



## **Sino-Japanese Territorial Dispute: Assessing its Impact on Bilateral Relationship**

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**Chair:** M V Rappai

**Date:** 7 September 2016

**Institute of Chinese Studies, Delhi**

The presentation was divided into two parts: the first part dwelled on the history of the Sino-Japanese territorial dispute, and the second part went into the details of Sino-Japanese relations from the perspective of political relations, economic integration, trilateralism (China, Japan and South Korea relations), and competition for gas in the East China Sea. Japan is currently involved in three territorial disputes: i) with China/Taiwan over Senkakus/Diaoyu; ii) Russia over Northern Territories/ Kurile; and iii) South Korea over Takeshima/Dokdo, although the dispute with Russia enjoys flexibility to some extent.

The Sino-Japan dispute over Senkakus owes itself to late 19<sup>th</sup> century developments when China's power was on a decline. It was after the Sino-Japanese war of 1894-1895 that Japan annexed Taiwan and the Senkaku islands from China. A report from the 1970s about the Senkakus being surrounded by vast resources instigated the two parties, Japan and China, to lay claim to sovereignty over the Senkakus.

The year 1978 witnessed a normalization in bilateral ties. Leadership of both the countries decided to leave the thorny territorial issue to the wisdom of coming generations. Meanwhile, in 2005, contemporary leaders of the two countries displayed their wisdom by agreeing to jointly explore the Senkaku resources.

Unfortunately, relations soured in the following year, and is seen as a turning point in Sino-Japanese relations. Japan's Defense White paper actually mentions about Chinese ships trespassing Japanese waters. Later, there were cases of Hong Kong based Chinese nationalists laying claim to the Senkakus. In 2010, there was a fishing trawler incident

following the arrest of a Chinese ship captain, which greatly threatened China-Japan relations.

In Japan, the voices supporting nationalization of the Senkakus has been growing which culminated in the eventual nationalization of the islands. 11 September 2012 is seen as marking the completion of the mission to nationalize the Senkakus. Correspondingly, the ties with China nosedived. Japan's nationalization of the Senkakus raised tremendous curiosity among Japanese academicians who wondered about Japan's departure from its previous practice of using water cannons against approaching Chinese ships? It was seen as a deliberate attempt to fan nationalism among the Japanese population. On the other hand, China's People's Liberation Army (PLA) held on to its position and started sending military vessels in a bid to strengthen its claim over the disputed territory.

Senkakus' nationalization adversely affected Japan-China relations in the economic sphere too. The economic interdependence between the two countries suffered a setback as total trade decreased by 11.8% to \$303.3 billion, a double-digit fall from 2012 to 2014. Previously, Japan and China held regular summit level dialogue. In the past, the leadership of both countries at least made efforts to meet on the sidelines of multilateral forums. In a summit level meeting in 2014, Japan and China agreed to 'prevent the deterioration of the situation through dialogue'. However, both sides failed to agree upon concrete steps for reducing tensions.

Relations also suffered at the level of p2p as Chinese tourists shied away from visiting Japan. According to the Japan National Tourism Organization 2013, the number of visitors to Japan from China plunged 33.1 percent from a year before to an estimated 71,000 in October, reflecting heightened tensions over the two nations' territorial row concerning the Senkaku islands in the East China Sea.

The trilateral summit level meeting between Japan, South Korea and China too suffered as it remained suspended. China-South Korea relations too were strained as the latter attempted to play a balancing role in bringing Japan and China closer. The row over the sovereignty of the Senkaku islands has not made any headway until date. China's demand for restoration of the status quo has not been accepted by Japan. In both domestic communities, an intensification of media war is visible. Japanese scholar Hatoyama has argued that the land does not belong to either party though he agrees that China is a party to dispute. It is also true that Japan has not consulted adjoining countries. In agreement with the views of Iwashita, the speaker, Shamshad Khan suggested that both sides should work towards a solution.

*Report prepared by LEE Lap Tak, Research Intern, Institute of Chinese Studies.*

### **About the Speaker**

Shamshad Ahmad Khan has a PhD degree in Japanese Studies from the School of International Studies, Jawaharlal Nehru University, New Delhi. He keenly follows developments in Japan and its relations with East Asian countries. He was a Mombukagakusho Fellow at Waseda University, Tokyo while he was pursuing his PhD. He has been associated with various institutes in Japan including the Slavic Research Centre, Hokkaido University (December 2010 to March 2011), the Institute for Developing Economies (November 2012 to February 2012) and the Japan Institute of International Affairs (November 2014 to January 2015) as a Visiting Research Fellow. He has also been associated with Indian think tanks such as the Institute of Defense Studies and Analyses and the Indian Council of World Affairs. He has recently completed a 10 month research project with Keio Research Institute, Keio University Shonan Fujisawa Campus as Senior Researcher. He was presented with the Nakasone Yasuhiro Award by Japan's former Prime Minister Nakasone Yasuhiro in 2011.

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