

**Stanford University**



## **Asia/Pacific Research Center**

The **Asia/Pacific Research Center** is part of Stanford University's Institute for International Studies. The Center focuses on contemporary economic, political, strategic, and social issues of importance to Asia and to the interaction of the United States with the nations in this region.

# **East Asia: Geopolitique into the Twenty-first Century —A Chinese View**

**Yu Bin**

June 1997

The discussion papers in this series are part of a research project, “America’s Alliances with Japan and Korea in a Changing Northeast Asia, initiated in the fall of 1996 at the Asia/Pacific Research Center. The series is intended to make available to scholars and the policy community as quickly as possible seminar presentations in the project, draft manuscripts, and other timely pieces related to the security environment of Northeast Asia and/or the U.S.-Japan and U.S.-Korea security treaties.

Asia/Pacific Research Center  
Institute for International Studies  
Stanford University  
200 Encina Hall  
Stanford, CA 94305-6055  
(415) 723-9741  
fax (415) 723-6530  
[www-iis.stanford.edu/aparc/aparc](http://www-iis.stanford.edu/aparc/aparc)

## **East Asia: Geopolitique into the Twenty-first Century—A Chinese View**

### **I. The Legacies of World War II and Beyond**

East Asia is a global geopolitical fault line, where historically great powers have interacted, collided, receded, and rebounded. Seen in the context of this long history, the end of World War II ushered in at least four paradigm changes of international and regional politics in Asia-Pacific.

The first was the final arrest of nearly one hundred years of Japanese military ascendancy. During the first half of the twentieth century, Japan was the engine of change in East Asia. Twenty years before the outbreak of World War I, a small, modernizing Japan defeated China, a much larger continental power; ten years later, it annihilated the entire Russian Baltic fleet, the first triumph of an Asian state over a European one in modern history. For both China and Russia, defeat at the hands of Japan was the beginning of the end of their traditional systems, and their final collapse paved the way for radical changes and, later, the rise of communism. The Japanese empire eventually unleashed the full potential of the United States as a superpower, but not before it had humiliated America with a tactically brilliant but strategically fatal strike at Pearl Harbor.

Thus, in less than fifty years, Japan fought all three major Asia-Pacific powers and was subdued only by their combined forces. Only with the cities of Hiroshima and Nagasaki under the mushroom clouds of the atomic bomb and the Soviet army sweeping through Manchuria in August of 1945 did Japan finally abandon its militarist approach to gaining national power and subsequently embark on a steady transition to a trading state.

The second new paradigm was the advent of Pax Americana. With the pacification of Japan, the United States became a global superpower with the economic might, military capability, and political will to turn the vast Pacific into its backyard lake.

With Pax Americana came the third paradigm shift, the advent of the nuclear age. The nuclear era has had profound implications for the Asia-Pacific region, the only theater where atomic bombs have ever been used in warfare, as well as for the postwar world. It revolutionized the means of interstate conflict; it tremendously increased U.S. power; it launched the nuclear arms race, first between the two superpowers and then among many smaller powers; and it helped sustain the “long peace,”<sup>1</sup> which characterized the Cold War itself.

The fourth paradigm change was the spread of communism across the Eurasian continent. This development shifted the center of geopolitical conflict in East Asia from Japan to China. While the Communists in 1949 unified the Chinese mainland for the first time after a century of domestic instability and foreign humiliation, they emerged from four years of bloody civil war only to find a deeply divided world. Beijing had little choice but to side with the not-so-friendly Soviet Union against a hostile America.

The notion of “long peace,” however, is at best misleading in the Asia-Pacific region. The Cold War there meant “hot” conflicts, and China became the primary target for the most vigorous containment policy ever pursued by Washington. Americans twice fought at the periphery of the Asian continent (Korea and Vietnam) to contain the possible “domino effect” from what some perceived as the most dangerous communism, that of “Red” China.

The Cold War also meant real wars for China. Between the 1950s and 1970s, China fought across the 38th parallel in Korea, along the Taiwan Strait, down to Indochina, up in the Himalayas, and along the four thousand miles of the Sino-Russian border. Indeed, the periphery of China became an active fault line separating East and West, maritime and continental powers, democracies and communism, the yellow world and white world, and the liberal and centralized economies.

Perhaps because the most sustained and dangerous confrontational level of the Cold War was reached in the Asia-Pacific region, and perhaps because of the calculations of some political leaders in China and the United States, it was there that Cold War rigidity began to crumble. China’s defection from the Moscow-dominated socialist bloc not only broke up the socialist camp, but also inaugurated a multipolar world. The strategic partnership between the United States and the People’s Republic of China against the Soviet Union, after Nixon’s 1972 trip to Beijing, accelerated the movement toward more diverse and complex world politics, characterized by multipolarity and a radical shifting of alliances between friends and foes. Thus, the end of the Cold War between some of the adversaries actually started, early on, in the Asia-Pacific region.

If Mao’s ping-pong diplomacy in the early 1970s ended China’s two-front stance against both superpowers, it was Deng Xiaoping’s sustained economic reform that finally reoriented both the domestic and foreign politics of the People’s Republic of China. The past two decades of economic reform in China have essentially transformed the country’s foreign policy from revolutionary to pragmatic; from one grounded in ideology to one based on national interests; from going it alone to trying to join the world community. Indeed, Deng created a highly desirable environment for China’s modernization and changed its orientation from a politico-military state to an emerging trading giant, similar to Japan’s transformation after World War II.

## II. China's Post-Cold War Dilemmas

With the Cold War over, China faces no immediate threat from any major power. Yet, a profound sense of uncertainty pervades China's thinking about its future and the external environment—an uncertainty that is finding more and more frequent expression. This is despite the fact that China's recent economic growth represents perhaps its best performance in the past one hundred fifty years<sup>2</sup> and the external environment is now more favorable than ever before for China's modernization.

Part of China's current malaise is caused by massive change inside the country. Rapid economic growth has led to some unintended, serious outcomes, including high inflation, growing population and unemployment pressures, inequality and social unrest, corruption, and deterioration of the environment. These developments, among others, have created a dilemma. China is in the midst of the world's largest peacetime social transformation and population migration. At the same time, the state has experienced a considerable decline in its extractive and regulatory powers, to the point where its ability to penetrate society has never been weaker in the history of the People's Republic. The 1989 demonstrations and crackdown were growing pains, reflecting an increasing gap between an emergent society and the institutional ability of the state to accommodate it. This state of affairs is compounded by the transfer of power from Deng's Long-March generation to younger technocrats whose capacity to lead and whose vision for China's future remain to be tested.

The legitimacy of current and future leadership in China depends upon the ability of the political elite to sustain a relatively high level of economic growth at acceptable cost for the society as a whole. Yet few believe that China's rapid growth can be sustained forever. Policy making thus far has been driven by short-term concerns to achieve high growth rates and adequate employment, sometimes at the expense of stable, sustained, and more balanced long-term development of the economy.

These domestic problems, however, are still within Beijing's grasp. At a fundamental level, China's deep unease is also caused by its relations with the outside world. The dilemma for China is that while it is increasingly drawn into the existing international economic system, at the same time it feels greater political and strategic pressures—including on the Taiwan sovereignty issue—from the outside. With more than 40 percent of its GNP tied up in foreign trade,<sup>3</sup> China's interdependence with the outside world is unprecedented in degree, scale, and speed, compared to the modernization process of other major countries.<sup>4</sup> For example, about half the country's consumer industrial capacity is dependent on growth through exports, because of an already saturated domestic urban market and still underdeveloped rural demand. After years of self-sufficiency, China became a net petroleum importer in 1994, long before ordinary Chinese consumers could afford their own automobiles. For both input and output reasons, the question facing China is not whether it will remain open: the country has little choice but to utilize external resources and markets. Indeed, much of China's rapid growth thus far derives from external capital, technology, and markets.<sup>5</sup>

Against this backdrop of deep economic interdependence with the world trading system, China finds itself constantly pressured by the West, particularly by Washington, on a range of issues such as human rights, trade, Hong Kong's future, China's effort to join the World Trade Organization (WTO), Beijing's bid for the Olympic games, weapons sales, nuclear testing, and prison product exports. For Beijing, these are by no means unrelated, if not carefully orchestrated, efforts of the West to contain China.

For many Chinese, the West's unspoken hostility toward China is most apparent in the Taiwan issue. From Beijing's view, a collision course is being charted by an increasingly aggressive independence movement in Taiwan, based on and facilitated by an emerging local democratic process. For the first time, the island seems to be steadily and perhaps permanently drifting away from the mainland, precisely when China is historically at its apex in the period since the 1840 Opium War. This is being done not by the Dutch, the Japanese, or the Americans—all of whom played an important role in the history of Taiwan's separation from the mainland—but by Chinese in Taiwan.

Nevertheless, many in China believe that outside powers are behind the recent Taiwan independence movement. The United States and other Western countries recently sold Taiwan advanced weaponry in large quantity, upgraded their relations with the island, and showed more willingness to admit Taiwan into various international forums. Past agreements between Beijing and Washington on the difficult and delicate Taiwan issue have been reinterpreted by Washington from time to time when convenient to suit certain American interests, be they the U.S. defense industry, pro-Taiwan lobbyists, or a president up for reelection. The 1995 U.S. decision to allow Taiwan's president to visit the United States as a private citizen was, according to a recent—though belated—*New York Times* editorial, the result of Taiwan's successful lobbying activities among American lawmakers and scholars, who then demanded the White House issue the visa for Lee Teng-hui.<sup>6</sup> The White House was therefore driven by all these forces to a decision that brought the two countries the closest they had come to a real showdown in twenty-five years. This action of the United States was viewed by many Chinese as the first step toward reversing Washington's relations with Beijing and Taipei, as well as an indication of U.S. intentions to permanently separate Taiwan from the mainland. Therefore, while American assertions of the principles underlying its policy on the Taiwan issue—namely, non-interference and peaceful resolution—may be well intended, U.S. behavior is hardly seen by Beijing as being even-handed and responsible.

As a result of such developments, many Chinese, including liberal-minded members of the political and intellectual elite, perceive the motivations and policies of other powers with a deep ambivalence or even strong resentment. They view the West as a whole, and the United States in particular, as selfish, employing a double standard, and short-sighted in their China policies. They complain that the West largely ignored the worst human rights abuses in China under Mao in exchange for China's strategic partnership against the Soviet threat. Yet, after the West "won" the Cold War, it discarded China just when its human rights record was the best in P.R.C. history.

All of these pressures from the West have coincided with China's rapid transformation from a highly politicized Leninist state to an authoritarian one with considerable and increasing individual freedom in the fast-growing private sphere. Some Chinese go so far as to believe that the West is deliberately trying to slow down or even reverse China's modernization drive. Two extreme Western perceptions of recent years—a China collapse or a China threat—are seen as stemming from the same assumption, that China cannot and should not have a normal process of modernization. At best, China is viewed as a problem and at worst, as a potential or real threat to the West.

### **III. Toward the Twenty-first Century**

Although the West declared that it *won* the Cold War in the late 1980s with the collapse of the European Communist regimes, one must question how much the Asia-Pacific region had changed. The answer is, perhaps, very little. Indeed, the official ending of the Cold War was relatively uneventful there compared to Europe: no state collapsed or formed (with the exception of some newly independent Central Asian states from the former Soviet Union); no borders were redrawn; no new alliance was formulated; Communist powers, big and small, remain; the divided countries, and the two Koreas and China-Taiwan, are still in a state of civil war. Nevertheless, the seeming lack of change in the Asia-Pacific region is perhaps misleading. Several developments, which may lead to a shift in geopolitical forces, warrant attention.

#### **“Asianization”**

One can certainly sense the growing influence of the two Asian powers, Japan and China, largely because of their phenomenal economic growth in the past few decades. Part of the reason is that both capitalism and communism in Asia work differently than in the West. While the Japanese bureaucrat-modernizers are more oriented to planning, Chinese Communist-technocrats are more willing to have a taste of the market, thus departing from Western orthodox Marxism and Maoist legacies.

Looking beyond Japan and China, the whole Asia-Pacific region stands out in two areas—economic dynamics and political stability. East Asian countries' economic growth since the end of World War II has outperformed that of every other region and continues to surge ahead. If Japan leads the way, China brings up the rear. In between has been wave upon wave of economic takeoffs and industrialization.

In the realm of politics, changes in Asia tend to be incremental, at relatively low cost. With a few exceptions, authoritarianism, collectivism, and gradualism have been the norm throughout the postwar period, fostering relative stability in many countries during the early stages of their development. Once these societies achieved a certain degree of economic modernization, they started to open up politically and gradually democratize, in sharp contrast to the radical changes and “shock therapy” in other parts of the world.

Part of the current Asia-Pacific economic dynamic has resulted from the willingness and ability of the economically dominant power, the United States, to define and maintain the rules of the game as well as to foot the operating cost since the end of World War II. In that way, a relatively open and liberal trading system could be sustained. However, the United States increasingly finds itself incapable of playing such a role, while Japan is still unwilling to take up some of the operating cost.

#### **Domestic Preoccupation**

While the region as a whole has increasingly become the focus of diplomatic, economic, and security efforts by the major powers, paradoxically the powers have been more and more preoccupied with their own domestic affairs in recent years. As a result, they tend to see each other and the rest of the world in terms of their domestic needs and preferences. Indeed, all the major powers are undergoing significant sociopolitical transformations, including leadership transitions from the established older generation to a new, younger, and less experienced group.



Despite Mikhail Gorbachev's Nobel Peace Prize for his "New Thinking" foreign policy and George Bush's sweeping victory in the Gulf War, both fell victim to domestic problems. In Asia, China's 1989 crackdown cast a long shadow over the country's historical opening up to the world trading system; while the longest recession of the Japanese economy during the first half of the 1990s cost the Liberal Democratic Party (LDP) considerably.

At the end of the twentieth century, the United States is being led for the first time by members of a postwar generation. In Japan, the instability caused by party realignments and the new electoral system has led to a departure from the postwar pattern of LDP domination. The two societies are increasingly fragmented, which tends to give rise to inconsistent and uncoordinated actions. A changing of the guard is also taking place in China, from the Long-March generation to younger technocrats. Russia, too, faces uncertain prospects for its leadership transition. More challenging days are ahead for the incumbent president, a populist-authoritative democrat who has so far bridged the Soviet communist empire and a new and different Russia. Despite different reform routes chosen by their political leaders, both China and Russia face growing demands from an emergent citizenry for economic well-being and political liberalization. In both cases, orchestrating an orderly transition from classic communist politics and economies to something different is fraught with difficulty and the risk of mismanagement.

### **Major Powers, Major Problems**

At the geopolitical and geostrategic level, the current situation in East Asia points to a growing division between maritime powers (Japan and the United States) and their continental counterparts (China and Russia). The division distinguishes more advanced from relatively backward powers and established from emerging ones. It also accords with traditional alliances (communist versus free-world) during the Cold War; the reaffirmation of the U.S.-Japan Security Treaty in April 1996 and the Sino-Russia Joint Communiqué in April 1997<sup>7</sup> brought a sense of déjà vu. Moreover, although neither Russia nor China intends to renew a 1950s-style alliance at the expense of their respective relations with the United States and Japan, nonetheless both are being driven in that direction in the rather chilly and unsettling post-Cold War Asia-Pacific climate.

Given these economic, political, and strategic features of the region, what are the implications of these developments for relations among the major powers? To what extent are the relative tranquillity and prosperity of the region sustainable in the foreseeable future?

Historically, peace is another side of war: frequently states win the war but lose the peace; and if they lose the peace, war ensues. The twentieth century has brought social revolution and war, localized or global, to the major Asia-Pacific powers. Is the current "cold peace," as Russian President Yeltsin recently phrased it, an interlude between the Cold War and another major conflict? Can we escape that cycle?

In the Asia-Pacific region today, the four major powers represent a wide range of configurations—Western and Asian; old and young; rising and declining; challengers and incumbents; communist and democratic; politico-military and economic-commercial; incomplete and complete; assertive and evasive.

***The United States:*** The United States remains dominant and the only superpower. Nonetheless, its leadership role is increasingly being questioned. American presence and intervention are acceptable to Asian countries only because alternatives are either worse or absent. Many Asian countries perceive the United States as being in a process of relative decline, domestically and internationally. Many question whether it possesses moral authority, even if they do not challenge American political influence and military power.

As the sole superpower today, the United States enjoys unique benefits and carries special burdens. Its rise during the twentieth century has been an experience of confrontation and war against other major powers in the Asia-Pacific region. Some Americans wonder what is next. Does the United States have an enemy, potential or real? Does it need one?

Many in the United States believe China to be a real or potential threat.<sup>8</sup> If this opinion gains currency, it will be one of the great ironies of this century: China's engagement with the world would reach its most benign and mutually beneficial level in one hundred fifty years at a time when the "China threat" school of thought holds sway in the United States. The real challenge for America, however, is perhaps more psychological and conceptual—that is, how to deal with a major power whose rise is not necessarily guided by Washington, unlike the post-World War II rise of Japan and Germany.

In any event, the United States is the most important factor for China's future. Not only does it hold the trump card for China's modernization, it is also the only country with the capability to jeopardize China's fundamental interests. In this regard, the United States is also seen as a power with enormous sway to persuade other countries in the region, particularly Japan, to embark upon a path to contain China's rise in the next century. Until recently, the U.S.-Japan Security Treaty constituted a "security dilemma" for China; that is, U.S. military presence in Japan was seen as a necessary, though not desirable, "cap" on Japanese military power. This perception, however, started to change from early 1996 when Clinton and Hashimoto signed the Joint Declaration regarding the Security Treaty. From China's perspective, the Joint Declaration gives Japan a broader, more active, and more flexible role in defining and meeting any perceived threats to its security from Asia-Pacific, including the Taiwan Strait and South China Sea. In other words, the new interpretation of the treaty is seen as accelerating, not restraining, the eventual rise of Japan as a military power in the region, something very alarming in the medium-term future.<sup>9</sup>

Despite its reasonably successful efforts to stabilize Sino-U.S. relations, Beijing continues to be bothered by instability and unpredictability in its dealings with the West in general and with Washington in particular. This situation constitutes a major change in Sino-American relations. The feeling of novelty in the 1970s and the sense of partnership in the 1980s have been replaced by skepticism and even animosity in the 1990s. Although the overall structure of the bilateral relationship remains and has even expanded to new areas from time to time,<sup>10</sup> trust, which is essential for keeping a stable relationship, is being steadily eroded to the point where relatively minor issues can be easily blown out of proportion. Compromise and mutual accommodation are still attainable, but only after hard bargaining and with considerable use by both sides of punitive measures instead of positive rewards. It remains to be seen whether the much anticipated Clinton-Jiang summit meetings in 1997-1998 can substantially reverse the trend toward negativism in the bilateral relationship. Such meetings, however, have already been overshadowed by allegations of foreign (and notably Chinese) donations to the last U.S. election campaign. Although these allegations have yet to be substantiated, Sino-U.S. relations have become hostage to the evolving "donagate" issue.

United States foreign policy makers are afraid of doing anything normal with the Communist, what some are even calling a “fascist”<sup>11</sup> regime in Beijing—a situation similar if not identical to McCarthyism in the 1950s.

**Russia:** Russia has disappeared, at least temporarily, from the scene. The domestic disarray of the Russian state has cost it its status of superpower vis-à-vis the United States for the rest of this century and perhaps permanently. In geopolitical terms, in losing much of the European part of the former Soviet Union and facing determined NATO expansion, Russia is forced to become more Asian. However, it faces tough competition in Asia, where Japan dominates in trade and investment. Perhaps the hardest thing for many Russians to accept is the rise of China. Indeed, for the first time in four centuries, China is surpassing Russia in the rate of economic growth. The bitter past of the bilateral relationship and Russia’s preoccupation with domestic problems have so far prevented it from overreacting to the rise of China. It is unclear to what extent the new Russian elite will be able to get used to a powerful Chinese state in the Asia-Pacific region.

From China’s perspective, contrary to its troubled relations with the United States, relations with Russia have advanced considerably within a relatively short period of time, precisely when the two continental powers are separated by an ever growing ideological divide. Part of the reason for this is the troubled past that cost the two countries so much. As a result, a more realistic mutual perception now prevails in both Beijing and Moscow. Many in China believe that a country with several thousands of miles of common border cannot be ignored. Despite its recent problems, Russia remains a huge, powerful, and proud country. Its recovery is a matter of time.

Some in China believe that Russia’s current predicament provides an unusual window of opportunity, in that foreign capital and technology will continue to flow into a communist, less developed yet more stable China, rather than to a democratic, more developed but less predictable Russia. Yet Beijing is also concerned that Russia’s continual domestic problems will pave the way for a more extremist government. It is therefore in China’s ultimate interest to prevent such a situation from developing in Russia. A stable and more self-contented Russia is desirable for Beijing. In the longer run, Russia’s economic recovery will also facilitate China’s economic interaction with its vast northern neighbor. It is vital for China’s future development to have Russia as a potential market for its consumer goods, a supplier of natural resources, a provider of medium-level technology and, possibly, a counterweight to Western dominance of world politics.

Based upon these perceptions of Russia, the two continental states have achieved a remarkable stability and continuity in their relations despite the fluid nature of their respective domestic politics. Beijing and Moscow have become more pragmatic in managing and developing their relations across a broad range of issues, such as high-level exchanges, border negotiations, economic exchanges, and military sales. This is in sharp contrast to both countries’ fluctuating and troubled relations with Washington and Japan respectively.

**China:** The twentieth century began in East Asia with the decline and collapse of the traditional Chinese system, and it is ending with China’s ascendance. If the current rate of growth continues for another ten or twenty years, China will transform itself from a low- to a medium-income country, and its comprehensive power will constitute a major pole in the world economic and political systems.

The climb will not be easy, however, either for China itself or the rest of the world. Even with optimal political stability and sustained economic growth rates, the country’s

economic modernization will be difficult, largely because of diminishing resources and space in an already highly interdependent and increasingly crowded world. China has a much deeper and more extensive integration with the outside world than did the other major powers during the early stage of their modernization. Such an integration will generate both conformity to and conflict with established norms.

The rise of China will also have powerful implications for economic, geopolitical, and cultural issues in the Asia-Pacific region. China's ascendancy first and foremost provides an alternative politico-cultural paradigm to the prevailing Eurocentric liberalism. Unlike Japan, which chose to Westernize from the very beginning of its modernization, China clearly prefers a modernization-but-not-Westernization approach.

Ironically, China's moral principles are being strongly contested by the West. For almost a century after the traditional culture was abandoned by Confucian scholars themselves, Sun Yat-sen's Three People's Principles, Chiang Kai-shek's statism, and Mao's communism served as alternative guiding ideologies in China. After Mao's egalitarian communism was reduced to bankruptcy through repeated politicization of the population for either political or economic reasons, Deng's reforms have exposed the country to Western liberalism and commercialism. As a result, at least in appearance, China has become penetrated in terms of the proliferation of things Western.

There is now an uneasy coexistence among three largely incompatible and even conflicting ideological paradigms in China: a revival of traditional Confucianism, the legacies of socialism, and Western liberalism-commercialism. Although the authorities appear to prefer a modified Confucianist ideology through a nationalist vehicle, it is unclear at this point whether such a neo-Confucianist belief system will prevail, particularly when the Western challenge to China's political system is viewed as unchanging and long-term. China's modernization will be incomplete, even dangerous, without a new set of moral principles formulated by the intellectual and political elites and accepted by the majority of the people.

The rise of China is being accompanied by the emergence of nationalism.<sup>12</sup> Like earlier versions, the current wave of Chinese nationalism has been caused and accelerated largely by Western impact. It was the Western challenge and threat to the traditional Chinese system in the nineteenth century that transformed China from a cultural symbol into a political-territorial entity.<sup>13</sup> Later, a strong sense of betrayal by the West was behind the May Fourth Movement of 1919, when a majority of pro-Western Chinese intellectuals switched to Marxism and Bolshevism. The May Fourth Movement unfolded after the European powers decided to transfer Shandong Province from Germany to Japan, instead of returning it to China, their ally during World War I.<sup>14</sup> Two years later, the Chinese Communist party was founded.

Contemporary Chinese nationalism is less intensive and extremist than its predecessors, and it is still possible for China and other influential powers to shape and channel this emerging sentiment to a constructive end. But the historical irony is that even though China sided with the winning powers during both world wars, the country subsequently embarked upon a radically different path after tremendous disappointment and frustration with the postwar arrangements. Again during the Cold War, China became a de facto ally of the West. But China in the post-Cold War years finds itself treated by some in the West, particularly the United States, as something other than a normal power.

Geopolitically, China's modernization will be greeted with considerable suspicion, apprehension, and even countermeasures from other powers. Part of the problem derives

from neighbors' deep-seated perceptions of China's economic might, military potential, and political influence. Indeed, the physical location of China creates complex relationships with its neighbors, many of whom have had territorial disputes with China dating back to ancient times. The sheer size of China's population, territory, and armed forces (no matter how outdated) remains a major concern for neighboring states, regardless of the nature of China's domestic system.

It is also true that China pursues an independent foreign policy, maintains the largest ground force in the world, and possesses its own independent nuclear force which is being modernized at a steady pace. This geopolitical reality is compounded by China's historical legacy as an imperial "Central Kingdom" and by the multitude of overseas Chinese in many Asian countries. Under these circumstances, even well-intended policies or purely defensive actions by China will be cause for concern to others.

**Japan:** As the twentieth century comes to an end, Japan has risen again to dominate the region—this time, economically. Despite its recent slowdown, Japan remains the economic powerhouse for the region and the world. Early in 1995, when the exchange rate dropped below eighty yen to the dollar, Japan actually became, briefly, the largest economic entity in the world in U.S. dollar terms. Although that situation was chimerical, Japan has nevertheless come a long way since the end of World War II, when its economy was only a fraction of that of the United States.

With its enormous economic power, even 1 percent of GNP provides Japan with the world's second largest military spending in U.S. dollar terms.<sup>15</sup> It certainly surpasses the military spending of every NATO power, with the exception of the United States. Japanese naval and air forces are already the best equipped among Asian countries. And in some dual technologies, such as composite material and electronics, Japan is ahead of the United States.

Japanese military potential, however, does not mean an aggressive foreign policy. What matters at this point is a growing gap between Japan and the rest of Asia regarding the interpretation of history. The legacies of the past have resurfaced each time Japanese authorities are criticized by other Asian countries, including China, regarding issues such as textbook revisions, compensation for war damages, and periodic denials by Japanese officials about war crimes. Yet the more that Asian countries demand a Japanese apology and compensation for victims of the Japanese war effort, the more revisionist the Japanese political elite becomes toward the past.

Many had expected that the fiftieth anniversary of the end of World War II in 1995 would be an appropriate healing time between Japan and the rest of Asia, if Japan would truly "reflect," not just in a nominal or revisionist way, on its past aggression. When China conducted a series of large-scale activities that year to commemorate the fiftieth anniversary of the end of the Japanese occupation of China, Japan's attitude seemed to grow even more ambiguous and revisionist. This transpired just as leaders of both nations were visiting each other's capitals and pledging not to let another war occur between them.

As the anniversary year closed, the gap of misperceptions and mistrust between Japan and the rest of Asia widened further. When Tomiichi Murayama, the first Socialist prime minister in Japan, said in October 1995 that the 1910 Japan-Korea treaty of annexation was "legal,"<sup>16</sup> many in Asia believed that Japan had essentially said no to Asian countries regarding the historical verdict. Yet fifty years is too short for the rest of Asia to forget, even if they can forgive, what the Japanese occupation inflicted upon them during the first half of the twentieth century. This is perhaps true for all those involved in World War II:

Hiroshima for Japan, Auschwitz for the Jews, the Rape of Nanjing for the Chinese, Stalingrad for the Russians, and Pearl Harbor for the Americans. Nonetheless, when Buddhist monks from Japan led an ecumenical march in 1995 from Auschwitz in Poland to Hiroshima in Japan, one sensed how history can be falsified or denied in Japan.<sup>17</sup>

Part of the current Japanese ambiguity and revisionist attitude toward World War II was caused by the U.S. policy toward Japan. From the beginning, General Douglas MacArthur decided to protect the emperor for the sake of facilitating public order.<sup>18</sup> The continuation of the Japanese imperial symbol deprived the nation of a convenient scapegoat like Hitler and Nazism in Germany. By 1947 when the Cold War started to unfold in Europe, MacArthur also reversed his policy from supporting left-wing, antiwar forces in Japan to restoring the old, pre-Occupation bureaucratic establishment, in contrast to the systematic and consistent pursuit and prosecution of Nazi German war criminals in Europe since the end of the war.

American occupation and administration of Japan, therefore, was indirect at best, which was completely different from the direct administration and control of Germany in the early days.<sup>19</sup> The trial of Japanese war criminals was neither thorough nor complete.<sup>20</sup> All the officers and doctors of the notorious Unit 731—the Japanese biological warfare unit which operated on thousands of POWs without anesthesia and “field tested” plague bombs on Chinese cities—were granted immunity from war crimes prosecution in exchange for the data they had collected.<sup>21</sup> These lenient policies of the Occupation forces, and the remission of compensation from Japan later by the Chinese Nationalist and Communist governments in exchange for lasting peace with Japan, make many Japanese wonder whether Japan was really wrong in its conduct of the war.<sup>22</sup> In other words, if Japan was culpable, why was it not punished like Germany? But for the rest of Asia, the question is why the killing of Asians by Asians was tolerated while the persecution of the Jews was not.

While the gap between Japan’s and other nations’ perceptions of history widens, public opinion and political trends in Japan seem adrift in uncertainty. On the surface, there has been a dazzling realignment of political forces, but without substantive change. When the Social Democratic Party tossed to the winds its postwar principles—anti-America, anti-JSDF, and anti-revision of the constitution—in exchange for power, it signaled the end of the “1955 system” because of the disappearance of the political left. It also ensured that for the foreseeable future, political division in Japanese domestic and foreign policies as well as in the interpretation of history will be between the center-right and radical-nationalist right-wing groups.

To be sure, Japan today is far from a crisis, but the more predictable politics and sustained high economic growth of the postwar period are over. The Japanese people are indifferent to the “drifting” politics characterized by a lack of genuine distinctions between major parties.<sup>23</sup> They feel economically insecure and unhappy about the country’s “abnormal” international status. Everything points to the necessity of change, but few seem to know what to do or how to do it. Within the triangle of bureaucrats, big business, and political parties, the Tokugawa-style centralized power structure has stubbornly persisted through the centuries—as Japan turned inward and ignored the world, modernized through the Meiji reforms, and reached out during World War II— and remains to the present day. One might even question whether democracy, which originated in the West, has ever gained a real foothold in Japan.

In sharp contrast to the lack of meaningful change in domestic politics is Japan’s proactive behavior in the foreign policy area. In 1996, Japan entered serious disputes with South Korea, Taiwan, and China over claims to various islands, and these were seen by many countries in the region as a clear departure from its pacifist behavior since the end of

World War II. This is why many Asian countries, including China, were concerned about the 1995 Okinawa rape case, since psychologically it could have undone the American “cap” on the revival of Japanese military power and even its nuclearization.

***Sino-Japanese Relations:*** Current Sino-Japanese relations are perhaps more beneficial and less harmful to China than they have been at any other time in the last century. Yet China’s perception of Japan remains ambivalent. Many Chinese question whether Japan, which has extensive economic dependence on overseas markets and materials, can and should become a “normal” state without its peace constitution, and without U.S. military presence. But because Japan is an economic giant and vital to China’s modernization, Beijing has had to suppress anti-Japanese sentiments, which are being expressed more frequently in China’s emergent society.<sup>24</sup>

Ironically, the ability of the Beijing government to curtail such popular sentiments is clearly diminishing. In 1995, for the first time, Chinese officials themselves openly backed Chinese victims of Japanese aggression during World War II in their demands for compensation from Japan.<sup>25</sup> As an indirect response, Japan refused China’s request for special relief measures for yen-denominated loans, attached more strings to its official economic assistance to China, and began increasingly to express a willingness to upgrade relations with Taiwan.

China’s anxiety and uncertainty about Japan is also caused by asymmetrical trade relations between the two countries (bilateral trade was \$60.1 billion in 1996, making Japan the largest trading partner for China).<sup>26</sup> For years, Japanese manufactured goods have flooded China’s vast market, yet Japan is the most difficult market for Chinese low-end goods. Japan’s reluctance to transfer technology to China remains another thorny issue. Many believe that Japan wants to gain market share in China without upgrading China’s backward economy. As a result, until recently, it has been China’s consistent policy to divert its economic relations from Japan so that it will not become overly dependent.

In the longer term, China is deeply concerned with the rise of Japan as a political and ultimately a military power, given the history of Japanese militarism<sup>27</sup> and the possibility that the U.S. military presence in Japan will not last forever. If American forces withdraw, China believes that Japan’s current peace-oriented, non-nuclear foreign policy will have to adapt to the new reality, and that Japan will build up its own capabilities. Already, Japanese defense spending in U.S. dollar terms is at least four times as large as that of China,<sup>28</sup> and it has the best equipped navy and air force in Asia, with a capability that China will find hard to match in the foreseeable future.

The prospect of a more assertive Japan, therefore, is a bleak picture for many Chinese foreign policy makers. The possibility of a Pax Nipponica sparks perhaps even less enthusiasm than does Pax Americana. While the United States, no matter how hegemonic, appears to aspire only to leadership around the world, Japan is viewed as being obsessed with conquest of other countries, either by military or economic means. Despite its heavy-handed policies toward China, the United States has never inflicted any permanent damage to China’s sovereignty and territorial integrity, at least so far. Even its habitual quest for the higher moral ground in foreign policy has made U.S. “imperialism” more “naive” and “sentimental”<sup>29</sup> than the naked, brutal, and perhaps unrepentant Japanese variant. Such sentimentality, a kind of “imperialism with a heart,” constitutes, for better or worse, part of the love-hate relationship largely based upon mutual misperceptions.

By contrast, despite a century of Chinese efforts to be a student of Japan, despite a generation of politicians in both countries devoting themselves to preventing a repetition of the past, and despite overwhelming Japanese economic influence in China, Sino-Japanese relations are entirely devoid of sentimental illusions. At the dawn of a new century, Japan is rising again at China's periphery. But it will be more powerful economically and militarily; more influential in regional and global politics; less constrained either by Washington or by its own pro-peace constitution. And possibly it will forget, deliberately or not, what eventually led to the destruction of Hiroshima and Nagasaki during the twentieth century.<sup>30</sup>

## **Conclusion**

If this is a not unlikely trend in China's relations with Japan, East Asia is perhaps traveling back to the future. That is, relations between some large powers in East Asia at the end of the twentieth century will resemble, if not match, those at the end of the nineteenth, when a rising Japan challenged a much more backward, though slowly reforming, China.<sup>31</sup> Yet history never mechanically repeats or duplicates itself, but brings with it the lessons and memories of the past. What happened before, during, and after the last war that engulfed all four major powers in Asia-Pacific will be preserved and built into the future of their interrelationships. In this broader, structural, and holistic sense, the future of the major powers' relations in Asia-Pacific will unfold only as an extension of the economic, political, and security dynamics created and recreated in the past fifty years.



## Notes

1. See John L. Gaddis, *The Long Peace* (New York: Oxford University Press, 1987).
2. Between 1979 and 1995, China's GNP grew at an average annual rate of 9.9 percent and per capita income at 6.3 percent. *Renmin Ribao* [People's Daily, hereafter *RMRB*], December 3, 1996.
3. The figure is from Li Tieying, "China Toward the 21st Century and the World Economy," *RMRB*, November 15, 1996. The figure is somewhat misleading, because China's non-traded goods—such as grain, housing, and all services—tend to be underpriced by world standards, leading to an understatement of GNP. This leads to an overstatement of the trade ratio when the official exchange rate is used to convert domestic transactions and imports and exports are valued at world prices. Nevertheless, the figure is still meaningful, because it shows that international trade makes up a large share, and therefore world prices have a significant, even if indirect, impact. For details, see Barry Naughton, "The Foreign Policy Implications of China's Economic Development Strategy," in Thomas W. Robinson and David Shambaugh, eds., *Chinese Foreign Policy: Theory and Practice* (Oxford: Clarendon Press, 1994), 47-69.
4. The highest foreign trade ratio as a share of GNP for the United States and the former Soviet Union is about 10 percent, and 20 percent for Japan. See Liu Liquan, "Wuoguo Zhizaoye Mianlin de Kunjing he Chulu" [The Straits That China's Manufacturing Sector Is In and the Way Out], in *Zhanlue Yu Guanli* [Strategy and Management] 3 (1994), 64-69.
5. Between 1978 and 1996, China actualized \$158 billion in foreign direct investment (FDI), an amount second only to that of the United States. *Shijie Ribao* (World Journal) 6 (December 1996). Also see *RMRB*, August 13, 1996.
6. *New York Times* editorial, "The Taiwan Factor," April 14, 1997. But between 1995 and 1996 almost all major U.S. media urged the president to get tough with the Chinese by putting pressure on China, including inviting Mr. Lee to the United States.
7. The joint communiqué clearly opposes "hegemonism and big-power politics" as well as "Cold War mentality" and "alliance politics." See *RMRB*, April 24, 1997.
8. For a recent example, see Richard Bernstein and Ross H. Munro, "The Coming Conflict with China," *Foreign Affairs* (March/April 1997), 18-32; "The Editors" in *The New Republic* (March 10, 1997).
9. For recent Chinese views of the U.S.-Japan security treaty, see *RMRB*, March 11, 1997; *Jiefanjun Bao* [People's Liberation Army Daily, hereafter *JFJB*], April 24, 1997.
10. Despite tensions in official relations after 1989, non-governmental contacts between Chinese and Americans are far more extensive in the 1990s than in the 1980s. See Wang Jisi, "U.S. China Policy: Containment or Engagement?" *Beijing Review* (October 21-27, 1996), 6-9.

11. The term fascist is the most recent reference to China by some of the “China threat” school. See Bernstein and Munro (note 8), 9.

12. A cursory list of the China-says-NO literature includes: Luo Yi Ning Ge Er, *Disan Zhi Yanjing Kan Zhongguo* [Looking At China Through A Third Eye], trans. Wang Shan (Shan Xi Renmin Chubanshe [Shanxi People’s Publishing House], 1994); Song Qiang et al., *Zhongguo Keyi Shuo Bu: Lengzhan Huo Shidai de Zhengzhi Yu Qinggan Jueze* [China Can Say No: Political and Sentimental Choices During the Post–Cold War Era] (Zhonghua Gongshang Lianhe Chubanshe [Chinese Industrial and Business Union Publishers], 1996); Zhang Zhangzhang et al., *Zhongguo Haishi Keyi Shuo Bu: Guoji Guanxi Bianshu Yu Wuomen de Xianshi Yingdui* [China Still Can Say No: International Relations Factors and Our Realistic Response] (Zhonghua Gongshang Lianhe Chubanshe [Chinese Industrial and Business Union Publishers], 1996); Peng Qian et al., *Zhongguo Weishenmo Shuo Bu?* [Why Does China Say No?] (Beijing: Xinshijie Chubanshe [New World Publisher], 1996); Sun Geqin and Cui Hongjian, eds., *Ezhi Zhongguo: Shenhua Yu Xianshi* [Containing China: Myth and Reality] (Beijing: Yashi Publishing House, 1996); Xi Laiwang, *Ershiyi Shiji Zhongguo Zhanlue Da Cehua: Waijiao Molue* [China’s Grand Strategy into the Twenty-first Century: Strategic Calculus of China’s Diplomacy] (Beijing: Hongqi Chubanshe [Hongqi Publishing House], 1996); Chen Feng et al., *Zhongmei Jiaoliang Da Xiezheng* [True Stories of Sino-America Contention] (Zhongguo Renshi Chubanshe [China Human Resources Publisher], 1996); Guo Jishan, *Zouxiang Zuguo Tongyi de Zuji* [Steps Toward the Reunification of the Motherland] (Hongqi Chubanshe [Red Flag Publishing House], 1996); and *Mohua Zhongguo de Beihou* [Behind the Demonization of China], cited from *Shijie Ribao*, December 12, 1996.

13. Unlike the nineteenth and twentieth-century physical conquests by colonialism and imperialism, China’s traditional domination of its peripheries was mostly based on the recognition of Chinese cultural supremacy (Confucianism) and a tribute system by its neighbors. In return, those countries had the freedom to manage their internal, if not foreign, affairs. There was little, if any, sense of the Central Kingdom as a territorial and political entity by either Chinese or neighboring peoples.

14. The Chinese government sent some 140,000 laborers to the Western Front, digging trenches for the British and French troops. Very often these Chinese workers had to expose themselves to enemy fire before Allied troops moved into the finished defense works. See Wang Jiading, “Dier Ci Shijie Dazhan Qijian Fufa Hagong,” [Chinese Laborers Sent to France during World War I], in *Shijie Ribao*, May 31, 1996.

15. Actual Russian military spending could be much larger than its U.S. dollar conversion indicates, because of Russia’s hyperinflation in the past few years.

16. *New York Times*, October 12, 1995.

17. *The Honolulu Advertiser*, January 7, 1995.

18. MacArthur did make the emperor publicly renounce his divinity. It was, however, a move which was more meaningful for the Americans than for most Japanese.

19. General Eisenhower even fired General George Patton when he employed former German government officials to facilitate his administration in Bavaria, Germany.

20. Although the emperor took personal responsibility for everything Japan had done during and before the war, MacArthur refused to try him as a war criminal. Twenty-five “major war criminals” were convicted and seven were hanged. But most minor war criminals were only briefly imprisoned and released after 1947.

21. It was not until the end of 1996 that the U.S. Justice Department decided to bar sixteen of the veterans of Unit 731 from entering the United States, compared to its list of more than sixty thousand people linked to Nazi persecution in Europe. Associated Press, Washington, December 4 and 6, 1996.

22. In contrast, Germany has paid DM88 billion in compensation and reparations to Jewish Holocaust victims and will spend another DM20 billion by 2005. Japan has virtually paid nothing and continues to maintain an innocence that contrasts with Germany’s profound self-examination. See, “The Other Holocaust: Nanjing Massacre, Unit 731 & Unit 100,” <http://www.interlog.com/%7Eyuan/Japan.html>, 19 February 1996.

23. In the Tokyo and Osaka gubernatorial elections in April 1995, seasoned bureaucrats backed by nearly all political parties except the Communists were defeated, and two former entertainers with no party backing were chosen to govern the nation’s two largest municipal entities. Their victories clearly demonstrated that people were fed up with parties too quick to form and dissolve alliances without coherent principles.

24. The Chinese government effectively banned all anti-Japanese demonstrations during the 1996 Sino-Japanese dispute over the Diaoyu Islands.

25. *Japan Times*, May 5, 1995.

26. Trade with Japan was about 20.7 percent of China’s total foreign trade (\$289.9 billion) in 1996 and is far ahead of China’s other major trade partners (United States, \$42.8 billion; Hong Kong, \$40.7 billion; European Union, \$39.7 billion). See *Shijie Ribao*, January 11, 1997.

27. Japan is the only Asian country against which China has ever gone to a full-scale war, and China was defeated repeatedly in the course of one hundred years. Of the fourteen wars Japan waged between its 1868 Meiji Restoration and its defeat in World War II, ten targeted China. Its conquest of China’s northeastern provinces (Manchuria) from 1931 to 1945 was the longest occupation and colonization realized during World War II. This occurred eight years before the war’s official European commencement in 1939 when Hitler attacked Poland, and ten years before the United States joined the Pacific War following Japan’s attack of Pearl Harbor in 1941.

28. Recent Chinese press reports noted that Japanese military expenditures in 1995 were \$50.2 billion, the third largest in the world. See *Beijing Review* (November 11-17, 1995), 7-8.

29. James C. Thomson Jr., Peter W. Stanley, and John C. Perry, *Sentimental Imperialists: American Experience in East Asia* (New York: Harper & Row, 1981).

30. Today, some 80 percent of the Japanese do not know that Japan ever invaded another country. They know only that the atomic bomb exploded over Hiroshima and Japan lost the war. See “The Other Holocaust” (note 22).

31. The technology gap between China and Japan today is much bigger than at the end of the nineteenth century when China’s navy was equipped with slightly better warships (from the Europeans) than Japan’s. Yet the imperial Japanese navy simply overwhelmed its Chinese counterparts with better coordination and intelligence, sheer determination, and a fair amount of luck. China today has nuclear weapons, but only a fraction of those of the United States, an ally of Japan



## About the Author

Yu Bin is assistant professor of political science at Wittenberg University, Ohio. He earned his BA from the Beijing Institute of Foreign Studies (1977), MA from the Chinese Academy of Social Sciences (1982), and Ph.D. from Stanford University (1991). He was a visiting fellow at the East-West Center in Hawaii (1994–1995), a research fellow at the Center of International Studies in Beijing (1982–1985) and served in the People's Liberation Army (1968–1972). His research focuses on East Asian politics and foreign relations and he is currently completing his fourth book, titled *The Evolution of Chinese Foreign Policy: The Legacy of Deng Xiaoping and Beyond*.