable' position, which refers both to its stance on the dispute and the outlined.¹⁰⁰ From a realist perspective, this approach can be examined

⁹⁹ Pugliese and Insisa, *Sino-Japanese Power Politics*, 90–97; Pugliese, “The China Challenge, Abe Shinzo's Realism, and the Limits of Japanese Nationalism,” 45–54; Kotler, Sugawara and Yamada, “Chinese and Japanese Public Opinion: Searching for Moral Security,” 120–122; Hahn-kyu, “The China-Japan-South Korea Trilateral Summit: Realpolitik or Liberal Peace?,” 305–8; Lijun, “A Clash of Nationalisms: Sino-Japanese Relations in the Twenty-First Century,” 84–86; Akio, “Forty-four Years of Sino-Japanese Diplomatic Relations Since Normalization,” 38; Haruko, “Japan’s “Postmodern” Possibility with China: A View from Kansai,” 117, 128; Lam, “Japan and the South China Sea Dispute: Preventing 'Lake Beijing',” 246–52; Lam, “China-Japan Paradox: Antagonism Despite Interdependency,” 8.

¹⁰⁰ ‘Biden's China Playbook: Cooperation or Confrontation?’, December 1, 2021; ‘China Builds up Blue-Water Presence as World Focuses on Ukraine,’ March 29, 2021; ‘China Builds up Blue-Water Presence as World Focuses on Ukraine,’ *Nikkei Asia*, March 29, 2022. Accessed May 12, 2022; ‘Japan, India Oppose Attempts to Alter Indo-Pacific Status Quo,’ September 24, 2021; ‘Japan, Philippines to Aim for New Defense Cooperation Pact,’ April 9, 2022; ‘Position Paper: Japan-China Relations Surrounding the Situation of the Senkaku Islands: In Response to China's Airspace Incursion,’ *Ministry of Foreign Affairs Japan*. December 8, 2012. Accessed January 9, 2022. https://www.mofa.go.jp/region/asia-paci/senkaku/position_paper2_en.html; ‘Senkaku Islands Q&A,’ *Ministry of Foreign Affairs Japan*. April

as soft power rather than nationalism as another crucial aspect for China and Japan 'to conceptualize and project power' on an international national level. Measures such as the 'Twelfth Five-Year Plan for National Economic and Social Development' was passed to combat the China threat theory by spreading the idea of a harmonious society and are considered 'powerful carriers and distributors of values and beliefs'. While China focuses on traditional culture through the global construction of Confucius Institutes, Japan has its own incentives promoted via the MOFA. Especially in the past decade, the focus was on 'contemporary pop culture' like 'music, cuisine, anime, manga, video games, and fashion'. In combination with its focus on peaceful security, Japanese soft power has been proven to considerably influential in the region. Besides culture, soft power regarding the Sino-Japanese relations also has geostrategic element that includes maritime naval power, for which the Senkaku/Diaoyu Islands are a crucial shared symbol. Crucially, constructivist analysis has shown how soft power is not solely wielded by a government and its representatives, but also by 'another kind of state agent, a sub-state agent and additionally a non-state agent'. The latter even includes people in the domain of popular culture, language, technical knowledge, and general ideas. Since soft power is meticulously built through 'protecting and assisting' over a long period of time and 'can be lost in an instant', Abe's nationalism did also severely damage Japanese soft power with its elements being in stark contradiction to the post-war policies, norms, and values of Japan.¹⁰¹

In conclusion, it can be stated that historic grievances and the connected nationalism as well as soft power have a significant impact on the social and governmental level of Sino-Japanese relations, which is has risen throughout the considered period. While the Chinese side can generally make more effective use of nationalism, Japan holds an overall advantage in the domain of soft power. Overall, both sides have found ways to purposefully channel the discourse power related to the islands

13, 2016. Accessed January 9, 2022. https://www.mofa.go.jp/region/asia-paci/senkaku/qa_1010.html; 'The Senkaku Islands,' *Ministry of Foreign Affairs Japan*. Accessed January 8, 2022. https://www.mofa.go.jp/a_o/c_m1/senkaku/page1we_000010.html; 'US and Japan Voice Concern over China's Nuclear Arsenal at ASEAN Talks,' August 7, 2021.

¹⁰¹ Yee-Kuang, "China and Japanese "Soft Power" Projection: A Tangled Web of Culture, Geostrategic Competition, and Naval Power," 264–81; Castro, "Sino-Japanese Rivalry in Maritime Southeast Asia," 207; Vyas, Soft power in Japan-China relations, 155, 163–67.

using dual strategies or modern media to achieve domestic and international goals, especially in regard to social and political instabilities. However, it was shown how any of these elements can change at any time and are accompanied with several risks that could cause tensions or even direct conflict. Since this can even be caused by smaller actors, groups, or events, as highlighted events regarding the dispute demonstrate, these risks can never be fully contained. Therefore, the developments highly depend on individual agency of both public and government actors to stir the Sino-Japanese relationship in certain direction. Historic precedents such as the differences of the Fukuda and Abe administration as well as the Hu and Xi administration demonstrate how either a liberal or perspective, mindset, or policy can lead to tensions or peaceful cooperation.

3.3. Maritime Security and Power Balance

Since this third chapter examines the third period of Sino-Japanese relationship using Zhai's framework, the security situation between the two countries addresses an essential aspect of realist power. Generally, this is very difficult to assess because it not only includes military assets but also intangible, non-military aspects of power. However, since this thesis applies the Senkaku/Diaoyu Islands dispute as a lens, it narrows the analysis down to the security situation surrounding the islands and how it impacts the Sino-Japanese relationship, making it feasible to analyse within this thesis.

To establish a general understanding, there are several aspects of the security relation between China and Japan that the Senkaku/Diaoyu Islands impact. The first and foremost one is concerned with territory. On the one hand, the physical space of the islands allows for the construction of port and military facilities. One of the most crucial examples for this are TMD systems. The location is critical for such missile systems and the islands are in sufficient vicinity of both China and Japan, which makes the question of rightful control a crucial deciding factor for military balance. On the other hand, physical territory such as islands also determine the control of a country over maritime domain, which is regulated by the UNCLOS. Currently, the Japanese side claims '200 nautical miles [...] and the UNCLOS principles of equal distance and 'equitable solution' based on its control over the islands. Meanwhile, the Chinese claim employs 'the UNCLOS principle of the 'natural prolongation' of the continental shelf, stretching from

the Chinese coast out to the 2,000m-deep Okinawa Trough, a distance of 350nm.' Since this creates conflicting claims due to the narrowness of the East China Sea, a natural median line has been established. However, the control over islands would shift the Chinese maritime territory beyond this line. Therefore, the islands also impact the commandment over sea vessels, which naturally includes military ones. By extension, this also effects other countries in the East China Sea, most crucially Taiwan, which elevates the matter to crucial regional importance addressed with previously discussed multilateral frameworks.¹⁰² Therefore, it makes sense why the previously discussed ambassador Cui Tiankai refers to the islands as a major factor for stability.¹⁰³

As for the Chinese security interests in the island, the sources connect them with 'ambition' as well as 'growth'.¹⁰⁴ In addition, military actions associated with the islands exhibit an extraordinary focus on 'territory'.¹⁰⁵ On the one hand, this aligns with previously elements of Chinese nationalism, the value of the islands for it, and Xi's outlined strategy for the great renewal of China. Crucially, this element has not remained within the discourse domain, but has also been put into practice by claiming maritime territory as part of the 'expansion of its navy and maritime services'. This strategy does not only apply to the East China Sea but to the South China Sea as well. The beginning of this strategy can be attributed to China's rise since a certain level of power and economic growth is required to consider and fund military expansion. It also matches the examined time frame because the legal foundation was laid with the Law of the Territorial Sea and the Contiguous Zone in 1992. In practice, the strategy does not only include the

¹⁰² Pugliese, "The China Challenge, Abe Shinzo's Realism, and the Limits of Japanese Nationalism," 51; Hahn-kyu, "The China-Japan-South Korea Trilateral Summit: Realpolitik or Liberal Peace?," 311; Kokubun et al., *Japan-China Relations in The Modern Era*, 151, 181; Pan, "Sino-Japanese Dispute over the Diaoyu/Senkaku Islands: The Pending Controversy from the Chinese Perspective," 83–85; Choong, "The Senkaku/Diaoyu Dispute," 60.

¹⁰³ China Launches English, Japanese Versions of Digital Museum of Diaoyu Islands,' April 27, 2021; 'Chinese Ambassador Emphasizes Potential for China-US Relations in Addressing Global Challenges,' February 8, 2021.

¹⁰⁴ 'Changing Name of Diaoyu Islands Won't Prevent Japan from Declining,' September 22, 2017.

¹⁰⁵ 'China Builds up Blue-Water Presence as World Focuses on Ukraine,' March 29, 2022; 'China Warns Japan Not to Stir up Trouble on Diaoyu Island Issue,' April 17, 2021; 'Chinese Ambassador Emphasizes Potential for China-US Relations in Addressing Global Challenges,' February 8, 2021; 'Chinese Defense Minister Urges Japan to Learn from History, After Japanese Forces' Mock Drills Concerning Diaoyu Islands,' December 28, 2021; 'The National Interest: Why Beijing's South China Sea Moves Make Sense Now,' People's Daily, January 1, 2016. Accessed January 8, 2022. <http://en.people.cn/n3/2016/0101/c90000-8998154.html>.

construction of 'radar facilities and heliports' to monitor the ADIZ unilaterally declared in the process, for which the islands would be ideal location, but a general way to project power in the region. Furthermore, one needs to consider that the successful expansion of maritime territory would also deny accessibility to foreign navies. Purely based on the persistence of its claims, China is still able to coerce and persuade Japan as well as weaken its claims in the debate by 'deploying ships to the disputed waters.' Lastly, military power, and especially maritime power in the case of China, functions as a source of soft power in a more 'substantive fashion' than the more intangible assets like cultural strength outlined in the previous sub-chapter.¹⁰⁶

Furthermore, it is noteworthy that actions regarding the islands involve 'safeguarding' or 'defending inherent territory'.¹⁰⁷ Naturally, this involves that China considers itself as a rightful administrator of the islands, but it also frames Japan and its actions as something to be defended against. This is in line with China not considering itself a revisionist power or threat to regional order. To underpin this notion, China stresses its inherent right as a state to grow its power because it is not an undisputed regional hegemon. This is emphasised by the only guest author article within the *People's Daily* set of sources who describes the aggression of the perceived China threat as a result of its growth in military power that is 'conform to the practice of other states'.¹⁰⁸ From this perspective, the outlined containment strategy of the U.S. and Japan can be considered an obstruction of this right, which a state could rightfully defend against. This is even more the case for military actions as an even greater threat for a nation defending itself. This perspective allows China to describe large-scale military exercises related to the islands as

¹⁰⁶ Drifte, *Japan's Security Relations with China since 1989*, 113; Castro, "Sino-Japanese Rivalry in Maritime Southeast Asia," 208–9; Akio, "Forty-four Years of Sino–Japanese Diplomatic Relations Since Normalization," 43; Yee-Kuang, "China and Japanese "Soft Power" Projection: A Tangled Web of Culture, Geostategic Competition, and Naval Power," 275, 279; Wiegand, "China's Strategy in the Senkaku/Diaoyu Islands Dispute: Issue Linkage and Coercive Diplomacy," 173.

¹⁰⁷ 'China Warns Japan Not to Stir up Trouble on Diaoyu Island Issue,' April 17, 2021; 'Chinese Defense Minister Urges Japan to Learn from History, After Japanese Forces' Mock Drills Concerning Diaoyu Islands,' December 28, 2021; 'Japan and China Agree to Launch Defense Hotline Next Year,' December 27, 2021; 'PLA Holds Large Drills Amid Military Threats,' August 6, 2021.

¹⁰⁸ 'Chinese Ambassador Emphasizes Potential for China-US Relations in Addressing Global Challenges,' February 8, 2021; 'The National Interest: Why Beijing's South China Sea Moves Make Sense Now,' January 1, 2016.

'unreasonable' or 'irresponsible'.¹⁰⁹ This narrative becomes even more effective if Japan decides to engage in militarism not only in discourse but in practice, as it was the case when it is announced a military expansion through measures such as increasing the defense budget. Such actions are reported *People's Daily* noticeably phrases like 'setting a record high for the eighth consecutive year', 'right-wing militarist ambitions', and launching a 'Pearl Harbor-like surprise attack', especially for a susceptible readership.¹¹⁰ Like it was the case with the Chinese nationalism, Abe's shift to a more assertive policy fuelled this narrative with his plan to mobilise the SDF. This aspect gets further enhanced if Japan decides to engage with the U.S. for joint activities or tap into its regional alliances. Such cases are consistently described as 'interference' by stressing that the dispute is purely bilateral matter.¹¹¹ This is even the case if Japan and the U.S. stress that such action are not 'intended for a specific island or a country'.¹¹² However, the argument remains effective since intent cannot be proven effectively, which also China to protect everything military related to the dispute. This provides China with a justification to adopt the so-called New Security Concept, which involves engagement in regional, multilateral frameworks to specifically avoid isolation and label its own military operations as 'responses', being 'incited' by these actions or out of 'concerns'.¹¹³ This examination demonstrates how the discourse surrounding the unresolved dispute enables the legitimisation of a potential arms race as long as China is willing to or able to pursue regional hegemony.¹¹⁴

¹⁰⁹ 'China Urges Japan Not to Mislead the Next Generation,' August 28, 2021; 'PLA Holds Large Drills Amid Military Threats,' August 6, 2021.

¹¹⁰ 'Chinese Defense Minister Urges Japan to Learn from History, After Japanese Forces' Mock Drills Concerning Diaoyu Islands,' December 28, 2021.

¹¹¹ 'China Warns Japan Not to Stir up Trouble on Diaoyu Island Issue,' April 17, 2021; 'PLA Holds Large Drills Amid Military Threats,' August 6, 2021.

¹¹² 'Chinese Defense Minister Urges Japan to Learn from History, After Japanese Forces' Mock Drills Concerning Diaoyu Islands,' December 28, 2021.

¹¹³ 'Changing Name of Diaoyu Islands Won't Prevent Japan from Declining,' September 22, 2017; 'China Urges Japan Not to Mislead the Next Generation,' August 28, 2021; 'China Urges Japan Not to Mislead the Next Generation,' May 12, 2022.

¹¹⁴ Manicom and O'Neil, "Sino-Japanese strategic relations: will rivalry lead to confrontation?," 215–17; Akio, "Forty-four Years of Sino-Japanese Diplomatic Relations Since Normalization," 43; Castro, "Sino-Japanese Rivalry in Maritime Southeast Asia," 206; Lam, "Japan and the South China Sea Dispute: Preventing 'Lake Beijing'," 254–56; Masafumi, "Japan-China Relations in East Asia: Rivals or Partners?," 145; Kokubun et al., *Japan-China Relations in The Modern Era*, 197.

Due to the legal nature of the dispute, the dynamic of aggressor and defendant switches once one assumes the Japanese perspective. The respective sources on *Nikkei Asia* describe Chinese military actions as 'unilateral attempts to change the maritime status quo' and a source of 'tension' connected to 'opposition', the 'abuse of freedom of navigation' and especially 'concern'.¹¹⁵ Since the Japanese discourse stresses its rightful ownership over this islands and does not consider any Japanese action as a justification for the Chinese expansion strategy, the dispute is approach in defensive manner focused on maintaining the current status quo. In practice, this involves observing Chinese activities and patrolling domains Japan has rightful control over, which still risks encounters with Chinese vessels without a joint maritime agreement. Regarding the islands themselves, Japan has refrained from constructing 'any military installations on the [...] that might be viewed as threatening' and maintaining a permanent military presence on the islands, which is considered a 'red line for China.' Instead, Japan has focused to contest China in realm of soft power by providing humanitarian assistance to strengthen its non-threatening, peaceful image.¹¹⁶ This behaviour is consistent with the previously policy of Japan to focus on institutional frameworks instead of military means to protect its interests.

Subsequently, this explains why security matters concerning the islands are consistently addressed in conjunction with Japan's regional alliances or its partnership with the U.S.¹¹⁷ This demonstrates how the dispute is not a purely bilateral matter for Japan since this approach supports power investment in regional security and alliances. Crucially, the

¹¹⁵ 'Japan and China Agree to Launch Defense Hotline Next Year,' December 27, 2021; 'Japan, India Oppose Attempts to Alter Indo-Pacific Status Quo,' September 24, 2021; 'Japan, Philippines to Aim for New Defense Cooperation Pact,' April 9, 2022; 'Japan Missile Plan on Ishigaki Island Helps Boost Taiwan Defense,' August 20, 2021; 'US and Japan Voice Concern over China's Nuclear Arsenal at ASEAN Talks,' August 7, 2021.

¹¹⁶ Pugliese and Insisa, *Sino-Japanese Power Politics*, 51; Drifte, *Japan's Security Relations with China since 1989*, 112–18; Fravel, "Explaining stability in the Senkaku (Diaoyu) Islands dispute," 155–56; Castro, "Sino-Japanese Rivalry in Maritime Southeast Asia," 209.

¹¹⁷ 'Biden's China Playbook: Cooperation or Confrontation?,' December 1, 2021; 'Japan, India Oppose Attempts to Alter Indo-Pacific Status Quo,' September 24, 2021; 'Japan, Philippines to Aim for New Defense Cooperation Pact,' April 9, 2022; 'Japan PM Kishida and Biden Commit to Defending Senkaku Islands: New Leader and US Counterpart Confirm Alliance's Strength During First Talks,' October 5, 2021; 'Japan, US and Australia Must Strengthen Cooperation on China,' January 12, 2022; 'Japan Weighs Hosting Largest-Ever Joint Drills with U.S. Marines,' *Nikkei Asia*, April 24, 2022. Accessed May 12, 2022. <https://asia.nikkei.com/Politics/International-relations/Japan-weighs-hosting-largest-ever-joint-drills-with-U.S.-Marines>; 'US and Japan Voice Concern over China's Nuclear Arsenal at ASEAN Talks,' August 7, 2021.

importance of the relation to the U.S. and alliances is highlighted by an article covering how the newly inaugurated prime minister Kishida arranged a meeting with the leaders of Australia and the U.S. as one of his first actions in office. Another article supports this notion by expressing Kishida's welcoming reaction to the re-affirmed commitment to 'defending the disputed East China Sea islets' from Biden.¹¹⁸ This makes sense since the U.S. is essential for Japan's regional security position. The partnership with Japan also benefits the U.S. in its attempts to engage China more effectively, which is perceived as a rising regional hegemon. Since the U.S. is also highly influential actors in the domain of multilateral institutions, they considerably support the power position of the U.S. and Japan as a stabilizing factor containing conflict, which is attractive for other states that either feel threatened by a rising China or want to prevent 'sensitive security issues' such as the dispute to affect their own interests. This explains China's attempts to limit multilateral security frameworks to resist containment. However, the current multilateral security framework does not categorically favour the side of U.S. and Japan despite several states proclaiming the erosion of 'trust and confidence' as well as the undermining of 'peace, security, and stability' due to China's regional territorial claims on the 26th ASEAN Summit Meeting. Castro and Drifte have identified 'swing states in the East Asian security' with no constant alignment that have 'considerable diplomatic implications for the regional balance of power'. Lam also identified that these states 'may opt to bandwagon with China' especially in matters that do not endanger their core interests. Subsequently, both China and Japan constantly engage in balancing and negotiating with other states to draw them into their respective sphere of influence. Crucially, Japan, and by extension its alliance with the U.S. have recognized China's growing integration in the regional frameworks. Subsequently, they have extended their hedging and containment approach to a more proactive three-layered security strategy consisting of 'integration, balancing, and deterrence' to more flexibly counteract 'China's perspective and strategy for the Asian security order'.¹¹⁹ This demonstrates how conflict

¹¹⁸ 'Japan PM Kishida and Biden Commit to Defending Senkaku Islands: New Leader and US Counterpart Confirm Alliance's Strength During First Talks,' October 5, 2021; 'Japan, US and Australia Must Strengthen Cooperation on China,' January 12, 2022.

¹¹⁹ Hahn-kyu, "The China-Japan-South Korea Trilateral Summit: Realpolitik or Liberal Peace?," 294–310; Masafumi, "Japan-China Relations in East Asia: Rivals or Partners?," 125; Fravel, "Explaining stability in the Senkaku (Diaoyu) Islands dispute," 144–51; Drifte, *Japan's Security Relations with China since 1989*, 121–42; Castro, "Sino-Japanese Rivalry in Maritime Southeast Asia," 211–29; Lam, "Japan

on the bilateral Sino-Japanese relationship can translate onto the multilateral level, especially since this analysis affirms how institutions are prone to be influenced by national interest.

Despite the close cooperation of the U.S. and Japan, there is one article on *Nikkei Asia* reporting how Kishida's predecessor Suga who was 'surprised' by Biden's security commitment to the islands.¹²⁰ Even though the precise reasoning for this reaction is not explained, it is known that the relationship of Japan with U.S. is not strictly positive. Even though the U.S. and Japan cooperate with each other based on the shared principle of a peaceful resolution of the dispute, there have been disagreements since the U.S. also insists on 'neutrality in terms of the ultimate sovereignty of contested areas'. Furthermore, there are domestic and regional actors that criticise Japan's high dependency on the U.S. due to the entanglement in its interests. Subsequently, these people would prefer a more regional orientated, self-depended Japan instead despite its severely limited domestic military and current economy conditions. In combination with the ongoing change of the power balance, which creates 'mistrust and exaggerated threat perceptions' by itself according to Haruko, the security situation remains an essential element of Sino-Japanese relations and a source of instability as long as China maintains its policy direction.¹²¹ While it was shown that the U.S. is certainly a crucial actor, it is still a third party. Therefore, the overall direction of the region is still predominantly depended on China and Japan.

Consequently, it makes sense that several articles report about Kishida's policy plans following the Suga administration to provide information about his policy ideas, which are expressed in relation to his predecessors. While also being a member of the LDP,

and the South China Sea Dispute: Preventing 'Lake Beijing,'" 258; Ken Jimbo, "Power Shift and Power Transition: Case for Japan-China Relations," accessed November 21, 2021,

<https://www.tkfd.or.jp/en/research/detail.php?id=475>; van Ness, "Introduction to the Special Issue: Reconciliation between China and Japan: The Key Link to Security Cooperation in East Asia," 7.

¹²⁰ 'Suga 'Surprised' by Biden's Swift Commitment to Senkakus,' *Nikkei Asia*, December 21, 2021.

Accessed May 12, 2022. <https://asia.nikkei.com/Editor-s-Picks/Interview/Suga-surprised-by-Biden-s-swift-commitment-to-Senkakus>.

¹²¹ Yee-Kuang, "China and Japanese "Soft Power" Projection: A Tangled Web of Culture, Geostrategic Competition, and Naval Power," 277; Castro, "Sino-Japanese Rivalry in Maritime Southeast Asia," 205–6; Akio, "Forty-four Years of Sino–Japanese Diplomatic Relations Since Normalization," 42; Driete, *Japan's Security Relations with China since 1989*, 116; Haruko, "Japan's "Postmodern" Possibility with China: A View from Kansai," 103–4; Masafumi, "Japan-China Relations in East Asia: Rivals or Partners?," 125; Fravel, "Explaining stability in the Senkaku (Diaoyu) Islands dispute," 147–50.

Suga was considered a more liberal successor to the more conservative Abe. After Suga had resigned as a response to the pandemic, Kishida expressed his 'intention to continue Abe's push to boost security ties with Washington' while describing his 'controversial step' of more proactive defense measures as a 'viable option'. Subsequently, he also decided to strengthen the Japanese military, which is underpinned by appointment of former Defense Minister Hayashi as the foreign minister can be considered as a reflection of the idea to lean more towards Abe's policies. In addition, Kishida described the islands as a 'line' and underscored his concerns of the Taiwan situation, for which defense systems on islands function as 'support'.¹²² The second response includes the domestic strengthening of Japan's military.¹²³ Kishida's plans correlate with the identified dual strategy of employing post-war soft power as pacifist actor, which includes the mobilisation of domestic resources and establishment of international cooperation against a common threat. While this strategy has proven to be effective, it has also forced Japan into the dilemma of acting as an active contributor in security issues without exerting aggression. The outlined multilateral frameworks, institutions, and modern media have been proven to be effective channels for Japan to attract cooperating actors in the international system and contributing to its soft power. Especially regarding the islands, the goal was to enhance the 'ability to project messages at the international and the domestic levels' with tools such as 'defense papers, official documents, diplomatic meetings, international summits, forums and various other international events.' However, it was already outlined how Abe's revision attempts of the constitution to allow for a more proactive employment of the SDF and policy shifts were received very negatively both domestically and internationally. Consequently, Japan has endeavoured to backpedal by

¹²² 'Can Japan Really Trust America?,' *Nikkei Asia*, August 10, 2021. Accessed May 12, 2022. <https://asia.nikkei.com/Opinion/Can-Japan-really-trust-America>; 'Japanese PM Kishida Sends Offering to Notorious War-Linked Yasukuni Shrine,' April 21, 2022; 'Japan PM Kishida and Biden Commit to Defending Senkaku Islands: New Leader and US Counterpart Confirm Alliance's Strength During First Talks,' October 5, 2021; 'Japan Missile Plan on Ishigaki Island Helps Boost Taiwan Defense,' *Nikkei Asia*, August 20, 2021. Accessed May 12, 2022. <https://asia.nikkei.com/Politics/International-relations/Japan-missile-plan-on-Ishigaki-island-helps-boost-Taiwan-defense>; 'Japan's Kishida to Tap Ex-Defense Chief Hayashi as Foreign Minister,' *Nikkei Asia*, November 6, 2021. Accessed May 12, 2022. <https://asia.nikkei.com/Politics/Japan-s-Kishida-to-tap-ex-defense-chief-Hayashi-as-foreign-minister>.

¹²³ 'Japan to Deploy F-35B Fighters to Bolster Nansei Islands Defense,' *Nikkei Asia*, July 17, 2021. Accessed May 12, 2022. <https://asia.nikkei.com/Politics/International-relations/Indo-Pacific/Japan-to-deploy-F-35B-fighters-to-bolster-Nansei-Islands-defense>.

emphasising that 'Japan is not willing to use force to modify the region's status quo.'¹²⁴ Even though Abe was fundamentally correct in responding to the growing importance of soft power and nationalism as well as attempting to gain the initiative in the dispute against China, he demonstrated the volatility of this approach and the consequences of the cobra effect. Due to Kishida's decision to continue this approach, it is unlikely that his inauguration will cause a dramatic change in Sino-Japanese relations at the current point in time.¹²⁵

In sum, two crucial conclusions can be drawn from the analysis of realist perspective. On the one hand, the confliction interests over the Senkaku/Diaoyu Islands, the geopolitical situation, and fundamental instabilities created from the ongoing power balance have caused a complex web of tensions that cannot be untangled easily. Subsequently, China and Japan have remained wary of the each other's military capabilities and policymakers attempt to constantly identify actual or potential threats. On the other hand, both China and Japan have reasons to not resolve the dispute and their tensions since they enable them to facilitate their respective interests. This includes the growing of soft power, the utilisation of nationalism to address domestic issues, and legitimisation of government policies. Despite the similar gains on both sides, China has the unique advantage to also utilise its hard power to gain from dispute due to the dual strategy, especially because it has proven capable and willing to apply force in comparable disputes 'over the Paracels in 1974 and the Spratlys in 1988 and 1994.' On the contrary, Japan's attempt to push its hard power has resulted in domestic criticism, diminishing of soft power, and playing into Chinese nationalism. A resolution would not only diminish the effectiveness of these strategies but potentially cause unwanted counter-reactions, especially in the case of China considering how entangled the dispute is in the domestic nationalism and the political factions.¹²⁶ Therefore, maintaining the

¹²⁴ Oliveira, "Mobilizing resources and signaling intentions: a neoclassical realist analysis of Japan's domestic and international instrumentalization of the Senkaku Islands dispute and China's maritime assertiveness," 2–12; Yee-Kuang, "China and Japanese "Soft Power" Projection: A Tangled Web of Culture, Geostrategic Competition, and Naval Power," 273.

¹²⁵ Elli-Katharina Pohlkamp, "Tough Dove: Japan's China Policy Under Its Next Leader," accessed November 21, 2021, <https://ecfr.eu/article/tough-dove-japans-china-policy-under-its-next-leader/>.

¹²⁶ Castro, "Sino-Japanese Rivalry in Maritime Southeast Asia," 206; Manicom and O'Neil, "Sino-Japanese strategic relations: will rivalry lead to confrontation?," 214, 227; Yee-Kuang, "China and Japanese "Soft Power" Projection: A Tangled Web of Culture, Geostrategic Competition, and Naval Power," 276; Wiegand, "China's Strategy in the Senkaku/Diaoyu Islands Dispute: Issue Linkage and

status quo involves lower costs compared to escalating or resolving the dispute. Even though this benefit-cost-balance assessment explains the absence of conflict and the behaviour of China and Japan during the highlighted events until the current point in time, the potential for it cannot be completely ruled out. Ultimately, the handling of all the issues, tensions, and animosities has proven to be manageable due to a considerable level of 'determination and dexterity' to manage the security situation. However, whether or not this will remain the case in the mid- and long-term depends on the related issues, domestic factors such as the ongoing social and demographic shifts, and the upcoming ideas of both the general public as well as influential actors.

Conclusion

Before the overall research question can be answered, the characterisation of the Sino-Japanese relations in terms of peaceful cooperation or tensions on the verge of conflict need to be reflected first. The practical consensus is that elements of cooperation and tensions are present with neither completely outweighing the other, which is acknowledged by both the liberalist and realist perspective. Instead, the debate revolves around understanding the underlying factors, how they interact and develop. While the identified factors supporting peaceful cooperation such as the economic relationship, the containing forces of an expanding multilateral framework in the region, established connections between various actors, and mutual understanding based on a shared cultural history are significant, they are neither sufficient nor permanently stable. Instead, the factors facilitating tensions such as volatility of the complex economic relationship, nationalistic tendencies fuelled by persistent historical grievances, continuously reinforced ideas of rivalry by actors as well as media, and the transforming security situation remain omnipresent and highly influential. As for the impact of the dispute, it can be affirmed generally enables both sides. On the hand, the dispute is connected to nationalism, politics, and security aspects that can either passively or actively introduce

Coercive Diplomacy,” 171, 177; Fravel, “Explaining stability in the Senkaku (Diaoyu) Islands dispute,” 149, 158; Vyas, *Soft power in Japan-China relations*, 76, 155; Kokubun et al., *Japan–China Relations in The Modern Era*, 186, 192; Masafumi, “Japan-China Relations in East Asia: Rivals or Partners?,” 144; Drifte, *Japan's Security Relations with China since 1989*, 157.

tensions within the relationship. On the other hand, the dispute also revealed the opportunities to compensate the lack of effective mechanisms for conflict management. Therefore, the dispute also enables options for cooperation even beyond economic interests. The joint agreement from 2014 specifically focuses on the potential for a mutually beneficial cooperation. Even the fact that the dispute remains unresolved does not mean that China and Japan are unable to reach a common consensus. It has been shown that delaying the dispute to manage costs and utilise the outlined benefits is viable and valuable for both China and Japan. This is underpinned by efforts of both China and Japan to actively prevent incidents like the landing of the Hong Kong activists as a major cause for increasing tension. While China restricts travels to islands from its ports more strictly, the purchase of the islands by the government and becoming a leaseholder enabled it to block people from reaching the islands altogether. Since the factors and elements are perspective-, case-, and time-dependent, neither perspective categorically outweighs one about the other in terms of the balance between peaceful cooperation and tensions. Therefore, the answer to the research question rather involves how these factors are managed, which naturally shifts to focus on the actors of the relationship. On a macro-level, this can be addressed the respective societies and their people, while on a micro-level the most influential individuals also considerably impact the relationship with their ideas. The general purpose of the primary source analysis was to examine both these aspects by analysing modern media and official documents as an essential discourse tool influence how the general public as well as influential individuals such as the respective leaders think about the relationship. To further narrow down the analysis, the lens of the Senkaku/Diaoyu Islands was applied as a dispute that is informed by all the aspects of the conceptual framework. As highlighted in the case study, the dispute of the islands remains unresolvable as a legal issue. While actions such as either side dropping its claims of the islands, China ceasing its activity in surrounding waters, or Japan changing its stance on history could be reasonable suggestions for a resolution, the goal or intent of the thesis is not to speculate over the feasibility of such presumptions. Instead, the dispute has served as an analytical tool to understand how all the highlighted factors of the Sino-Japanese relationship interact with each other and are applied in practice. Based on the conducted analysis, three conclusions have been reached regarding the dispute itself and the nature of the contemporary relation itself:

1. The dispute is not solely definable as a territorial argument within the domain of international law;
2. The dispute does not simply remain unresolved because China and Japan cannot reach an agreement, but also because an agreement is undesirable for both sides due to unique, low-cost benefits on the domestic, bilateral, and multilateral level;
3. China and Japan understand and utilise the increasingly importance of soft power as well as the value of dual strategies to actively shape their domestic circumstances and positions in the international system.

As for the discourse power expressed in the news outlet *People's Daily* and *Nikkei Asia* as well documents from the Chinese and Japanese MOFA, the analysis has shown that the sources consistently support the respective stance of China and Japan on the dispute, even across several different articles and documents that are not chiefly dedicated to the islands. Furthermore, the usage of terminology and arguments correlate significantly with the established research of the third period of Sino-Japanese relations. Through the perspective of the liberal peace theory and the framework of discourse power, the analysis has provided insight into what elements support the characterisation of the relationship as either peaceful or marked by tensions. These include the terms 'provocation', 'concern', 'escalation' for tension and 'dialogue', 'economy', 'mutual trust' for peaceful. Meanwhile, the consensus on both sides is that dispute needs to be managed, which supports the assessed hypothesis that China and Japan want to utilise the comparatively low-cost benefits on the domestic and international level. Subsequently, both have demonstrated the unwillingness to resolve the dispute and the ability to contain the inherent risks to avoid escalation. In terms of the effectiveness, discourse power is the foundation for the aspects of the third conclusions are recognised within the studies of the third period of Sino-Japanese relation. Yet, the dispute is almost exclusively mentioned for the highlighted events until 2012. Both the literature and the information published on the Chinese and Japanese MOFA do not address any specific events involving the islands past 2012. Yet, the primary source analysis has shown that the dispute has remained relevant in the media coverage. The identified rise in interests without any triggering event since the beginning of 2021 the value of the dispute as a discourse tool for both

sides as well it is versatility to be connected to various issues. While the findings of the analysis generally affirm what was established in the historiography, the impact of discourse power has not been sufficiently recognized in the established literature. Since it was established how realist elements can utilise discourse power more effectively, the answer to the overall research question is that the Senkaku/Diaoyu Islands dispute facilitates tensions between China and Japan rather than peaceful cooperation, which has corresponding effects on the region as a whole. However, this does not change the fact that the dispute and dual strategies still involve the usage of hard power through military means. While the value of the islands themselves in terms of hard power are debatable, they are still embedded in a plethora of other territorial dispute in the region involving China and Japan, with the most notable, comparable issue in the region being Taiwan. The potential of the islands triggered a chain reaction or serving as a facilitating factor for a reaction to any dispute should not be underestimated. Furthermore, the delicate balance of the dispute as well as the Sino-Japanese relationship itself could also be upset by any third-party actor of the highly interconnected international system. Especially changes in the U.S. can have substantial impact on Sino-Japanese relations, which is demonstrated by the effects of the Trump administration causing China and Japan to finally agree on an FTA. In addition, the recent events in Ukraine demonstrate both the remaining instabilities of the current international order and the willingness for actions upsetting the balance. However, this only further highlights the necessity for a more comprehensive and informed understanding behind the reasoning for certain behaviour, especially with the identified deficiencies regarding discourse power. In terms of China and Japan, this involves understanding what the reasons and goals are for employing nationalism, relying on dual strategies, or valuing soft power and how discourse tools are integrated in this process. While hard power certainly remains a dominating factor in defining relations, it is always utilised and generated with certain intents and interests, so it also be crucial to determine how discourse relates this in terms of relevance and effectiveness. The socio-demographic transformation in China and Japan as well as the influence of discourse on the ideas about the relationship are most the crucial related factors that require further studies considering the research findings. This would involve studying domestic primary sources that address the socio-demographic transformations, the domain of education as the basis for shaping ideas, the degree of social politicisation,

the current state of the political forces, and the prevalent figures in control of modern media in greater detail. In addition, determining how these factors relate to hard power in terms of effectiveness would be a difficult but highly insightful aspect to research. Connecting these studies to the field of IR would fill an essential gap in the third period of Sino-Japanese relation studies and also lay the foundation for future studies.

Bibliography

Primary Sources

- ‘Biden's China Playbook: Cooperation or Confrontation?,’ *Nikkei Asia*, December 1, 2021. Accessed May 12, 2022. <https://asia.nikkei.com/Editor-s-Picks/Interview/Biden-s-China-playbook-Cooperation-or-confrontation>.
- ‘Can Japan Really Trust America?,’ *Nikkei Asia*, August 10, 2021. Accessed May 12, 2022. <https://asia.nikkei.com/Opinion/Can-Japan-really-trust-America>.
- ‘Changing Name of Diaoyu Islands Won't Prevent Japan from Declining,’ *People's Daily*, September 22, 2017. Accessed January 8, 2022. <http://en.people.cn/n3/2017/0922/c90000-9272520.html>.
- ‘China and Japan,’ *Ministry of Foreign Affairs of the People's Republic of China*. 2013. Accessed January 10, 2022. https://www.fmprc.gov.cn/mfa_eng/wjb_663304/zzjg_663340/yzs_663350/gjlb_663354/2721_663446/.
- ‘China Builds up Blue-Water Presence as World Focuses on Ukraine,’ *Nikkei Asia*, March 29, 2022. Accessed May 12, 2022. <https://asia.nikkei.com/Politics/International-relations/Indo-Pacific/China-builds-up-blue-water-presence-as-world-focuses-on-Ukraine>.
- ‘China, Japan Agree to Manage Maritime Differences, Safeguard Maritime Stability,’ *People's Daily*, December 21, 2021. Accessed January 8, 2022. <http://en.people.cn/n3/2021/1221/c90000-9935406.html>.
- ‘China Launches English, Japanese Versions of Digital Museum of Diaoyu Islands,’ *People's Daily*, April 27, 2021. Accessed January 8, 2022. <http://en.people.cn/n3/2021/0427/c90000-9844127.html>.
- ‘China Urges Japan Not to Misperceive the Next Generation,’ *People's Daily*, August 28, 2021. Accessed May 12, 2022. <http://en.people.cn/n3/2021/0828/c90000-9889194.html>.
- ‘China Urges Japan to Avoid Actions That Could Complicate Diaoyu Islands and East China Sea Issues,’ *People's Daily*, November 12, 2021. Accessed January 8, 2022. <http://en.people.cn/n3/2021/1112/c90000-9918757.html>.
- ‘China Warns Japan Not to Stir up Trouble on Diaoyu Island Issue,’ *People's Daily*, April 17, 2021. Accessed January 8, 2022. <http://en.people.cn/n3/2021/0417/c90000-9840168.html>.
- ‘Chinese Ambassador Emphasizes Potential for China-US Relations in Addressing Global Challenges,’ *People's Daily*, February 8, 2021. Accessed January 8, 2022. <http://en.people.cn/n3/2021/0208/c90000-9817381.html>.

- ‘Chinese Defense Minister Urges Japan to Learn from History, After Japanese Forces' Mock Drills Concerning Diaoyu Islands,’ *People's Daily*, December 28, 2021. Accessed May 12, 2022. <http://en.people.cn/n3/2021/1228/c90000-9938121.html>.
- ‘Japan and China Agree to Launch Defense Hotline Next Year,’ *Nikkei Asia*, December 27, 2021. Accessed May 12, 2022. <https://asia.nikkei.com/Politics/International-relations/Japan-and-China-agree-to-launch-defense-hotline-next-year>.
- ‘Japan-China Foreign Ministers’ Telephone Talk,’ *Ministry of Foreign Affairs Japan*. November 18, 2021. Accessed January 9, 2022. https://www.mofa.go.jp/press/release/press1e_000234.html.
- ‘Japan-China Relations,’ *Ministry of Foreign Affairs Japan*. November 18, 2011. Accessed January 9, 2022. <https://www.mofa.go.jp/region/asia-paci/china/index.html>.
- ‘Japan-China Summit Telephone Talk,’ *Ministry of Foreign Affairs Japan*. October 8, 2021. Accessed January 9, 2022. https://www.mofa.go.jp/a_o/c_m1/cn/page3e_001151.html.
- ‘Japanese PM Kishida Sends Offering to Notorious War-Linked Yasukuni Shrine,’ *People's Daily*, April 21, 2022. Accessed May 12, 2022. <http://en.people.cn/n3/2022/0421/c90000-10087037.html>.
- ‘Japan, India Oppose Attempts to Alter Indo-Pacific Status Quo,’ *Nikkei Asia*, September 24, 2021. Accessed May 12, 2022. <https://asia.nikkei.com/Politics/International-relations/Indo-Pacific/Japan-India-oppose-attempts-to-alter-Indo-Pacific-status-quo>.
- ‘Japan, Philippines to Aim for New Defense Cooperation Pact,’ *Nikkei Asia*, April 9, 2022. Accessed May 12, 2022. <https://asia.nikkei.com/Politics/International-relations/Indo-Pacific/Japan-Philippines-to-aim-for-new-defense-cooperation-pact>.
- ‘Japan PM Kishida and Biden Commit to Defending Senkaku Islands: New Leader and US Counterpart Confirm Alliance's Strength During First Talks,’ *Nikkei Asia*, October 5, 2021. Accessed January 8, 2022. <https://asia.nikkei.com/Politics/International-relations/Japan-PM-Kishida-and-Biden-commit-to-defending-Senkaku-Islands>.
- ‘Japan Missile Plan on Ishigaki Island Helps Boost Taiwan Defense,’ *Nikkei Asia*, August 20, 2021. Accessed May 12, 2022. <https://asia.nikkei.com/Politics/International-relations/Japan-missile-plan-on-Ishigaki-island-helps-boost-Taiwan-defense>.
- ‘Japan's Kishida to Tap Ex-Defense Chief Hayashi as Foreign Minister,’ *Nikkei Asia*, November 6, 2021. Accessed May 12, 2022. <https://asia.nikkei.com/Politics/Japan-s-Kishida-to-tap-ex-defense-chief-Hayashi-as-foreign-minister>.

- ‘Japan's Main Opposition Pays Price for Ignoring Security Realities,’ *Nikkei Asia*, November 11, 2021. Accessed May 12, 2022. <https://asia.nikkei.com/Spotlight/Comment/Japan-s-main-opposition-pays-price-for-ignoring-security-realities>.
- ‘Japan to Deploy F-35B Fighters to Bolster Nansei Islands Defense,’ *Nikkei Asia*, July 17, 2021. Accessed May 12, 2022. <https://asia.nikkei.com/Politics/International-relations/Indo-Pacific/Japan-to-deploy-F-35B-fighters-to-bolster-Nansei-Islands-defense>.
- ‘Japan, US and Australia Must Strengthen Cooperation on China,’ *Nikkei Asia*, January 12, 2022. Accessed May 12, 2022. <https://asia.nikkei.com/Opinion/The-Nikkei-View/Japan-US-and-Australia-must-strengthen-cooperation-on-China>.
- ‘Japan Weighs Hosting Largest-Ever Joint Drills with U.S. Marines,’ *Nikkei Asia*, April 24, 2022. Accessed May 12, 2022. <https://asia.nikkei.com/Politics/International-relations/Japan-weighs-hosting-largest-ever-joint-drills-with-U.S.-Marines>.
- ‘Obey One-China Principle in Deeds, Not Words,’ *People's Daily*, January 9, 2022. Accessed May 12, 2022. <http://en.people.cn/n3/2022/0109/c90000-9942464.html>.
- ‘PLA Holds Large Drills Amid Military Threats,’ *People's Daily*, August 6, 2021. Accessed May 12, 2022. <http://en.people.cn/n3/2021/0806/c90000-9880902.html>.
- ‘Position Paper: Japan-China Relations Surrounding the Situation of the Senkaku Islands: In Response to China's Airspace Incursion,’ *Ministry of Foreign Affairs Japan*. December 8, 2012. Accessed January 9, 2022. https://www.mofa.go.jp/region/asia-paci/senkaku/position_paper2_en.html.
- ‘Senkaku Islands Q&A,’ *Ministry of Foreign Affairs Japan*. April 13, 2016. Accessed January 9, 2022. https://www.mofa.go.jp/region/asia-paci/senkaku/qa_1010.html.
- ‘Some Sensitive Issues,’ *Ministry of Foreign Affairs of the People's Republic of China*. May 8, 2002. Accessed January 10, 2022. https://www.fmprc.gov.cn/mfa_eng/wjb_663304/zzjg_663340/yzs_663350/gjlb_663354/2721_663446/2722_663448/200205/t20020508_514225.html.
- ‘Suga 'Surprised' by Biden's Swift Commitment to Senkakus,’ *Nikkei Asia*, December 21, 2021. Accessed May 12, 2022. <https://asia.nikkei.com/Editor-s-Picks/Interview/Suga-surprised-by-Biden-s-swift-commitment-to-Senkakus>.
- ‘The National Interest: Why Beijing’s South China Sea Moves Make Sense Now,’ *People's Daily*, January 1, 2016. Accessed January 8, 2022. <http://en.people.cn/n3/2016/0101/c90000-8998154.html>.
- ‘The Senkaku Islands,’ *Ministry of Foreign Affairs Japan*. Accessed January 8, 2022. https://www.mofa.go.jp/a_o/c_m1/senkaku/page1we_000010.html.

'US and Japan Voice Concern over China's Nuclear Arsenal at ASEAN Talks,' *Nikkei Asia*, August 7, 2021. Accessed May 12, 2022.

<https://asia.nikkei.com/Politics/International-relations/US-and-Japan-voice-concern-over-China-s-nuclear-arsenal-at-ASEAN-talks>.

'Xi Jinping, the Man Who Leads CPC on New Journey,' *People's Daily*, November 6, 2021. Accessed May 12, 2022. <http://en.people.cn/n3/2021/1106/c90000-9916332.html>.

Secondary Sources

Akio, Takahara. "Forty-Four Years of Sino–Japanese Diplomatic Relations Since Normalization." In Lam, *China-Japan Relations in the 21st Century*, 25–65.

Auton, Graeme. "Nationalism, Populism, Realism and the Intensification of East Asia's Maritime Disputes." In *Proceedings of the 3rd Law & Political Science Conference, Lisbon*. International Institute of Social and Economic Sciences, 2018.

Castro, Renato Cruz de. "Sino-Japanese Rivalry in Maritime Southeast Asia." In Lam, *China-Japan Relations in the 21st Century*, 205–36.

Chiang, Min-Hua. "Contemporary China-Japan Relations: The Politically Driven Economic Linkage." *East Asia* 36, no. 4 (2019): 271–90.
<https://doi.org/10.1007/s12140-019-09321-x>.

Chien-peng, Chung. "China and Japan in East Asian Arrangements: More Rivalry, Less Interdependence." In Lam, *China-Japan Relations in the 21st Century*, 133–54.

Choong, William. "The Senkaku/Diaoyu Dispute." *Adelphi Series* 54, no. 445 (2014): 59–92. <https://doi.org/10.1080/19445571.2014.975980>.

Deans, Phil. "Contending Nationalisms and the Diaoyutai/Senkaku Dispute." *Security Dialogue* 31, no. 1 (2000): 119–31. <http://www.jstor.org/stable/26296630>.

Drifte, Reinhard. *Japan's Security Relations with China Since 1989*. Taylor & Francis, 2003. <https://www.doabooks.org/doab?func=fulltext&uiLanguage=en&rid=38739>.

Drifte, Reinhard. "The Ending of Japan's ODA Loan Programme to China—All's Well That Ends Well?" *Asia-Pacific Review* 13, no. 1 (2006): 94–117.
<https://doi.org/10.1080/13439000600697704>.

Drifte, Reinhard. "From 'Sea of Confrontation' to 'sea of Peace, Cooperation and Friendship'?—Japan Facing China in the East China Sea." *Japan aktuell*, 2008, 27–48.

- Fravel, M. Taylor. "Explaining Stability in the Senkaku (Diaoyu) Islands Dispute." *Getting the triangle straight: Managing China-Japan-US relations*, 2010, 144–64.
- Hagström, Linus. *Japan's China Policy*. Taylor & Francis, 2005.
<https://www.doabooks.org/doab?func=fulltext&uiLanguage=en&rid=38740>.
- Hahn-kyu, Park. "The China-Japan-South Korea Trilateral Summit: Realpolitik or Liberal Peace?" In Lam, *China-Japan Relations in the 21st Century*, 291–318.
- Haruko, Satoh. "Japan's "Postmodern" Possibility with China: A View from Kansai." In Lam, *China-Japan Relations in the 21st Century*, 103–32.
- Jimbo, Ken. "Power Shift and Power Transition: Case for Japan-China Relations." Accessed November 21, 2021. <https://www.tkfd.or.jp/en/research/detail.php?id=475>.
- Kokubun, Ryosei, Yoshihide Soeya, Akio Takahara, and Shin Kawashima. *Japan–China Relations in the Modern Era*. Routledge, 2017.
<https://doi.org/10.4324/9781315229058>.
- Koo, Min Gyo. "The Senkaku/Diaoyu Dispute and Sino-Japanese Political-Economic Relations: Cold Politics and Hot Economics?" *The Pacific Review* 22, no. 2 (2009): 205–32. <https://doi.org/10.1080/09512740902815342>.
- Kotler, Mindy L., Naotaka Sugawara, and Tetsuya Yamada. "Chinese and Japanese Public Opinion: Searching for Moral Security." *Asian Perspective* 31, no. 1 (2007): 93–125. <http://www.jstor.org/stable/42704578>.
- Lam, Peng Er. "China-Japan Paradox: Antagonism Despite Interdependency." In Lam, *China-Japan Relations in the 21st Century*, 1–25.
- Lam, Peng Er, ed. *China-Japan Relations in the 21st Century: Antagonism Despite Interdependency*. Basingstoke: Palgrave Macmillan, 2017. <http://www.springer.com>.
- Lam, Peng Er. "Japan and the South China Sea Dispute: Preventing "Lake Beijing." In Lam, *China-Japan Relations in the 21st Century*, 237–61.
- Lijun, Yang. "A Clash of Nationalisms: Sino-Japanese Relations in the Twenty-First Century." In Lam, *China-Japan Relations in the 21st Century*, 83–102.
- Manicom, James, and Andrew O'Neil. "Sino-Japanese Strategic Relations: Will Rivalry Lead to Confrontation?" *Australian Journal of International Affairs* 63, no. 2 (2009): 213–32. <https://doi.org/10.1080/10357710902895137>.

- Masafumi, Iida. "Japan-China Relations in East Asia: Rivals or Partners?" *Japan-china relations in east Asia*, 2008, 125–45.
- Nikkei Asia. "About Us." May 15, 2022. <https://info.asia.nikkei.com/about>.
- Oliveira, Alana Camoça Gonçalves de. "Mobilizing Resources and Signaling Intentions: A Neoclassical Realist Analysis of Japan's Domestic and International Instrumentalization of the Senkaku Islands Dispute and China's Maritime Assertiveness." *Revista Brasileira de Política Internacional* 64, no. 1 (2021). <https://doi.org/10.1590/0034-7329202100102>.
- Pan, Zhongqi. "Sino-Japanese Dispute over the Diaoyu/Senkaku Islands: The Pending Controversy from the Chinese Perspective." *Journal of Chinese Political Science* 12, no. 1 (2007): 71–92. <https://doi.org/10.1007/s11366-007-9002-6>.
- People's Daily. "Introduction to People's Daily." May 15, 2022. <http://en.people.cn/other/about.shtml>.
- Pohlkamp, Elli-Katharina. "Tough Dove: Japan's China Policy Under Its Next Leader." Accessed November 21, 2021. <https://ecfr.eu/article/tough-dove-japans-china-policy-under-its-next-leader/>.
- Pugliese, Giulio. "The China Challenge, Abe Shinzo's Realism, and the Limits of Japanese Nationalism." *The SAIS Review of International Affairs* 35, no. 2 (2015): 45–55. <https://www.jstor.org/stable/27000996>.
- Pugliese, Giulio, and Aurelio Insisa. *Sino-Japanese Power Politics: Might, Money and Minds*. London: Palgrave Macmillan UK, 2017. <https://ebookcentral.proquest.com/lib/kxp/detail.action?docID=4771445>.
- Rose, Caroline. *Interpreting History in Sino-Japanese Relations: A Case Study in Political Decision Making*. 1. Publ. The Nissan Institute/Routledge Japanese studies series. London: Routledge, 1998.
- Rose, Caroline, and Ed Griffith. *Sino-Japanese Relations Since 1945.*, 2013. <https://doi.org/10.1093/OBO/9780199920082-0036>.
- Teo, Victor. "Hong Kong and the Diaoyu/Senkaku Dispute in Sino-Japanese Relations." In Lam, *China-Japan Relations in the 21st Century*, 319–36.
- Togo, Kazuhiko. "Japan-China-US Relations and the Senkaku/Diaoyu Islands Dispute: Perspectives from International Relations Theory." *Asian Perspective* 38, no. 2 (2014): 241–61. <https://doi.org/10.1353/apr.2014.0010>.

- Tyson, Adam, and Xinye Wu. "Ethnic Conflict and the New Legalism in China." *Nationalism and Ethnic Politics* 22, no. 4 (2016): 373–92.
<https://doi.org/10.1080/13537113.2016.1239441>.
- Uttama, Nathapornpan Piyaarekul. "International Investment Agreements Provisions and Foreign Direct Investment Flows in the Regional Comprehensive Economic Partnership Region." *Economies* 9, no. 1 (2021): 28.
<https://doi.org/10.3390/economies9010028>.
- van Ness, Peter. "Introduction to the Special Issue: Reconciliation between China and Japan: The Key Link to Security Cooperation in East Asia." *Asian Perspective* 31, no. 1 (2007): 7–13. <http://www.jstor.org/stable/42704574>.
- Vyas, Utpal. *Soft Power in Japan-China Relations: State, Sub-State and Non-State Relations*. Routledge Contemporary Asia Ser 29. Milton Park, Abingdon, Oxon, New York: Routledge, 2011.
<http://site.ebrary.com/lib/alltitles/docDetail.action?docID=10452455>.
- Wiegand, Krista E. "China's Strategy in the Senkaku/Diaoyu Islands Dispute: Issue Linkage and Coercive Diplomacy." *Asian Security* 5, no. 2 (2009): 170–93.
<https://doi.org/10.1080/14799850902886617>.
- Yee-Kuang, Heng. "China and Japanese "Soft Power" Projection: A Tangled Web of Culture, Geostrategic Competition, and Naval Power." In Lam, *China-Japan Relations in the 21st Century*, 263–90.
- Ying, Fan. "Growing Interdependency Between China and Japan: Trade, Investment, Tourism, and Education." In Lam, *China-Japan Relations in the 21st Century*, 67–82.
- Zhai, Yida. "Discourse Power: Sovereignty Claims over the Diaoyu/Senkaku Islands." *Territory, Politics, Governance* 9, no. 2 (2021): 203–21.
<https://doi.org/10.1080/21622671.2019.1687324>.