Thai Perceptions of China: The 1960s to the 2010s

Pattajit TANGSINMUNKONG

(During the Cold War,) My mom heard a rumor that I would be appointed as the Ambassador to China. One day, my mom called me and told me. "If the Ministry of Foreign Affairs dispatches you to China, I want you to resign...I hate communism, I hate China. In China, they killed old people and made fertilizers out of them.

Anand Panyarachun, (MFA Permanent Secretary during 1975-1977)

When China emerges because of her size, because of history, some other countries start talking about a China threat. But for Thais, because we are so close by blood, we are naturally more at ease in engaging with China. You would be surprised at how many western delegations came through that used the term "China threat" or "Chinese threat", and my response was always, "Well, what threat?" We didn't see China as a threat. We obviously saw her as a major power and therefore maybe having a lot of influence, but we didn't have this feeling that she would be a threat.

Abhisit Vejjajiva, (Former Prime Minister, interview on 2015 February 6)

In the context of Sino-Thai Relations, most people from both countries might have heard the saying, “the Chinese and the Thais are one family” (中泰一家親). Today leaders from China and Thailand often emphasize close ties between the two countries. Some scholars have also described Sino-Thai relations as "special relations".

In 2013, China surpassed Japan to become Thailand’s biggest trade partner. At this point, the two countries strengthened their exchanges in science, technology, education, culture, law, the military, and so on. Several agreements have been signed, and leaders of both countries frequently visit each other. Princess Sirindhorn has visited China at least 43 times since her first visit in 1981. In 2004, the title “Friendship Ambassador” was conferred to the princess by the Chinese People’s Association for Friendship with Foreign Countries (CPAFFC).

However, if we revisit the history of the relations between the two countries during the Cold War, the two countries were hostile for 25 years, before turning into unofficial strategic partners, and then friends.

This presentation considers the changes in Thai perceptions of China between the 1960s and the 2010s. At each stage, how did the Thai leaders, the public opinion, and media portray China? I also attempted to investigate how each perception was formed. In particular, I focus on how the changing international situation and domestic affairs affected the government and public opinion and what kind of logic was used by the government to explain to people when it attempted to change its policy.

The changes are categorized into four periods based on the changes that occurred in the countries' relations: confrontation (1949–1968), adjustment (1968-1978), honeymoon (1978-1989), and friendship (1989-2018).


After the People’s Republic of China (PRC) was established in 1949, Thai military and civilian leaders began to view China as a national threat. Chulacheep (2009) identified three reasons. First, Chinese communist ideology was incompatible with the Thai ideology of “Nationhood, Buddhism and Monarchy”. Second, China was perceived as an expansionist because it supported North Korea in the Korean War and the Viet Minh in Vietnam. Third, the establishment of Xishuangbanna Dai Autonomous Region in January 1953 was perceived as the Chinese effort to set up an alternative Thai government.

Under Phibulsongkram’s (1948-1957) and Sarit’s (1959-1963) military administration, Thailand joined the so-called “free world” and enacted a pro-American and anti-communist policy. Thailand participated in the Korean War and Vietnam War as a U.S. ally in 1950 and 1965, respectively. The Anti-Communist Act was passed in 1952. It joined Southeast Asia Treaty Organization (SEATO) in 1954. In 1959 Sarit passed Revolutionary Decree No. 53, which prohibited trade with the PRC. In 1962, a bilateral communiqué that solidified Thailand’s role as a crucial U.S. ally was signed between the U.S. Secretary of State Dean Rusk and Thai Foreign Minister (FM) Thanat Khoman.

In 1963, Thanom succeeded Sarit as the prime minister (PM) and inherited his anti-communism policy. The Thai-US Special Logistics Agreement (SLAT) was signed the same year. The agreement allowed the U.S. to develop Thailand’s transportation system, a deep-water port as a supply base for the air base in the northeast, and to establish communications and intelligence facilities in eastern Thailand. In 1964, the Gulf of Tonkin incident occurred. The incident

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allowed the U.S. to engage more actively in the Vietnam War. Thailand formally joined Vietnam War as a U.S. ally and allowed the U.S. to construct seven Special Air Warfare Units (USAF) in its territory. The number of U.S. soldiers increased from 4,000 in 1964 to 45,000 in 1968. It was said that about 80% of the USAF air strikes over North Vietnam originated from air bases in Thailand.

In order to convince Thai people of the legitimacy of anti-communist policy and its engagement in Vietnam war, the Thai government adopted the idea of “domino theory” and “forward defense” doctrine. In other words, “if one country in a region came under the influence of communism, then the surrounding countries would follow in a domino effect. Thus, we will have to go out of our home and fight before the falling domino reaches our beloved country”. To make this theory even more convincing, Communist China and North Vietnam, as Thailand’s major enemies, were depicted as devils awaiting to devour Thailand anytime. The hostility against communist states reached such an extent that when the government recruited voluntary soldiers to fight the war with the South Vietnamese army in 1967, many Buddhist monks also applied.

However, the Thai engagement in the Vietnam war triggered hostility in Beijing. Before 1964, Thailand was viewed as a “victim of U.S. aggression” or as being “used” as the “bridgehead” for the U.S.’s expansion in Southeast Asia. However, from 1964 onward, China labeled Thailand as “the U.S.’s accomplice.” China started to support Thai communist forces openly. Several Beijing-backed communist organizations were established in China, such as the Thailand Independent Movement (1964), Thailand Patriotic Front (1965), and the Thailand Patriotic Youth Organization (1966). These organizations called for overthrowing of Thanom’s “fascist” government, the expulsion of foreign troops, and ending the interference in neighboring countries’ internal affairs. From 1964 to 1967, the People’s Daily called the Thanom administration a “Fascistic dictator government” and labeled Thailand as a “New colony of American imperialism.”

The rebellion against the Thai government spread widely in the peasant society. On August 7, 1965, Thailand’s first physical confrontation between communist fighters and Thai security forces occurred in Nabua village, Nakhon Phanom. In December of the same year, the Communist Suppression Operations Command was established to coordinate and command nationwide counter-insurgency operations. The number of clashes between guerrillas and government forces rose from 232 in 1967 to 670 in 1972.

Summarizing, during this period, “the vicious circle of hatred” was formed. Because Thai leaders perceived communism as a threat, they allowed the construction of a U.S. military base in Thailand. The U.S. military base in Thailand was then perceived as hostile to communist states such as China. China then supported communist activities in Thailand to overthrow the latter’s government. This in turn triggered Thailand’s hostility, causing the Thai government to strengthen its efforts to suppress communist guerrillas. Ultimately, it led to armed conflicts in which the lives of many civilians and soldiers were sacrificed.

(2) ADJUSTMENT (1968–1978): China as a “Converted Criminal”

Domestic and international politics experienced a pivotal change in 1968. Domestically, the Thai government drafted a new constitution, and Thailand was transformed into a democratic state. Restriction on freedom of speech was lifted, along with the rise of student movement. Internationally, the anti-war movements began in 1965 in the U.S., and the sentiments mounted in 1968 after the Tet offensive. On March 31 of the same year, President Johnson made a speech that the U.S. would stop bombarding North Vietnam, which marked a shift in the U.S.’s Vietnam policy. In 1969, Nixon became the president. The Nixon Doctrine (1969), Ping-Pong Diplomacy (1971), and Kissinger’s secret trip to Beijing in 1971 shocked the world, including Thailand.

The speech by President Johnson on March 31 caused panic among Thai leaders. On the next day, an emergency cabinet meeting was held, and the Thai government expressed opposition to the U.S. for the sudden shift in Vietnam policy. The sudden change stirred up feelings of distrust of U.S. among some Thai elites, especially FM Thanat. Such a sudden change in the U.S. policy made him feel that it was dangerous to leave Thailand’s destiny to other countries, and he started to assert that Thailand need to rely on itself. Upon thinking that relying on world powers was no longer effective, Thanat felt the need to strengthen ASEAN and reach out to China. He toned down his criticism of China, and his signals for rapprochement with China became increasingly clearer. In 1969, Thanat established a working group, probing the possibility of establishing relations with China. In May 1971, Thanat expressed an interest in initiating contact and negotiation with China through a third country. On May 14, he called China the “People’s Republic of China” for the first time.
However, this move by Thanat was not approved by all the parties. Regarding China, Thai leaders were divided into two groups: one supported the establishment of diplomatic ties with China, and the other opposed them. The former group mainly consisted of Thanat and some members from the House of Representatives. The latter group consisted of PM Thanom, deputy PM Prapas, Deputy PM Pot, Commerce Minister Bunchana, and Deputy FM Sagna. Regarding Thanat’s approach toward China, PM Thanom refused publicly that the cabinet had ever given FM Thanat the right to negotiate with China. In July, 10 members from the former group sent a letter to PM expressing their will to visit China. In August, 60 members asked the PM to lift the ban on the trade with China. However, all the requests were rejected, and “Go slow, wait and see” became the slogan for the PM’s China policy.

When China successfully joined the United Nations in November 1971, the arguments about China policy grew into an issue that shook Thailand’s domestic politics. On November 17, 1971, PM Thanom cited the need to suppress communist infiltration and staged a coup against his own government. Following this Coup, Thanat was dismissed.

After the coup, Thanom felt the need to adjust his policy according to the change in national politics. Criticism against Beijing in governmental publications was replaced by content that introduced the progress of PRC. A series of informal, semiformal exchanges between Thailand and China were initiated. In September 1972, Thailand’s Ping Pong delegations participated in the Asian Table Tennis Union Championship. In October, the Thai commercial mission was invited to the 12th Canton Trade Fair. In January 1973, instructions were provided to the Thai ambassador in Washington, Islamabad, Vienna etc. to increase the contact with Chinese representatives.

During this period, China’s image was recreated. In a press conference on October 29, 1971, Thanom claimed, “Communism and Red China are different. Red China is not enemy of Thailand, only communism is.” The image of China had transformed, as Puangthong (2006) put it, from a “cruel criminal” to a “converted criminal.” In brief, the image was one of China as having improved its behavior, which the generous Thailand could accept. China was perceived a having changed its behavior, and not as Thailand as having changed its policy. However, the communist force did not stop its infiltration. In 1972, the Thanom government spent a lot of effort sweeping up communist guerrillas. Therefore, communism continued to be the biggest enemy of the Thai government.

Thanom’s military regime was overthrown by the student uprising that occurred during the October 14, 1973, incident. After the incident, under an atmosphere of freedom, Chinese politics and ideology were studied and discussed openly. Thailand entered a “Chinese boom” period. On the top level, the new government continued working on improving the relations between Thailand and China. The 1973 oil crisis compelled Thailand to look toward China for an alternative oil source. China agreed to sell 50,000 tons of diesel fuel to Thailand at “friendship” price. This move of China significantly improved the Chinese image among the Thai public.

In 1974, Revolutionary Decree No. 53, which banned trade with PRC was finally abolished. In 1975, more exchanges were made. The process of establishing diplomatic ties was sped up by the fall of Phnom Penh (April 17) and the fall of Saigon (April 30). After the two events, Thai leaders expressed distrust toward U.S. support and felt the need to establish diplomatic relations with China for security reasons. Apart from the change in regional politics, the establishment of diplomatic relations between Thailand and China could also benefit Thailand’s internal security and economy. Regarding internal security, as Chinese leaders always emphasized the principle of separation between state-to-state and party-to-party relations, Thai leaders believed that the formal government-to-government relations would balance party-to-party relations and lead to the reduction of its support to the Communist Party of Thailand. For economic benefit, Thailand expected that the diplomatic ties would be the door to the Chinese market for exporting agricultural products and importing oil and machine. The joint communiqué between the two countries was finally signed by PM Kukrit and Zhou Enlai on July 1, 1975.

(3) HONEYMOON (1978–1989): China as an “Informal Strategic Partner”

Vietnam’s invasion of Cambodia in 1978 was an important turning point in Sino-Thai relations. In January 1979, the Beijing-backed Pol Pot regime of the Khmer Rouge was expelled from Cambodia and replaced by the Hanoi-backed Heng Samrin. In the beginning, the Thai PM Kriangsak Chamanan adopted a neutral position. On January 12, 1979, together with the ASEAN FMs, he issued a statement calling for the maintenance of a neutral policy, resolution by peaceful means, and withdrawal of Vietnam troops from Cambodia. In the meantime, he was quite positive about the situation. He reiterated that Vietnam and Thailand had no intention to invade each other and that Thai people should stay calm. On the contrary, China viewed Vietnam’s invasion as “an important tool to annex Cambodia and establish ‘Indochina Federation’” and “an action to serve the expansion of the Soviet Union into Asia and the Far East.” On January 14, 1979, CCP Politburo member Geng Biao, Vice FM Han Nianlong, and several senior members of the People’s Liberation Army General Staff had a meeting with PM Kriangsak. During that meeting, Kriangsak agreed to allow the use of Thai territory to supply the Khmer Rouge, to provide transport and transit facilities for Cambodian personnel and material, and to help Khmer Rouge leaders make foreign trips via Thailand.

In exchange, General Kriangsak asked China to cease their support for the Communist
Party of Thailand and close its propaganda radio “The Voice of Thai People” (As a result, the material supports were reduced, and the radio was closed down on July 17, 1979).

On February 17, 1979, PRC troops attacked Vietnam which marked the start of the Sino-Vietnamese War. On February 20, the five ASEAN countries, including Thailand, issued a statement of neutrality and called for the related countries to resolve the issue by peaceful means.

In March 1980, Prem Tinsulanonda became the Thai PM, and he changed the approach to the Indochina problem. According to Prem, the Cambodian issue was no longer an inter-state issue, but a power struggle between superpowers that affected the stability of Southeast Asia. Thailand therefore aligned with ASEAN, China, and three Cambodian anti-government factions to fight with the Heng Samrin government, Vietnam, and the Soviet. Vietnam criticized Thailand for its lack of neutrality and invaded Thai territory at Non Mak Mun in June 1980. This act of Vietnam caused panic among Thai people at all levels, and united Thai people in a way. Needless to say, this enhanced the Thai perception of the Vietnamese as threat to national security. This move of Vietnam brought about a convergence of security interests between Thailand and China.

From 1978 onward, the Thai-Chinese strategic cooperation covered many areas. During 1978-1986, the Thai and Chinese governments signed the trade agreement (1978), Science and Technology Cooperation Agreement (1978), Airline Agreement (1979), Shipping Agreement (1979), and Economic Agreement (1985). The Thai-China Trade Investment Promotion Association was established in 1986. Visits between high-ranking officials of the two countries were increasing significantly in the 1980s. Arms transfer and arms sales was conducted at a “friendship” price. China strongly rebuked Vietnam and many Chinese leaders vowed to support Thailand if its security were ever to be threatened. The most famous quote was by Head of PLA General Staff Department Yang Dezhi during his visit to Thailand in 1983. He said: “If Vietnam dared to make an armed incursion into Thailand, the Chinese army will not stand idle. We will give support to the Thai people to defend their country.”

In brief, the relationship between Thailand and China had transformed from one of enmity to so-called “informal strategic partners.” However, the relationship between the two countries moved into the next phase when Vietnam withdrew its troops from Cambodia in 1989.

(4) FRIENDSHIP (1989–2018): “Consideration” as Key

The end of the Vietnam-Cambodia conflict also marked the end of China’s role as an “informal strategic partner.” However, during the post-Cold War period, Thai-Chinese relations continued to be friendly and close. From 1990s, the cooperation between the two countries expanded to cover more areas. The bilateral trade between Thailand and China tripled in 10 years from 3.8 billion U.S. dollars in 1996 to 20.3 billion U.S. dollars in 2005.

According to the Pew Research Center in 2014, only 17% of the Thais have a negative view of China, while 72% have a positive one.

Here, I would like to propose that, because Thai leaders realized that “China mainly wanted to be recognized and respected as a major power,” they attempted to maintain the relationship by having so-called “consideration” toward China and avoiding conflict with it. This can be observed in several events. The following are examples.

While the Vietnam-Cambodia conflict was about to be resolved in 1989, in China, the Tiananmen Square Incident occurred on June 4. The Chinese government received severe criticism from the international community, and the aid from some countries was frozen. However, most Thai leaders refrained from expressing any opinion about the incident and treated the issue as “China’s internal affairs.”

At the beginning of the 1990s, China began to emerge as a regional power and turned its attention to neighborhood diplomacy, but the South China Sea issue complicated China’s relationship with ASEAN. In many ASEAN countries, the sense of a threat from China was strengthening. Regarding the South China Sea issue, Thailand realized that although it was a member of ASEAN, it could not put good relations with China at stake. According to the “Informal Summary of Proceeding at the Thai-Chinese Economic Forum” in March 1995, Thailand’s stance can be summed up as an “innocent bystander.”

Furthermore, Thai leaders’ “consideration” toward China can be seen during Lee Teng-hui’s informal visit for private vacation in 1994. This visit is a part of the so-called “vacation diplomacy” to promote Taiwan’s international acceptance. For Taiwan, vacation diplomacy is a way of engaging in informal relationships with governments that have no intention of breaking their ties with Beijing.

During his ASEAN visit in 1994, Lee was welcomed by President Suharto when he visited Indonesia, PM Goh Chok Tong and former PM Lee Kuan Yew when visiting Singapore, and PM Mahathir Mohamad when visiting Malaysia. However, when Lee visited Thailand, PM Chuan refrained from meeting Lee but sent Deputy PM Amnuay Viravan for the mission instead. Chuan considered this action as “political manners.” This was because Thailand has no diplomatic ties with Taiwan, and the Chinese embassy in Thailand had express disagreement with Lee’s visit before. Therefore, as Thailand has a trade

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19 The three factions are 1) National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia (FUNCINPEC), led by Prince Norodom Sihamouk; 2) the Khmer People’s Liberation Front (KPNLF), led by Son Sann; and 3) the Party of Democratic Kampuchea (PDK), also known as the Khmer Rouge, led by Pol Pot.
relationship with Taiwan, Deputy PM Amunay who was in charge of economics informally hosted President Lee at the Blue Canyon golf course in Phuket instead. In 1997, the Asian Financial Crisis hit Thailand. Thailand shifted from a dollar-pegged fixed currency policy to a floating exchange system, which resulted in the devaluation of the Baht. The Thai baht lost more than half of its value. In that year, Chinese leaders pledged that China would refrain from devaluing the Yuan and would lend Thailand 1 billion dollars under the IMF recovery scheme. Although China’s decision was supported by several strategic reasons, this move by China impressed the Thai elites and media. For example, China was praised as an “unselfish savior” in the English newspaper Nation dated June 24, 1998.

After 2000, Thailand was more committed to the One China Policy. The Thaksin government denied granting visa to Taiwanese MPs and Labor Ministers twice in 2002 and 2003. In 2003, Thailand hosted a conference to object to Taiwan’s attempt in staging a referendum for independence that 3000 overseas Chinese attended. In 2004, Lu Decheng, a Chinese pro-democracy activist was detained in Thailand. In the same year, the Thai government tried prevent Dalai Lama from entering Thailand. In 2001, the Falun Gong was forced to cancel a planned meeting in Bangkok and its members were barred from entering Thailand in 2003.

In 2013, China surpassed Japan to become Thailand’s biggest trade partner. In 2014, a military coup d’etat installed a military regime, and Thailand moved politically and ideologically closer to China. In July 2015, Thailand sent about 100 ethnic Uyghur migrants back to China. Because of this, Thailand was condemned by the international society, especially human rights advocacy groups who blamed that they would treat these Uyghurs as “expendable pawns to be sacrificed to big brother China in clear violation of international rights standards.” However, Thai officials claimed that they had acted according to relevant international conventions and bilateral cooperation treaties on combating illegal smuggling and immigration.

During 2013-2017, the “zero dollar tours” and ill-mannered Chinese tourists caused negative emotions toward China, but overall national relations between the two countries were not seriously influenced.

(5) CONCLUSION

Summarizing, Sino-Thai relations have gone through four periods: confrontation, adjustment, honeymoon, and friendship. In these four periods, China was perceived as a “devil,” a “converted criminal,” an informal strategic partner, and friend respectively. The formation of perception can be seen in two directions: top-down direction, and outward-in direction. The top-down direction can be seen when the Thai government tried to depict China as the devil during the first period, when it attempted to re-create China’s image in the second period, or when it attempted to maintain good relations with China by not raising criticisms in the fourth period. The perception change in the outward-in direction can be seen when there was a substantial change in international politics. For example, Thanat changed his attitude toward China when the U.S. changed its Vietnam policy, Thanom changed his China policy when China entered the United Nations, and Prem and the public viewed China as strategic partner when the Vietnam-Cambodia conflict occurred. Additionally, it is difficult to reject that in most cases, consideration for national interest was prioritized, and international politics have a powerful momentum effect on domestic politics. This includes the change in Sino-Thai relations and also its perception of China.


Thai Perceptions of China
—The 1960s and the 2010s—

Pattajit TANGSINMUNKONG (Jay)
Waseda University
May 31, 2019
@ Beijing University
This presentation tries to answer these questions...

① How Thai perceptions of China were changed between the 1960s and the 2010s?
② Changing Process: What are the factors causing the change?
③ How can some aspect of Thai perception of China be relatable to perceptions between Sino-Japanese Relations in the present?
What are Perceptions?
“Special Relations” between Thailand and China

- “the Chinese and the Thais are one family” （中泰一家親）
- The two countries strengthened their exchanges in science, technology, education, culture, law, the military, and so on.
- Princess Sirindhorn has visited China at least 43 times since her first visit in 1981.
- In 2004, the title “Friendship Ambassador” was conferred to the princess by CPAFFC（对外友好协会）
- In 2013, China surpassed Japan to become Thailand’s biggest trade partner.
- No large-scale anti-Chinese movement during post-war period
Thailand and China Threat Theory

According to the Pew Research Center in 2014, only 17% of the Thais have a negative view of China, while 72% have a positive one.

The majority of Thai leaders perceived the rise of China as an opportunity for economic cooperation. They believed that economic growth in China should be encouraged not only because it created valuable trade and investment opportunities but also because it kept China stable and facilitated its integration into the regional community and the world, giving China a stake in the international status quo.

Thai leaders also recognized that China is destined to be a major military power and could upset the regional balance of power. This did not mean that China would pose a threat or come into conflict with countries in Southeast Asia. The feeling instead was that China mainly wanted to be recognized and respected as a major power. Also, Thai policymakers saw China behaving as a status quo power that was playing a constructive role in Asia as well as in the world. Thus, Thai policymakers did not subscribe to the view that the rise of a great power like China would cause conflict within the international system.

Sino-Thai Relations from 1960s to 2010s
From 1960s to 2010s: 4 Periods, 4 Perceptions

Period 1
CONFRONTATION (1949〜1968)

Period 2
ADJUSTMENT (1968〜1978)

Period 3
HONEYMOON (1978〜1989)

Period 4
FRIENDSHIP (1989〜)
1945 WW2 ended
1948 Pibul as PM enacted a pro-American, anti-communist policy
1949 PRC was established the start of hostility
1950 Joined Korean War As U.S. Ally
- 1952 The Anti-Communist Act
- 1954 Joined Southeast Asia Treaty Organization (SEATO)
- 1962 Thanat-Rusk bilateral communiqué
1964 The Gulf of Tonkin incident U.S. engage more actively in the Vietnam War.
Thailand formally joined Vietnam War as a U.S. ally
- Construction of 7 U.S. Air bases in Thai territory,
- 45,000 U.S. Soldiers in Thailand in 1968
- 80% of the air strikes over North Vietnam originated from air bases in Thailand
To Legitimize Anti-Communist Policy

① “domino theory”
② “forward defense” doctrine.

“If one country in a region came under the influence of communism, then the surrounding countries would follow in a domino effect. Thus, we will have to go out of our home and fight before the falling domino reaches our beloved country”.

③ The U.S. as a “Life Savior”

The war in South Vietnam and Laos, and in the border of Thailand Laos and Cambodia has panicked us... The decision of the big nations, especially United States, to save small countries that became victims of aggression, is a very brave move and very important to the world situation... All of us are in debt to the bravery and wisdom of American President Johnson.

4 China as a “Devil”

Dangers from the North (1951)

Want to Survive? Then fight the Communism!! (1951)

Communism or Freedom? (1965)

(During the Cold War,) My mom heard a rumor that I would be appointed as the Ambassador to China. One day, my mom called me and told me. “If the Ministry of Foreign Affairs dispatches you to China, I want you to resign...I hate communism, I hate China. In China, they killed old people and made fertilizers out of them.


The communist states, such as China and North Vietnam, infiltrated Thailand to destroy the Thai nation, monarchy, and Buddhism. First, they groundlessly attacked Thailand violently and vulgarly. Then, they infiltrated Thailand via their agents. These agents induced Thai people to hate each other, and talked them into receiving military training from the communist party...they also dispatched people into Thailand and attempted to talk Thai people into killing each other until all the Thai people are gone.
Chinese Perception of Thailand

1964 The Gulf of Tonkin incident
"victim of U.S. aggression" being "used" as the "bridgehead" for the U.S.'s expansion in Southeast Asia
"the U.S.'s accomplice"

Thanom administration = “Fascistic dictator government”
Thailand = “New colony of American imperialism.”

The Thailand Independent Movement
Thailand Patriotic Laborer Association
Thailand Patriotic Youth Organization
On August 7, 1965, in Nabua village, Nakhon Phanom,

First confrontation between communist fighters and Thai security forces

In December 1965, the Communist Suppression Operations Command was established

The number of clashes between guerrillas and government forces 232 in 1967 to 670 in 1972
Thai leaders perceived communism as a threat.

Thailand depends on U.S. military for self-defense.

China perceives U.S. military base in Thailand as hostile.

China supported communist activities in Thailand.

China's move triggered Thailand's hostility.

Thai government strengthened its efforts to suppress communist guerrillas.

armed conflicts

the vicious circle of hatred
From 1960s to 2010s: 4 Periods, 4 Perception

Period 1
CONFRONTATION (1949〜1968)
DEVIL

Period 2
ADJUSTMENT (1968〜1978)

Period 3
HONEYMOON (1978〜1989)

Period 4
FRIENDSHIP (1989〜)
Thai Leader’s Opinion toward Establishment of Relations with PRC in Cabinet

<table>
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<th>Support</th>
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<tr>
<td>FM Thanat</td>
<td>PM Thanom</td>
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<td>some members from the House of Representatives</td>
<td>Deputy PM Prapas</td>
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<td>Commerce Minister Bunchana</td>
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<td>Deputy FM Sagna</td>
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1971 China entered UN → Thanom start to approach China

- **1971** - Criticism against Beijing was toned down
- **1972** - Ping pong Diplomacy Between Thailand and China.
  - Thai delegation joined the 12th Canton Trade Fair
- **1973** - Instructed Thai ambassador in main cities around the world to increase the contact with Chinese representatives.

July 1, 1975 The Establishment of diplomatic relations between Thai and China (Kukrit’s Government)
How to justify the sudden change in policy?

In a press conference on October 29, 1971,

“Communism and Red China are different. Red China is not enemy of Thailand, only communism is.”

From 1960s to 2010s: 4 Periods, 4 Perceptions

**Period 1**
CONFRONTATION (1949〜1968)
DEVIL

**Period 2**
ADJUSTMENT (1968〜1978)
a “converted criminal”

**Period 3**
HONEYMOON (1978〜1989)

**Period 4**
FRIENDSHIP (1989〜)
- December 25, 1978  Vietnam’s invasion of Cambodia

- In January 1979, the Beijing-backed Pol Pot regime of the Khmer Rouge was expelled from Cambodia and replaced by the Hanoi-backed Heng Samrin.

- February 17, 1979  Sino-Vietnamese War


→ China and Thai share common enemy (Vietnam)
→ Convergence of national interest

→ Unofficial Strategic Partner
## Thai-Chinese strategic cooperation

<table>
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<th>Year</th>
<th>Armament/Artillery</th>
<th>Missiles</th>
<th>Naval Vessels</th>
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<td>ミサイル</td>
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<td>1985</td>
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### Arms transfer and arms sales

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<td>1986</td>
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<tr>
<td>1987</td>
<td>T-69 II, 120mm cannon, RPG  &amp; RPG 砲</td>
<td></td>
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<tr>
<td>1988</td>
<td>T-69 II, 30mm cannon, RPG  &amp; RPG 砲</td>
<td></td>
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<td>1989</td>
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<td>1990</td>
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#### Thai-Chinese strategic cooperation

1978 trade agreement
Science and technology cooperation agreement

1979 Thailand-China Long Term Trade Agreement
Thailand-China Airline Agreement
Thailand-China Shipping Agreement

1985 Thailand-China Economic Agreement

1986 Establishment of Thai-China Trade Investment Promotion Association
Leaders’ Mutual Visit in 1980s

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<tbody>
<tr>
<td>1)政府指導者</td>
<td></td>
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</tr>
<tr>
<td></td>
<td>1)副首相・鄧小平</td>
<td>1978年11月</td>
</tr>
<tr>
<td></td>
<td>2)国家主席・李先念</td>
<td>1985年3月</td>
</tr>
<tr>
<td></td>
<td>3)国家主席・楊尚昆</td>
<td>1991年6月</td>
</tr>
<tr>
<td></td>
<td>4)首相・趙紫陽</td>
<td>1981年1月末〜2月初</td>
</tr>
<tr>
<td></td>
<td>5)首相・李鵬</td>
<td>1988年11月、1990年8月</td>
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<tr>
<td></td>
<td>6)副総理・田紀雲</td>
<td>1986年10月</td>
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<td></td>
<td>7)副総理・万里</td>
<td>1987年12月</td>
</tr>
<tr>
<td></td>
<td>8)外相・黃華</td>
<td>1981年1月末〜2月初</td>
</tr>
<tr>
<td></td>
<td>9)外相・呉学謙</td>
<td>1983年7月末〜8月初、1984年2月、1987年4月</td>
</tr>
<tr>
<td>2)国民議会</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1)全国人民代表大会常務委員会副委員長・鄧穎超</td>
<td>1980年2月</td>
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<tr>
<td></td>
<td>2)全国人民代表大会常務委員会副委員長・葉飛</td>
<td>1984年12月</td>
</tr>
<tr>
<td></td>
<td>3)中国全国政治協会副主席・吕正操</td>
<td>1986年10月</td>
</tr>
<tr>
<td></td>
<td>4)全国人民代表大会常務委員会副委員長・榮毅仁</td>
<td>1987年2月</td>
</tr>
<tr>
<td>3)軍部</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1)中国人民解放軍参謀長・楊得志</td>
<td>1983年8月</td>
</tr>
<tr>
<td></td>
<td>2)中国人民解放軍参謀長・遲浩田</td>
<td>1989年8月</td>
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<tr>
<td></td>
<td>3)中国国防相・秦基偉</td>
<td>1989年1月、1990年3月</td>
</tr>
<tr>
<td></td>
<td>4)副総参謀長・王尚榮</td>
<td>1979年12月</td>
</tr>
<tr>
<td></td>
<td>5)空軍司令官・張延發</td>
<td>1981年3月、1984年7月</td>
</tr>
<tr>
<td></td>
<td>6)海軍司令官・葉飛</td>
<td>1982年3月</td>
</tr>
</tbody>
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From 1960s to 2010s: 4 Periods, 4 Perceptions

**Period 1**
- CONFRONTATION (1949〜1968)
- DEVIL

**Period 2**
- ADJUSTMENT (1968〜1978)
- a “converted criminal”

**Period 3**
- Unofficial Strategic Partner

**Period 4**
- FRIENDSHIP (1989〜)
### Trade Value Thailand and China (Unit: Million Baht)

<table>
<thead>
<tr>
<th>Year</th>
<th>輸出</th>
<th>輸入</th>
<th>総額</th>
<th>貿易収支</th>
</tr>
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<tbody>
<tr>
<td>1975</td>
<td>391</td>
<td>344</td>
<td>735</td>
<td>47</td>
</tr>
<tr>
<td>1989</td>
<td>13,899</td>
<td>19,175</td>
<td>33,074</td>
<td>-5,276</td>
</tr>
<tr>
<td>1990</td>
<td>6,815</td>
<td>28,283</td>
<td>35,098</td>
<td>-21,468</td>
</tr>
<tr>
<td>1991</td>
<td>8,555</td>
<td>29,327</td>
<td>37,882</td>
<td>-20,772</td>
</tr>
<tr>
<td>1992</td>
<td>9,801</td>
<td>30,979</td>
<td>40,780</td>
<td>-21,178</td>
</tr>
<tr>
<td>1993</td>
<td>13,636</td>
<td>27,610</td>
<td>41,246</td>
<td>-13,974</td>
</tr>
<tr>
<td>1994</td>
<td>23,336</td>
<td>34,897</td>
<td>58,233</td>
<td>-11,561</td>
</tr>
<tr>
<td>1995</td>
<td>40,868</td>
<td>52,187</td>
<td>93,055</td>
<td>-11,319</td>
</tr>
<tr>
<td>1996</td>
<td>47,370</td>
<td>49,501</td>
<td>96,872</td>
<td>-2,130</td>
</tr>
<tr>
<td>1997</td>
<td>55,497</td>
<td>69,466</td>
<td>124,963</td>
<td>-13,969</td>
</tr>
<tr>
<td>1998</td>
<td>72,845</td>
<td>74,806</td>
<td>147,664</td>
<td>-1,952</td>
</tr>
<tr>
<td>1999</td>
<td>70,569</td>
<td>94,595</td>
<td>165,764</td>
<td>-24,026</td>
</tr>
<tr>
<td>2000</td>
<td>113,278</td>
<td>135,700</td>
<td>248,978</td>
<td>-22,421</td>
</tr>
</tbody>
</table>


- There are more than 300 exchange projects between 2 countries, and more than 1000 delegations visiting each other every year.
- In 2013, China surpassed Japan to become Thailand’s biggest trade partner.
- Thai leaders realized that “China mainly wanted to be recognized and respected as a major power,” they attempted to maintain the relationship by having so-called “consideration” (配慮//客气) toward China and avoiding conflict with it.
Thai Reactions to The Tian’An Men Incident

June 5, 1989, PM Chatchai:

Thailand and China have a very close relationship. I would like to express my condolence for what happened. However, I could not express any opinion as it pertains to China’s internal affairs.


June 5, 1989, FM Sitthi Savetsila:

Thailand is concerned about China because we have good relations and we fear that the situation might affect Thailand. We hope that China will solve the problem through peaceful means. We believe that China will be able to solve this problem quickly. For what happened, we will not criticize, but we are worried as a neighboring country. Thailand will not condemn China because this is a matter of China’s internal affairs.

Ibid.
Thai Stance in South China Sea Issues

- Thailand realized that although it was a member of ASEAN, it could not put good relations with China at stake.

*Thailand, as an “innocent bystander”, is anxious to see the peaceful resolution of the Spratly Islands issue, so that this issue does not dominate relations between China and ASEAN and distract from existing excellent overall relations. The situation may open up opportunities for others to interfere and give rise to an undesirable situation*

Lee Teng-hui’s “vacation diplomacy”

• Lee Teng-hui’s visit ASEAN for private vacation in 1994.

• Lee was welcomed by President Suharto when he visited Indonesia, PM Goh Chok Tong and former PM Lee Kuan Yew when visiting Singapore, and PM Mahathir Mohamad when visiting Malaysia. However, when Lee visited Thailand, PM Chuan refrained from meeting Lee but sent Deputy PM Amnuay Viravan for the mission instead.

• Chuan considered this action as “political manners.” This was because Thailand has no diplomatic ties with Taiwan, and the Chinese embassy in Thailand had express disagreement with Lee’s visit before.

• Deputy PM Amunay who was in charge of economics informally hosted President Lee at the Blue Canyon golf course in Phuket instead.
Thaksin government and “Consideration Diplomacy”

- The Thaksin government denied granting visa to Taiwanese MPs and Labor Ministers twice in 2002 and 2003.
- In 2003, Thailand hosted a conference to object to Taiwan’s attempt in staging a referendum for independence that 3000 overseas Chinese attended.
- In 2004, Lu Decheng, a Chinese pro-democracy activist was detained in Thailand.
- In 2001, the Falun Gong was forced to cancel a planned meeting in Bangkok and its members were barred from entering Thailand in 2003.
- In 2004, Thai government tried prevent Dalai Lama from entering Thailand.

## Period 1: Confrontation (1949〜1968)
- **Image of China**
  - Devil
  - Biggest Enemy
- **Actions taken by Thai govt.**
  - Anti-Communist, Pro-American Policy
- **International Factor**
  - Cold War
  - Communization of China
  - Korean War
  - Gulf of Tonkin Incident
  - Vietnam War
- **Domestic Factor**
  - Long term military administration

## Period 2: Adjustment (1968〜1978)
- **Image of China**
  - UN Member
  - Separated image between China and Communism
  - "Converted criminal"
- **Actions taken by Thai govt.**
  - FM Thanat approach China
  - Other leader’s disagreement
  - Coup Detate
  - Military leaders approach China
  - Establishment of diplomatic relations
- **International Factor**
  - The shift in the U.S.’s Vietnam policy
  - China entering UN
  - Communization of Indochina
- **Domestic Factor**
  - Rise of student movement
  - Freedom of Speech
  - Disagreement upon China policy in cabinet

- **Image of China**
  - Unofficial Strategic Partner
  - Enemy of Enemy is Friend
- **Actions taken by Thai govt.**
  - Strengthen of military ties
  - Avoid conflict with China
- **International Factor**
  - Vietnam invading Cambodia
  - Arm conflict between Thailand and Vietnam
- **Domestic Factor**
  - Prem’s new Vietnam Policy

## Period 4: Friendship (1989〜)
- **Image of China**
  - Friend
- **Actions taken by Thai govt.**
  - Avoid conflict with China
- **International Factor**
  - Rise of China
  - Increase in trade value
- **Domestic Factor**
  - "Consideration" of Thai Leaders

### Summary
- **Top-Down Process**: "man-made perception"
- **Outward-in Process**: (perception caused by International change)

### Notes
- ① Top-Down Process: “man-made perception”
- ② Outward-in Process (perception caused by International change)
Now Let’s think about Sino-Japanese Relations
The Genron NPO, ANALYSIS PAPER: The 14th Joint Public Opinion Poll between Japan and China, Japan- China Public Opinion Survey 2018
Do you think the perception is a “man-made perception” or perception caused by International environment?
the vicious circle of hatred

Thailand depends on U.S. military for self defense

China perceives U.S. military base in Thailand as hostile

China supported communist activities in Thailand

China’s move triggered Thailand’s hostility

Thai government strengthened its efforts to suppress communist guerrillas.

Thai leaders perceived communism as a threat

armed conflicts
Is the “vicious circle of hatred” is forming itself between China and Japan?

#2

The vicious circle of hatred

Japan invaded China

China blamed JP for WW2

Japan made an apology

the action drew various reaction in Japan

China is not satisfied with some Japanese comments: “The apology is not sincere enough”

other problems (territorial dispute, Yasukuni)

anti-Japanese movement

more anti-Japanese War Memorials/events

request for apology

Japanese people feel hostility “謝罪疲れ”

Is the “vicious circle of hatred” is forming itself between China and Japan?
Do you think the so-called “Consideration Diplomacy” is necessary or possible to the betterment of Sino-Japanese Relations?
References


• Office of the Prime Minister. (1968). Bantuek Kanhai Sampat Khong Chompon Thanom Kittikachorn. [Collections of Interviews by Prime Minister Thanom Kittikachorn]. Bangkok: Office of the Prime Minister, p.11.


• 『人民日報』1964年12月14日，『人民日報』1965年12月15日。


• Prachathippatai, 1971 October 31.


• The three factions are 1) National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia (FUNCINPEC), led by Prince Norodom Sihanouk; 2) the Khmer People’s Liberation Front (KPNLF), led by Son Sann; and 3) the Party of Democratic Kampuchea (PDK), also known as the Khmer Rouge, led by Pol Pot.


• “China No1 in Thai Foreign Policy?”. The Nation, 24 June 1998, A.4

• This paragraph are from Katewadee Kulabkaew. (2009). “Sino-Thai relations during the Thaksin administration (2001-2006)”. Journal of the Graduate School of Asia-Pacific Studies, 17, pp. 91–92.

• Catherine Putz. (June 11, 2015). “Thailand Deports 100 Uyghurs to China”, from The Diplomat

• <https://thediplomat.com/2015/07/thailand-deports-100-uyghurs-to-china/> (Retrieve 6 May, 2019)
East Asian Economic Development in Historical Perspective:
A Debate on Colonial Legacy and Policy Diffusion

LI Shuaiyu, Peking University

Although the cold war was the central issue in the second half of 20th century, the economic rise of East Asia, to certain extent, parallely constituted a historical event of even more profound influence. After World War II, the economic rise of East Asia began in Japan, followed by South Korea, Taiwan, Hong Kong and Singapore, known as the “tiger economies” or “newly industrializing economies”. Then the scope of economic growth gradually expanded to Southeast Asian countries. More recently, the socialist China and Vietnam also commenced transition to market economy. The economic rise of East Asia has attracted wide attention of political economists. Besides the approach of neoclassical economics, which emphasizes sustained economic growth driven by stable macro-economy, gradual liberalization of trade, finance and domestic markets, export-oriented economy and high savings rate, the theory of developmental state pioneered by American political scientist Chalmers Johnson, challenges the interpretation of the economic rise of East Asia by neoclassical economics. Observing Japan's economic take-off after World War II, Chalmers Johnson not only exhibits the diversity of capitalist system in addition to the Anglo-Saxon model which emphasizes laissez-faire, but also presents a government intervention model totally different from the socialist centrally planned economy. The developmental state depicts economies with sustained developmental intentions, where technocratic and economic bureaucracy with higher autonomy dominates the development strategy and policy process, and promotes economic growth by forming close relations between government and business and implementing industrial policies in strategic industries. The theory of developmental state has successfully explained the rapid economic growth in East Asian countries. Nevertheless, the institutional basis of East Asian emerging economies doesn’t come from nowhere, and the origin of developmental state is still in fierce debate.

Taiwan and South Korea starting in 1960s also realized rapid industrialization within one generation, which made them together with Japan be regarded as typical East Asian developmental economies. Taiwan and South Korea share a history of 50 and 35 years’ Japanese colonial rule respectively. Therefore, exploring Japan's colonial legacy, such as social organizations, political and economic system, and infrastructures, to explain the origin of Taiwan and South Korea as developmental economies after the World War II, attracts the interests of some scholars. Bruce Cumings initially states that the economic development of South Korea after World War II owed to the colonial rule of Japan. This revisionist idea is opposed by other scholars, who believe that the colonial rule of Japan had no causality with the economic take-off of South Korea and Taiwan since the 1960s. Basing on the inquiry of the same period of history, why contrasting points of view exist in evaluating the impact of colonial legacy on the economic development of East Asian economies after World War II? How to assess the impact of Japan's colonial legacy on the origin of developmental economies in South Korea and Taiwan?

This article argues that although the concept of colonial legacy can provide a more
comprehensive analysis of the origin of developmental economies in East Asia, it is necessary to distinguish the direct impact of Japanese colonialism as an exogenous factor on colonies’ development, and the impact of Japanese post-war economic development model on other East Asian economies, through policy diffusion as endogenous factor. The mechanism of policy diffusion made other East Asian economies actively learn and imitate Japan's economic development model during their early stage of economic take-off. Without differentiating the impact of Japanese factors on East Asia’s economic development through two mechanisms of colonial legacy and policy diffusion, the influence of colonial rule on South Korea and Taiwan's economic development will be exaggerated.

This article is organized as follows. In the first section, we review the previous studies on the relationship between colonialism and post-colonial economic development. So far, the studies focusing on colonialism and post-colonial development in American countries have made some insightful theoretical contributions, but the theories will face extra challenges when it comes to East Asia. First of all, unlike American countries, nationalist narratives prevail in East Asian countries, which make it more difficult to hold a fair stance to evaluate the positive aspects of colonialism on economic development. Sincere reconciliation among East Asian countries is still far from completion. Secondly, the colonizers and colonies in East Asia are more diverse than those in America. Japan, the United Kingdom, the United States and France all had colonies in this region and adopted quite different colonial policies. All the countries in East Asia, except for Japan and Thailand, had a history of colonization within their territories. This relatively neglected area of comparative politics not only provides advantages for comparative analysis, but also poses a challenge to making convincing causal inference. In addition, the colonialism and post-colonial development in America is continuous, while this kind of continuity doesn’t exist in East Asian countries, due to the influence of various factors, such as the war, great power interference, and social revolution, which made a clear rupture before and after the decolonization.

In the second section, we summarize the contrasting points of view to evaluate the impact of colonial legacy on later economic development. Some scholars believe that Japan replicated the highly efficient bureaucracy system developed after the Meiji Restoration in Taiwan and South Korea. As for the relationship between government and business, the practice of financing enterprises through government-controlled financial institutions and developing the targeted industries was the same as that happened in the Park Chung Hee era. Taiwan and the Korean Peninsula, as important strategic bases of Japan for agricultural products, natural resources and industrial products made remarkable progress in industrialization and economic development before 1937. Scholars with opposite opinion claim that the clear ruptures caused by civil war and state building in Taiwan and South Korea before and after decolonization should not be ignored when analyzing the Japanese colonialism on former colonies’ later development.

The third section illustrates the lack of coherence between Japanese colonialism and the economic take-off of South Korea and Taiwan since 1960s. Both Park Chung Hee’s military government and the KMT government carried out a series of reforms which triggered great institutional changes and totally restructured the state apparatus in South Korea and Taiwan, laying the foundation for later economic development. Obviously, it is not reasonable to treat the bureaucracy system as the institution inherited from the Japanese colonial rule.

In the fourth section, the article introduces the theory of policy diffusion to trace the
demonstration effect of Japan’s economic miracle after World War II in East Asia. Japan was not only the most important source of technology and capital for East Asian countries through its regional production network constructed by its transnational corporations, but also exerted a profound influence on the developmental strategies of other East Asian countries via the mechanism of policy diffusion. The similar social and cultural environment and value definitely accelerated the process of policy diffusion. On the early stage of economic development, East Asian countries almost unanimously actively imitated and learned the policy practices of Japan to promote economic growth. When investigating the influence of Japanese factors on the post-war economic development of East Asian economies, it is necessary to distinguish the exogenous mechanism as colonial legacy and the endogenous mechanism as policy diffusion. Otherwise, the role of Japanese colonialism in the origin of developmental economies will be exaggerated.
East Asian Economic Development in Historical Perspective:
A Debate on Colonial Legacy and Policy Diffusion

Li Shuaiyu: Doctor Student of International Political Economy
The 1st PKU-Waseda Workshop 2019.5.31
The Motivation of this Research:

1. The Theory of Developmental State;
2. Japan’s past and contemporary influence in East Asia;
3. A Debate on Japan’s Colonial Legacy.
1. Research Questions:

Q1: Basing on the inquiry of the same period of history, why contrasting points of view exist in evaluating the impact of colonial legacy on the economic development of East Asian economies after World War II?

Q2: How to assess the impact of Japan's colonial legacy on the origin of developmental economies in South Korea and Taiwan?

Q3: What is impact of Japan’s post-war economic development model on other East Asian economies?
2. Hypothesis

H1: The concept of colonial legacy can provide new evidence about the growth of capitalism in South Korea and Taiwan, but significant discontinuities existing before and after decolonization in East Asian economies challenge the causal inference of colonial legacy and the origin of developmental state.

H2: Without differentiating the impact of Japanese factors on East Asia's economic development through two mechanisms of colonial legacy and policy diffusion effect, the influence of colonial rule on South Korea and Taiwan's economic development will be exaggerated.

H3: Through the mechanism of policy diffusion, other East Asian economies could actively learn and imitate Japan's economic development model during their early stage of economic take-off.
3. Literature Review

- (1) Colonialism and Post-colonial Development in America

- The different political and economic institutions in colonies are fundamental causes of different economic development after independence (Acemoglu, Johnson and Robinson, 2001; Acemoglu, 2003).

- Extractive Institution or Inclusive Institution in American countries (Acemoglu and Robinson, 2012).

- Factor endowments or evolving fit between the institutions of the colonizing nation and those of the colonized society (Sokoloff and Engerman, 2000; Mahoney, 2010).
(2) Colonialism in East Asia: New challenges to the theory of colonialism and post-colonial development

- Nationalist narratives prevail in East Asian countries.
- Colonizers and colonies are more diverse than those in America.
- The continuity of colonialism and post-colonial development doesn’t exist due to the factors such as war, great power interference and social revolution.
(3) The origins of Developmental State: a debate on colonial legacy

Explanations of the origins of developmental state in East Asia:

The conditions of geopolitical insecurity; Systemic vulnerability; Colonial Legacy; new-Confucian culture and social capital; The United States Aid (Doner, Ritchie and Slater, 2005; Samuels, 1996; Zhu, 2002; 杜维明, 2013)


① Transforming the traditional colonized society into a modern and developmental one;
② Establishing a pattern of business-government to facilitate industrialization;
③ Forming the bureaucracy to mobilize and extract resources from society.
• (3) The origins of Developmental State: a debate on colonial legacy

• The refutation towards the approach of colonial legacy (Haggard, Kang and Moon, 1997; Kang, 2004; Haggard, 2018):
  • ① The growth record was more modest and industrialization was uneven and limited;
  • ② Method concern: Continuity and discontinuity in Korea, Taiwan and other former colonies.

• Progress in answering the origins of developmental state is more likely to come from inquiry of post-war East Asia.

• Focusing on the pivotal apparatus of developmental state: the bureaucracy of embedded autonomy and efficiency.

• Introducing the theory of policy diffusion to compromise the contrasting points of view.
4. Ruptures Between Colonial Rule and Later Economic Development

- Social Revolution and State Building:
- South Korea: Korean War; The 4.19 Revolution; The 5.16 Military Coup
- Taiwan: KMT’s defeat in Mainland China; Chiang Kai-shek resumed presidency;
(1) State Building in South Korea:

- Departure from Rhee’s corrupt and turbulent system (Kim, 2011; Kang, 2004; Vogel, 2011; 尹保云，2010):
  - The comprehensive reform of executive and personnel;
  - Kim Jong-pil and KCIA initiated the government reorganization;
  - Reforming the recruitment of the government based on merits;
  - Putting more professional technocrats in the vital administration positions;
  - Setting up the Economic Planning Board.
(2) KMT’s Reform in Taiwan

- Rethinking the failure in the Mainland China and Rebuilding KMT (Wade, 1990; Dickson, 1993; Taylor, 2009; Amsden, 1985):
  - Eliminating the factionalism politics in the government;
  - Establishing the Central Committee for Reform in 1950;
  - Marginalization of the former elites and the promotion of technocrats;
  - Improving the recruitment and personnel system under Examination Yuan;
5. Japan’s Post-war Economic Miracle and its Effect of Policy Diffusion

Japan’s economic success and demonstration effects:

Deng Xiaoping:
Park Chung-Hee:
The Mechanism of Policy Diffusion:

• Japan’s Economic Development Model
• Coercion
• Competition
• Learning
• Emulating

• Japan’s ODA and FDI facilitated the policy diffusion among East Asian emerging economies.
Implications of the Research:

• A new approach to compromise the contrasting points of views about the debate on colonial legacy and origins of developmental state in East Asia;

• A comprehensive perspective to inquire the economic development in East Asia and trace Japan’s influence as well;

• Finding certain historical insights for the varieties capitalism and dispute on China’s economic developmental model.
References:
ありがとうございます
In this presentation, I consider whether a government should be involved in international cultural exchanges and, if yes, to what extent it should get involved. I will analyze Japan’s cultural diplomacy toward China in the 1920s from a diplomatic point of view to find out the possibility and limitation of cultural diplomacy. I would like to emphasize that my argument will not be an ideological matter, but I will focus more on how to enhance the effect of cultural diplomacy as a diplomatic tool.

Cultural diplomacy usually contains political purpose. After WWI, the anti-Japanese movement in China became one of the most challenging problems in Japan’s diplomacy. Japanese politicians, bureaucrats, and intellectuals started to discuss the solution to this problem. Among all choices, cultural projects started to garner attention. After WWI, a cultural project was considered as the new diplomacy; a tool to build a friendly relationship between countries. However, the cultural project also contained another political aspect: great powers had started to compete with each other to win the hearts of Chinese people by using cultural diplomacy since the 1900s. They had built educational institutions, religious facilities, medical institutions, and so on in China.

However, cultural diplomacy does not always lead to an ideal result. In 1923, the Ministry of Foreign Affairs set forth the TaiShi Bunkajigyo (“Cultural Policy toward China”), which was Japan’s first comprehensive foreign cultural policy in its modern history. Under this policy, the government set up some research centers, supported exchanges of students and scholars between two countries, and facilitated private cultural activities in China. One of this policy’s objectives was to deal with the Chinese people’s growing negativity toward Japan. Previous studies have argued that this policy failed to accomplish that goal. The best-known event was the resignation of Chinese members of the Oriental Cultural Project Committee in protest against Japan in the Jinan (Tsinan) Incident on May 3, 1928. As a result, the Sino-Japanese cultural cooperation, which had begun in 1925, was halted in 1928.

Although the period of cooperation was short, it highlighted the possibilities and limitations of cultural diplomacy. I believe that analyzing and comparing the ideas of Japanese politicians, bureaucrats, and intellectuals about Japanese cultural diplomacy toward China and China’s objections after WWI will help us to evaluate the policy in a new light. By so doing, I found out that the Cultural Policy toward China failed for the following reasons.

Firstly, it failed because of its political nature. Japan’s intellectuals and China’s educational organizations regarded cultural diplomacy as a political tool because it was under the jurisdiction of Japan’s Ministry of Foreign Affairs and funded by Japan’s national budget, which was approved by
the Imperial Diet. Asataro Goto, one of the most famous Japanese sinologists, has evaluated the system of Cultural Policy toward China as follows: “Cultural Policy toward China can cause discord between China and Japan, as both countries hold different grounds in the project. While Japan run the project using its own budget, China is only an object.” Jitsuzo Kuwabara, one of Japan’s famous sinologists and historians, once said, “This project should not aim at gaining the popularity of Chinese people in a short period of time. Beyond that, we should aim for eternal values.” Time has proved these insights right. Some Chinese intellectuals interpreted the policy as a cultural invasion. As it provoked resentment among the Chinese public, Japan’s government tried to weaken its political aspects, resulting in an “outward depoliticization” of the policy.

Secondly, almost all Japanese regarded Japan as a cultural representative of Asia. Although Chinese members outnumbered Japanese members in the Cultural Policy toward China Committee (Oriental Cultural Project Committee), Japan did not treat its Chinese counterpart equally in this project. Japan had been enhancing the sense of national greatness and prestige of Asia after WWI and attempted to gain acceptance and support from Western great powers as “the representative of Asia” by enacting the Cultural Policy toward China. Also, Japan’s politicians expect that by promoting Western powers’ understanding of Asian culture, they will understand Japan’s behavior on the international arena. These are the reasons why Japan continued the project even after the Chinese committees had resigned. However, the Chinese side could not accept the idea.

Some Japanese intellectuals argued that eliminating the political aspects from the Cultural Policy toward China would be impossible. Therefore, they tried to shift the public’s attention toward the so-called “people-to-people diplomacy” approach and non-governmental actors.

Moreover, the democratization of diplomacy was strongly emphasized through Woodrow Wilson’s Fourteen Points after WWI. From this perspective, we could see that the people-to-people diplomacy was in line with the international trend in preventing wars. As a result, mutual reconciliation between Japan and China was sought through scholarly, artistic, and other exchanges as well as official governmental interactions.

After WWI, people-to-people diplomacy contained two definitions for Japan according to Junpei Shinobu, a scholar in international law and also a representative intellectual of those days. The first was the “Government’s diplomacy on behalf of the people’s thoughts and awareness.” The second was “diplomacy among non-governmental actors.” The intellectuals of these days seem to share this common belief. Here, I will focus only on the second definition: people-to-people diplomacy as “diplomacy among non-governmental actors.”

Undeniably, people-to-people diplomacy during this period was not a completely “non-governmental” approach, as some exchange activities were supported by governments or the Cultural Policy toward China. For example, when Japan sent scholars to the International Committee on Intellectual Cooperation (ICIC), which was an organization of the League of Nations,
the Ministry of Foreign Affairs supported this program and intervened in the personnel selection process. Moreover, when some business sectors took part in the diplomacy, their initiatives were often supported by the Japanese government.

We have to understand that people-to-people diplomacy should aim not only to solve short-term diplomatic issues but also to facilitate long-term relations between the two countries. Asataro Goto once said,

In particular, we consider only solving immediate problems as diplomacy, and take the problem of mutual understanding for granted. Actually, long-term issues between the two countries should also be put into account. If everyone tries to solve only sudden incidents by negotiation and ignores long-term problems, the diplomacy will surely fail.

Goto further states that “if we could build strong friendship between influential persons of Japan and China as much as possible over the years, we could even prevent diplomatic problems which are prone to erupt in short notice.” In brief, Japan has to depend on people-to-people diplomacy to build sustainable friendship with the international society. This might sound too optimistic, but it is essential for Japan’s intellectuals to recognize the importance of people-to-people exchange in the diplomatic sphere.

Some Japanese intellectuals regarded people-to-people diplomacy as the best way to mend the Sino-Japanese relationship. Conventional methods of diplomacy sought to solve specific issues, but advocates of people-to-people diplomacy tended to aim for a more sustainable relationship. This can be regarded as the mainstream diplomatic idea in this age. Japan’s government also began to pay attention to people-to-people diplomacy and tried to achieve conciliation through those avenues rather than direct manipulation of cultural policy. Undeniably, people-to-people diplomacy was sometimes officially or unofficially involved with governmental actors, and it was not exposed to a harsh criticism by the Chinese side.

This approach is similar to the current notion of a “new public diplomacy.” Of course, the notion of “public diplomacy” existed first. Encyclopedia Britannica has defined public diplomacy as follows:

Public diplomacy, also called people’s diplomacy, any of various government-sponsored efforts aimed at communicating directly with foreign publics. Public diplomacy includes all official efforts to convince targeted sectors of foreign opinion to support or tolerate a government’s strategic objectives. Methods include statements by decision makers, purposeful campaigns conducted by government organizations dedicated to public diplomacy, and efforts to persuade international media to portray official policies favourably to foreign audiences.

Today, the role of the government is changing from that of controlling an actor in international cultural exchange to that of supporting them. People-to-people exchange of
non-governmental actors was considered as the new public diplomacy in a broader sense. In conventional public diplomacy, the capability of controlling active actors in diplomacy is the key. However, the new public diplomacy is based on the idea that if the government’s involvement is too strong, the attractiveness, credibility, and legitimacy of public diplomacy will be weakened. In other words, if a government hopes to improve diplomatic outcomes, it must limit its role and involvement in the exchanges.

Ultimately, the “Cultural Policy toward China” and people-to-people diplomacy did not bring about international conciliations, but the idea of cultural diplomacy might help us imagine various historical possibilities. In other words, by analyzing the current discussion, we can find the possibility and limitation of cultural diplomacy. Japanese intellectuals tried to weaken the political aspects of their cultural diplomacy, however it is difficult to get rid of its political aspects as long as it is “diplomacy.”

From the above-mentioned arguments, I would like to summarize my presentation in 2 points.

Firstly, for cultural diplomacy, it is not necessary (or possible) to eliminate its political nature completely. However, the more people from their respective countries feel that the government is controlling their cultural exchanges, the more cultural diplomacy will provoke negative feelings.

Secondly, equality is the most important notion in cultural diplomacy. Both countries should establish equality of systems and ideas in cultural exchanges.

Today, we have to focus on long-term relations and sustainability to facilitate the Sino-Japanese relationship. I hope that both countries will learn from their history and put more effort on the betterment of the relationship between the two countries.
Thoughts of Pre-War Cultural Diplomacy

Japan’s Policy Toward China during the 1920s

At Peking University
31 May 2019
Taro Kuwabara
A case study of Japan’s pre-war cultural diplomacy toward China
Focusing on intellectuals’ idea

- The idea and plan of pre-war cultural diplomacy
- Japan’s trial and error of cultural diplomacy

Trying to find out the possibility and limitation of cultural diplomacy

Analysis
Research question

Japan’s cultural diplomacy toward China = “diplomacy”

- What was the idea of Japan’s cultural diplomacy toward China after WWI?
  - Should the government participate in international cultural exchanges?
  - if yes, what scope should the government participate in?

The Cultural Policy toward China

- Criticize
- Criticize

Japanese intellectuals

China’s educational institutions, etc.
Japan’s diplomacy after WWI

One of the most challenging problems: The anti-Japanese movement

Deal with the Chinese people’s feeling directly.

- Causes
  - The Twenty-One Demands
  - The Shandong Problem

- Solution
  - Diplomatic negotiation
  - Cultural diplomacy
In 1923, the Ministry of Foreign Affairs set forth the TaiShi Bunkajigyo (“Cultural Policy toward China”).

<table>
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<tr>
<th><strong>the Oriental Cultural Project Committee</strong></th>
<th><strong>Contents</strong></th>
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<td>Chairperson: Shaomin Ke (柯劭忞)</td>
<td>The human science research center (Beijing)</td>
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<td>Including:</td>
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<td>11 Chinese members</td>
<td>Student and scholar exchange policy</td>
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<tr>
<td>7 Japanese members</td>
<td>Promote private cultural activities and support medical institute in China</td>
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TaiShi Bunkajigyo (东方文化事业) "The Cultural Policy toward China"

- The Sino-Japanese cultural cooperation in “The Cultural Policy toward China”

The Chinese members of the Oriental Cultural Project Committee resigned to protest against Japan in the Jinan (Tsinan) Incident on May 3, 1928.

This policy failed to deal with Chinese anti-Japanese sentiment.

The causes of failure are not only The Jinan Incident, but also the criticism of “cultural invasion” within Chinese people.
The criticism of “Cultural invasion”

Why did many Chinese regard the policy as “Cultural invasion”? 

- political nature of “The Cultural Policy toward China”
- Japan’s idea of cultural policy (Japan’s cultural mission)
The criticism of “Cultural invasion”

- Political nature of the system
  - under the jurisdiction of Japan’s Ministry of Foreign Affairs
  - funded by Japan’s national budget

- Political nature of the purpose
  - To deal with the Chinese people’s anti-Japanese sentiment
The criticism of “Cultural invasion”

The anti-Japanese statement of the National Educational Union(1925)

- under the jurisdiction of Japan’s Ministry of Foreign Affairs
- funded by Japan’s national budget

“Cultural invasion”
The criticism of “Cultural invasion”

“Cultural Policy toward China can cause discord between China and Japan, as both countries hold different grounds in the project. While Japan run the project using its own budget, China is only an object.”

Asataro Goto (1923). The basic knowledge of the cultural diplomacy toward China, Gaiko Jiho. No.446

“This project should not aim at gaining the popularity of Chinese people in a short period of time. Beyond that, we should aim for eternal values.”

Jitsuzo Kuwabara (1924). The request of the cultural diplomacy toward China, Gaiko Jiho. No.458
“Japan’s cultural mission”

- Japan regarded itself as a cultural representative of Asia

Western great powers

Explain Asian culture

Learn about Asian (Japanese) idea

Japan

Japan became a major power!

Asia

support

China
“Outward depoliticization” of the policy

Previous studies
The Cultural Policy toward China

New discovery
The Cultural Policy toward China

Japanese intellectuals
China’s educational institutions, etc.

Cultural invasion!

“Depoliticization”
The policy changed its slogan
“Deal with Chinese people’s anti-Japanese sentiment”
“Boost Asian culture!”

“Depoliticization”
Some Japanese intellectuals argued that eliminating the political aspects from the Cultural Policy toward China would be impossible.

**People-to-people diplomacy**

- **What is people-to-people diplomacy**

  “Government’s diplomacy on behalf of the people’s thoughts and awareness.”

  “diplomacy among non-governmental actors.”

  Junpei Shinobu (1926). *The essence of people-to-people diplomacy*, *Gaiko Jiho*. No.513

- In Japan’s diplomacy toward China, we should focus on the second definition: people-to-people diplomacy as “diplomacy among non-governmental actors.”
Asataro Goto considered international exchanges of *journalists*, *politicians*, *business sectors*, *scholars* and *artist* as people-to-people diplomacy.

In particular, we consider only solving immediate problems as diplomacy, and take the problem of mutual understanding for granted. Actually, *long-term issues* between the two countries should also be put into account. If everyone tries to solve only sudden incidents by negotiation and ignores *long-term problems*, the diplomacy will surely fail.

If we could build strong friendship between influential persons of Japan and China as much as possible over the years, we could even prevent diplomatic problems which are prone to erupt in short notice.

The characteristic of Japan’s cultural diplomacy after WWI

- Intellectuals’ discussion influenced Japan’s cultural policy

The cultural policy toward China

- “Deal with Chinese people’s anti-Japanese sentiment”
- “Boost Asian culture!”

Change

Diplomatic journal

- depoliticization
- Long-term perspective
- Non-governmental exchanges
- Sustainable friendship
- Mutual reconciliation

People-to-people diplomacy
New public diplomacy

- The role of government in international cultural exchange

- the government’s involvement is too strong

Conventional public diplomacy: Controll

New public diplomacy: Support

- attractiveness, credibility, and legitimacy
Conclusion

- Japanese intellectuals tried to weaken the political aspects of their cultural diplomacy, however it is difficult to get rid of its political aspects as long as it is “diplomacy.”

- The more people from their respective countries feel that the government is controlling their cultural exchanges, the more cultural diplomacy will provoke negative feelings.
Thank you for listening!!
Sino-Japan Relations in the Heisei Era in Japan’s Diplomatic Bluebook

Dong Congli

On April 30th, Japan’s Heisei era was over. How were the Sino-Japan relations during the Heisei era? We often see that the Japanese criticize the Chinese for analyzing Japan’s behavior and Sino-Japan relations from a Chinese viewpoint, leading to a misperception of Japan, and the Chinese also accuse the Japanese of doing the same. Therefore, this presentation will analyze the discourse on Sino-Japanese relations in the 1989 to 2019 edition of the Japan's Diplomatic Blue Book, in order to find out how the Japanese government views the Sino-Japanese relations in the Heisei period.

Although each edition may have some differences, the text on China-Japan relations generally consists of three parts: the summary, key areas and China’s situation. So, I will firstly introduce my four findings about the description of key areas and China’s situation in the bluebooks. Then, I will summarize the track of the development of Sino-Japan relations which is shown in the Blue Book.

From my observation of the 1989 to 2019 editions of blue book, I have four findings: 1. Economic relations are always the key part of Sino-Japanese relations; 2. The East China Sea is placed as the most prominent position of issues between the two countries; 3. Interpersonal exchanges at all levels and mutual understanding between the people is becoming more and more important. 4. The growing skepticism towards China’s increasing military power.

1. Economic relations

Economic relations have always been the main content, and the editions from 1989, 1990 and 1991 only introduced economic relations. Moreover, it seems that economic relations in the Heisei era are generally satisfying, because there is very little negative information about such relations written in the Blue Books. From the blue book, we can also find that there have been some new changes around 2001. Since then, Sino-Japanese economic relations became more closely interdependent, mutually beneficial and complementarity is stressed.

The first one is the change in Japan's ODA (official development assistance) policy towards China. Japan has been providing ODA since 1979. In 2000, the Japanese government found that they need to review it because of China’s economic growth and Japan’s stringent economic and fiscal situation. Moreover, the Japanese began to complain that China didn’t make adequate propaganda on Japan’s aid to China and also that China’s economic growth directly impacted Japan, such as creating environmental problems. And from October 2001, Japan announced a new ODA policy, which further focused on areas such as environmental issues which aimed to benefit Japan, the development of China’s inland regions and the promotion of mutual understanding. Japan also decreased its ODA budget.

The second is that the two countries had a trade fiction for the first time in 2001. On April 23, Japan imposed provisional safeguard measures on welsh onions, shiitake mushrooms, and tatami-omote, because of a surge in imports of these products, most of which are from China.
Then, China responded by imposing special customs duties on automobiles, mobile and car phones, and air-conditioners imported from Japan on June 22. This is a new issue rooted in the deepening economic interdependence between the two countries. In 2002, at the Boao Forum, Japan’s Prime Minister Koizumi expressed his view that China’s economic development is not a threat, but a challenge and opportunity for Japan. (中国の経済発展は、日本にとって「脅威」ではなく、「挑戦」、「好機」であり、日中経済関係は、「対立」ではなく、「相互補完関係」にある)

The third is since China became a member of WTO in December 2001, the economic relations between China and Japan have shown impressive progress. The total value of trade increased quickly, and China became Japan’s largest trade partner since 2007. For a large number of Japanese firms, China was not only an export processing base, but also became a promising market. It is worth mentioning here that Japan played an active role in China’s accession to the WTO and was the first developed country to complete negotiations between the two countries (1999).

2. East China Sea issues are highlighted

There are some issues or disputes between China and Japan. I calculated what kind of issues are listed in the bluebooks and how many times they are mentioned respectively. The results are as follows:

Diaoyu Islands (13),
the disposal of chemical weapons abandoned in China by former Japanese Army (12), Resources development in the East China Sea (11),
Chinese marine research operations (5), the interpretation of history (5)
Fishing Issues (3), Taiwan issue (3), Nuclear tests of China (3),
Chinese anti-Japanese activities (2), China's food safety issues (2), Japan-U.S. Defense Cooperation (2),
Japanese Self-Defense Forces overseas activities (1), Economic friction (1), Consular issues (1),
Chinese nuclear submarines entering Japan's territorial waters (1), Rare earth exports (1)

Matters related to Diaoyu Islands, chemical weapons abandoned in China by the former Japanese Army, and the East China Sea resources are mentioned frequently. The contents of the issue on chemical weapons in the bluebook are mainly about Japan’s positive response. Diaoyu Islands and resources development, Chinese marine research operations, and fishing issues are mostly related to maritime rights in the East China Sea. We may conclude that the Japanese government regard the issue of the East China Sea as the most prominent aspect of the bilateral problem. During the APEC in November 2017, Shinzo Abe pointed out if the East China Sea remains unstable, then Japan-China relations will not really improve.

Moreover, from the bluebook, we can clearly notice that Japan’s government thinks that these matters are caused by wrong behaviors conducted by China. Japan insists that there is no issue of territorial sovereignty to be resolved concerning the Diaoyu Islands and that it is China that is attempting to change the status quo unilaterally. On the issue of resources development, Japan holds that the Japanese government is making great efforts to promote joint development while China continues unilateral development. Japan complains that Chinese marine research vessels conduct research activities within its exclusive economic zone without having gained prior
consent from Japan.

3. Interpersonal exchanges and mutual understanding are more valued

Bluebook 1998 edition firstly mentioned that, with the deepening of China-Japan relations, the importance of mutual understanding between Japan and China at all levels is becoming more and more obvious. And in 2002, Japan proposed that projects such as talent cultivation that promote mutual understanding will be one of the priorities of ODA in China. Since the 2005 edition, interpersonal exchanges became an essential part of the bluebook, including the number of people from both sides and important exchange activities.

In 2004, the number of Japanese visiting China (3.35 million) was more than five times the number of Chinese visiting Japan in that year (650,000). After ten years in 2014, the two numbers became very close, with 2.41 million Chinese visiting Japan and 2.72 million Japanese visiting China. But the number of Chinese visitors in Japan soared to 4.99 million in 2015, almost twice the number of Japanese visitors in China (2.5 million). In the 2017 and 2018 edition of the Blue Book, the number of Japanese visitors ceased to be included and the number of Chinese visitors in Japan in 2016 and 2017 was 6.37 million and 7.36 million respectively. The reasons why Chinese visitors increased so sharply were not only due to China’s economic growth, but also Japan’s continuous relaxation of visas for the Chinese to gain entry into Japan. The Japanese government believes that shopping is not the only reason for Chinese visitors, and more and more Chinese are becoming attracted by Japanese culture.

In addition to the personal visitors, Japan invites young Chinese students to take part in a youth exchange with Japanese students every year. Japan also pays more attention to making sure to invite Chinese young leaders in central and local government positions and people who have influence in various fields like media, academia, economy etc.

4. The skepticism in response to China's increasing military power

Before the 2005 edition, Japan’s concerns about China were generally related to its economy, politics and foreign policies. In the 1993,1995 and 1996 editions, China’s nuclear tests were mentioned. Japan expressed deep regret and called upon China to work towards nuclear disarmament and froze their provision of financial support to China in August 1995.

In the 2005 edition, the bluebook began to pay attention to China’s national defense and security. It points out that China’s defense budget has increased by more than 12% compared to the previous fiscal year and that the Chinese side explains that the primary causes are the increases in personnel and equipment etc. From the 2006 edition, Japan started to call for greater transparency and criticized that China’s explanation of budget details and reasons for budget increase are not sufficient to eliminate the concerns of other countries including Japan.

Since the 2013 edition, Japan has increasingly emphasized that the Chinese army is becoming more active in the waters surrounding Japan, and that China’s attempt of changing the status quo has become a concern for the entire region. Japan will cooperate with relevant countries to ensure that China abides by a law-based international order. And in the 2018 edition, the Blue Book wrote that in recent years China has had great influence not only in politics and economy but also in the military field, and that Japan will promote China’s active participation in
the international law-founded order through mechanisms such as the Sino-Japanese Security Dialogue.

the track of development of Sino-Japan relations in the Heisei era

Finally, I would like to talk about the track of development of Sino-Japan relations in the Heisei era. According to the Blue Book, Sino-Japanese relations can be divided into four stages.

The first stage is from 1989 to 2000, stable and friendly. During this period, no matter what kind of issues (like China’s nuclear test, the interpretation of history) may have occurred, China and Japan generally maintained a stable and friendly relationship. Japan gave China great support during its reform and opening.

The second stage is from 2001 to 2006 then to September 2012 (2001-2006-2012.9), deteriorated and unstable but with hope of improving. Although China-Japan relations have deteriorated during the 2001-2006 period, the two countries have both chose to avoid that any individual issues hinder the progress of the overall relationship. In October 2006, under Japan’s proposal, they agreed to build a “Mutually Beneficial Relationship Based on Common Strategic Interests”. Even when China-Japan relations became tense due to the Diaoyu Island issues in 2008 and 2010, they still continued to stand by their assertion.

The third stage is from September 2012 to November 2014. Due to the problem of the Diaoyu Island, China and Japan accused each other which resulted in hostility between the two countries. They stopped high-level exchanges and as a result, economic relations and personnel exchanges were negatively affected.

The fourth stage is from November 2014 till now. The relationship at this point is seen to tend toward improvement, and both of the two countries agree to go back to the creation of “Mutually Beneficial Relationship Based on Common Strategic Interests”. However, in Japan’s eyes, China is covertly strengthening its military power and trying to change the status quo by force or coercion.
Sino-Japan Relations in the Heisei Era in Japan’s Diplomatic Bluebook

Dong Congli
• Question
How the Japanese government views the Sino-Japan relations in the Heisei period?

• Approach
analyzing the discourse on Sino-Japan relations in Japan’s Diplomatic Blue Book (1989-2019 editions)
Economic relations

• always the main content
• little negative information
• some new changes around 2001
  → more closely interdependent, mutually beneficial, complementarity is stressed.
1) the change in Japan's ODA policy towards China

- In 2000, the Japanese government found that they need to review it. China’s economic growth and Japan’s stringent economic and fiscal situation. Complain that China didn’t make adequate propaganda on Japan’s aid to China. China’s economic growth directly impacted Japan, such as environmental problems.

- In October 2001, Japan announced a new ODA policy. Further focused on areas such as environmental issues which will benefit Japan, the development of China’s inland regions and the promotion of mutual understanding. Japan also decreased its ODA budget.
2) a trade fiction for the first time in 2001

• On April 23, Japan imposed provisional safeguard measures on welsh onions, shiitake mushrooms, and tatami-omote, because of a surge in imports of these products. China responded by imposing special customs duties on automobiles, mobile and car phones, and air-conditioners imported from Japan on June 22.

• In 2002, at the Boao Forum, Japan’s Prime Minister Koizumi expressed his view that China’s economic development is not a threat, but a challenge and opportunity for Japan.（中国の経済発展は、日本にとって「脅威」ではなく、「挑戦」、「好機」であり、日中経済関係は、「対立」ではなく、「相互補完関係」にある）
3) impressive progress since China became a member of WTO in December 2001

• China became Japan's largest trade partner since 2007.

• For a large number of Japanese firms, China was not only an export processing base, but also became a promising market.
2. East China Sea issues are highlighted

issues are listed in the bluebooks and how many times they are mentioned:

• Diaoyu Islands (13)
• the disposal of chemical weapons abandoned in China by former Japanese Army (12)
• Resources development in the East China Sea (11)
• Chinese marine research operations (5), the interpretation of history (5)
• Fishing Issues (3), Taiwan issue (3), Nuclear tests of China (3)
• Chinese anti-Japanese activities (2), China's food safety issues (2), Japan-U.S. Defense Cooperation (2),
• Japanese Self-Defense Forces overseas activities (1), Economic friction (1), Consular issues (1), Chinese nuclear submarines entering Japan's territorial waters (1), Rare earth exports (1)
We may conclude that the Japanese government regard the issue of the East China Sea as the most prominent aspect of the bilateral problem.

we can clearly notice that Japan’s government thinks that these matters are caused by wrong behaviors conducted by China.

1) Japan insists that there is no issue of territorial sovereignty to be resolved concerning the Diaoyu Islands and that it is China that is attempting to change the status quo unilaterally.

2) On the issue of resources development, Japan holds that the Japanese government is making great efforts to promote joint development while China continues unilateral development.

3) Japan complains that Chinese marine research vessels conduct research activities within its exclusive economic zone without having gained prior consent from Japan.
3. Interpersonal exchanges and mutual understanding are more valued

- Bluebook 1998 edition firstly mentioned
- Since the 2005 edition, interpersonal exchanges became an essential part of the bluebook, including the number of people from both sides and important exchange activities.

2004: Japanese visiting China (3.35 million)  Chinese visiting Japan (650,000)
2014: Japanese visitors (2.72 million)  Chinese visitors (2.41 million)
2015: Japanese visitors (2.5 million)  Chinese visitors (4.99 million)
2017: Chinese visitors (6.37 million)
2018: Chinese visitors (7.36 million)
4. The skepticism in response to China's increasing military power

• Before the 2005 edition, Japan’s concerns about China were generally related to its economy, politics and foreign policies.

• In the 2005 edition, the bluebook began to pay attention to China’s national defense and security. It points out that China's defense budget has increased by more than 12% compared to the previous fiscal year and that the Chinese side explains that the primary causes are the increases in personnel and equipment etc.

• From the 2006 edition, Japan started to call for greater transparency and criticized that China's explanation of budget details and reasons for budget increase are not sufficient to eliminate the concerns of other countries including Japan.

• Since the 2013 edition, Japan has increasingly emphasized that the Chinese army is becoming more active in the waters surrounding Japan, and that China’s attempt of changing the status quo has become a concern for the entire region.

• In the 2018 edition, the Blue Book wrote that in recent years China has had great influence not only in politics and economy but also in the military field.
The track of development of Sino-Japan relations in the Heisei era: four stages

• second stage: 2001-2006-2012.9, unstable but with hope of improving.
  2006 -“Mutually Beneficial Relationship Based on Common Strategic Interests”
• third stage: 2012.9 -2014.11, the Diaoyu Island-hostility
• fourth stage: 2014.11-, tend toward improvement ?
Comparing the Economic Cooperation between Japan and China: The 1930s and the present

Shintaro YANO

This presentation examines the history of economic cooperation between Japan and China since the 1930s. Through this examination, I propose that we consider the importance of the Sino-Japanese relations because the two countries have a trading history lasting centuries. For at least 100 years, the Japanese and the Chinese have clearly recognized the importance of Sino-Japanese economic relations, which is why the possibility of economic cooperation between Japan and China has been discussed persistently in both countries since the nineteenth century.

In the beginning of the Meiji era, some Japanese politicians and newspapers insisted that Japan should cooperate with China\textsuperscript{1}. In 1875, Tomomi Iwakura thought that Russia was the biggest threat for Japan, therefore, Japan and China should help each other to save the sovereignty of both countries\textsuperscript{2}. In 1890, Tokyo Asahi Shimbun insisted that East Asia faced European invasion, and stressed that Japan should form an alliance with China. The Japanese people felt threatened by European imperialism and regarded China as Asia’s regional power, and they hoped that China would cooperate with Japan\textsuperscript{3}.

Economic cooperation has also been discussed since the Meiji era. Sei Arao thought that by increasing trade between Japan and China, people could strengthen the Sino-Japanese economic relations and realize political cooperation between the two countries\textsuperscript{4}. In fact, Sei Arao established the Sino-Japanese Trading Research Center in 1890. A high number of Japanese students studied business, Chinese, and English there. One of the graduates, Ryuhei Shiraiwa, played an important role as a businessman in the modern Sino-Japanese economic relations\textsuperscript{5}. The idea of economic cooperation has attracted Japanese people since the Meiji era.

During the 1930s, many people in both countries discussed economic cooperation. In 1931, the Manchurian Incident occurred, and the Japanese Army continued to invade north China. As a result, the Sino-Japanese war started. Despite the various adverse events, some people continued to investigate possible economic cooperation to improve Sino-Japanese relations.

Economic cooperation was discussed in the talks between diplomats of both countries. In

\textsuperscript{1} Yoshitake Oka (1993), ‘Kokumintekidokuritsu to kokkarisei’ (‘The Nation’s Independence and the State’s Reason’) in Yoshitake Oka, Yoshitake Oka collected works 6, Tokyo, Iwanami Shoten, pp. 248-249.
\textsuperscript{2} Komon Tada (eds.) (1995), Iwakura ko jikki gekan (The Biography of Prince Iwakura 2), Kuki, Shoshi Sawai, p. 1273.
\textsuperscript{3} Tokyo Asahi Shimbun, October 3 1890.
\textsuperscript{4} Yoshitake Oka, op.cit., p.253-254.
\textsuperscript{5} Tadashi Nakamura (eds.) (1999), Shiraiwa Ryuhei Nikki (The Diary of Ryuhei Shiraiwa), Tokyo, Kenbun shuppan, pp. 170-188.
1934, Soong Tzu-wen said that political issues were too difficult to resolve at the time, but economic cooperation was possible. The Ministry of Foreign Affairs of Japan regarded Soong’s remark as important; as a result they made a plan for economic cooperation in a week. Since then, politicians of both countries have referred to economic cooperation many times.

They believed it would be possible to cooperate in order to improve the cotton quality in Shandong. At the time, textile manufacturing was one of the most important industries in Japan and China. Japan was importing large quantities of cotton from India and the United States. Japanese enterprises wanted to increase cotton imports from China, but they determined that they would not use them without some quality improvements. The Chinese also recognized this problem, leading the Japanese decision-makers to believe that Japan’s financial and technological support to develop China’s cotton industry might lead to economic cooperation between the two countries.

In 1933, Japanese cotton mills in China decided to establish the “Cotton Improvement Association of Shandong” to work on the experiments and distribute the seeds to farmers in Shandong. They started the seed distribution in March 1934, and Chinese enterprises cooperated on the project. This project continued in 1935 and beyond. Japanese enterprises started economic cooperation without the Japanese government’s support.

Simultaneously, some Chinese elites were discussing economic cooperation. In 1932, Tsiang Tingfu insisted that economic and technical cooperation with Japan contributed to the state construction of China. In 1935, Tokyo Asahi Shimbun reported that Chiang Kai-shek had insisted on the importance of economic cooperation. Although he also emphasized that Japan had to make efforts to improve the Sino-Japanese relations before realizing economic cooperation, his statement promoted discussions about economic cooperation in the media of both countries. A Tianjin newspaper, Dagong bao reported that they did not oppose Japanese suggestion about economic cooperation but feared that Japan might have an ambition to violate Chinese sovereignty. While Chinese people recognized the importance of economic cooperation, they thought it was necessary to improve the Sino-Japanese relations.

When the Japanese army started to invade north China, Chinese intellectuals criticized the nature of economic cooperation. A Chinese magazine, Dongfang Zazhi, in an article, pointed out that cooperation between China and Japan was unequal as China is an agricultural economy, while Japan has become an industrial one. Other magazine articles also accused Japan of exploiting

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8 *Tokyo Asahi Shimbun*, February 17 1935.
9 *Dagong bao*, February 16 1935.
10 Bai Wei, Lun, ‘Zhongri jingji tixie’ (‘Discuss Economic Cooperation between China and Japan’), *Dongfang Zazhi*, No.8, volume 32, April 16 1935, pp.29-44.
resources, such as steel, in China. Tsiang Tingfu criticized Japan’s attempt to remove support from Europe and US because China still needed investment from those countries to build a nation. Another magazine showed suspicion toward Japanese intentions because the cooperation might be interpreted as a scheme to build an economic bloc among Japan, China, and “Manchukuo”. Many Chinese people believed that, even if the Japanese government changed its policy on China, it would be impossible to achieve economic cooperation between the two countries.

In March 1937, a group, called Kodama Mission, was sent to China with some important persons from Japanese business sectors to discuss economic cooperation with their Chinese counterparts. They had a frank exchange of opinions about Sino-Japanese economic relations, but they were not able to reach a concrete decision. For example, the textile enterprises in China demanded the Japanese side to stop the cotton quality improvement project, because the project might disturb Chinese enterprises in cultivating cotton. In fact, the Japanese army intended to start a new cotton quality improvement project in Hebei without the Chinese government’s approval. Chinese people regarded this act as an economic invasion in north China. As a result, the Japanese government could not stop the army’s project. People in Japan and in China not only failed to realize economic cooperation, but also failed to avoid the Sino-Japanese war.

When the war ended, the Japanese and the Chinese renewed their discussion about economic cooperation. Then, trade between the two countries began again in 1962, 10 years before the establishment of diplomatic relations. To resume the trade and improve the Sino-Japanese relations, many business people played important roles. The chairman of the Japan Chamber of Commerce and Industry, Aiichiro Fujiyama, was one of the most influential business people and a member of the Kodama Mission to discuss economic cooperation with China. He regarded China as a very important state for Japan and had an ambition to establish new Sino-Japanese relations. Therefore, Prime Minister Nobusuke Kishi appointed him as the Minister of Foreign Affairs in 1957. He proposed that the Japanese private sector could talk with the Chinese side and contribute to improving the Sino-Japanese relations. Japanese business people believed that economic cooperation could initiate friendship between Japan and China.

After China’s economic reform, Deng Xiaoping promoted the expansion of this economic cooperation. It is interesting that in his statement in 1984, Deng Xiaoping shared some points...
similar to the discussion on economic cooperation in the 1930s. He expected that more Japanese enterprises would invest more in China. This is because China possesses valuable resources but lacks funds to develop them. He considered that China’s economic growth could act as an advantage for the Japanese economy because China began to cooperate on the provision of energy resources and rare metals. In the 1930s, Japan needed various resources in China and a large number of enterprises existed in China’s cities such as Shanghai, Qingdao, and Tianjin. These were common points between the 1930s and the 1980s.

On the other hand, there were differences between these two periods. In the 1930s, some of the Japanese people hoped that Japan could gain various profits through economic cooperation. The Ministry of Foreign Affairs of Japan demanded lower tariff rates on China, and the Japanese army intended to remove the Chinese government’s influences on north China. In the 1980s, both the Japanese and the Chinese people regarded the Sino-Japanese relations as very important; therefore, they did not want to hurt the mutual profit for Japan and China. Based on this, one can say that the nature of political intention has a great influence on the success or failure of economic cooperation.

Currently, most people consider Sino-Japanese economic relations as very important. According to the Genron NPO’s report, although 86.3% of the Japanese people and 42.2% of the Chinese people have bad impressions of each other, over 70% of people from both countries consider Sino-Japanese relations to be important, and 36.6% of the Japanese people and 67.4% of the Chinese people expect that Sino-Japanese economic relations will continue to develop in the future. A high number of people understand that trade and investment between the two countries are essential for their lives.

In fact, a high-level dialogue between Japan and China was held in Beijing last month. The Minister of Foreign Affairs of Japan and the Premier of China discussed to expand trade between the two countries. Both governments agree that more trade will contribute to national interests.

Comparing the 1930s and the present, we can find some reasons to expect to more economic cooperation. One similarity and two differences exist in the two period.

The number of Chinese students studying in Japan and that of Japanese students studying China are increasing. In the 1930s, many Chinese politicians, such as Chiang Kai-shek and Liao Chengzhi, studied in Japan. Although Japanese experts on China could not contribute to improve the Sino-Japanese relations, they played an important role after the war. Nowadays, exchange students are increasing between the two countries. During their exchange studies, they could

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17 Asahi Shimbun, March 26 1984.
19 Nihon Keizai Shimbun, April 15 2019.
20 Japan Student Services Organization, International Students in Japan 2018, April 2019,
learn various aspects, such as culture, and lifestyle. I think that mutual understanding promotes more economic collaboration.

The structure of economic relations between Japan and China has changed significantly since the 1930s. Currently, Japan exports a large quantity of semiconductors to China, and China exports various product, such as cellphones, to Japan\(^1\). In addition, Japan and China depend on each other in agriculture and marine resources\(^2\). The Japanese investment in China is larger than the Chinese investment in Japan, but the latter is rapidly increasing. The trade relations are no longer those between an agricultural country and an industrial country.

Over 60% of the people in Japan and China agree on the cooperation between the two countries on Asian issues\(^3\). This means that people from both countries regard their counterpart as Asia’s regional power. This atmosphere did not exist in the 1930s. It is common knowledge that global issues cannot be resolved by a single country; therefore, it is necessary for Japan and China to deal with various problems together. We can expect a new type of economic cooperation.

For example, Japan and China can cooperate on environmental problems. After the war, Japan faced various instances of environmental pollution. Then, the Japanese people considered many countermeasures. Nowadays, environmental problems, such as global warming and air pollution, turn into global issues. The Chinese government, along with the private sector, is also dealing with these problems, but it is very difficult for a single country to resolve such a complicated issue. I am of the opinion that Japan’s experiences in dealing with the environmental problem in the past can contribute to resolving the same problem in China. This could be a new type of economic cooperation.

In 1930, many people discussed economic cooperation to avoid the Sino-Japanese war, but its fruits were not realized. Japanese political intention interrupted the progress of discussion between the private sectors of Japan and China. Also the unequal relationship between these two has become an obstacle hindering the cooperation. Now, these issues are no longer a problem, and people in both countries regard the other country as very important. Therefore, there is room for Japan and China to initiate a new type of economic cooperation in order to resolve various global issues.


\(^{3}\) The Genron NPO, op.cit.
Comparing the Economic Cooperation between Japan and China: The 1930s and the present

At Beijing University
31 May 2019
Shintaro Yano (Waseda University)
Main topics

- Economic Cooperation in the Meiji era
- Discussion in 1930s
- Economic relations after the war
- Comparing the 1930s and the present
- Conclusion
Tomomi Iwakura
(1825~1883)

- He played an important role in the Meiji Restoration.
- Russia was the biggest threat.
- Japan and China should help each other.
Tokyo Asahi Shimbun (1890)

* East Asia faced European invasion.
* Japan should form an alliance with China.
Economic Cooperation in the Meiji era

- Sei Arao (1859–1896)
  - In 1890, he established the Sino-Japanese Trading Research Center.

- Ryuhei Shiraiwa (1870–1942)
  - One of the graduates
  - He played an important role as a businessman in the modern Sino-Japanese economic relations.
Sino-Japanese Relations in the 1930s

- 1931.9.18: The Manchurian Incident
- 1932.3.1: Manchukuo was established
- 1933.5.31: Tanggu Truce

Discussion of economic cooperation

- 1937.7.7: The Sino-Japanese war
Soong Tzu-wen (1894-1971)

- The Minister of finance (1928-1933)
- Political issues were too difficult to resolve at the time, but economic cooperation was possible.
- The Ministry of Foreign Affairs of Japan made a plan for economic cooperation.
Improve the cotton quality in Shandong

China

Japan

Cotton

Exports

Supports

Exports

materials

products
Tsiang Tingfu (1895-1965)

- 1929: Professor of history at Tsinghua University
- 1936: The Chinese ambassador to the Soviet Union
- Economic and technical cooperation with Japan contributed to the state construction of China.
Chiang Kai-shek (1887-1975)

- He insisted on the importance of economic cooperation.
- He also emphasized that Japan had to make efforts to improve the Sino-Japanese relations.

Tokyo Asahi Shimbun, February 19 1935
Dagong bao (1935)

- It did not oppose Japanese suggestion about economic cooperation.
- It feared that Japan might have an ambition to violate Chinese sovereignty.
Criticizing economic cooperation

- Cooperation between China and Japan was unequal.
- Japan exploited resources in China.
- Japan attempted to remove support from Europe and US.
- Economic cooperation was interpreted as a scheme to build an economic bloc among Japan, China, and “Manchukuo”.

Life of reading, No.12, volume 1, 1935.
Kodama Mission (1937)

- It included important persons from Japanese business sectors.
- They discussed economic cooperation with their Chinese counterparts.
- They were not able to reach a concrete decision.
After the war

- 1945.8.14
The end of the war
- 1962.11.9
Trade between the two countries began again
- 1972.9.29
China-Japan Joint Communiqué
- 1978.8.12
China-Japan Peace and Friendship Treaty

Asahi Shimbun November 10 1962
Aiichiro Fujiyama (1897-1985)

- Businessman and politician
- A member of the Kodama Mission
- 1957.7~: The Minister of Foreign Affairs
- The Japanese private sector could talk with the Chinese side and contribute to improving the Sino-Japanese relations
Deng Xiaoping (1904-1997)

- He expected that more Japanese enterprises would invest more in China.
- China’s economic growth could act as an advantage for the Japanese economy.

Asahi Shimbun March 26 1984
Differences between the 1930s and the 1980s

- The 1930s
  - Some of the Japanese people hoped that Japan could gain various profits through economic cooperation.

- The 1980s
  - People did not want to hurt the mutual profit for Japan and China.
Impression of the other country

The Genron NPO, ANALYSIS PAPER: The 14th Joint Public Opinion Poll between Japan and China, Japan-China Public Opinion Survey 2018
Importance of Current Japan-China Relations

The Genron NPO, ANALYSIS PAPER: The 14th Joint Public Opinion Poll between Japan and China, Japan-China Public Opinion Survey 2018
High-level dialogue between Japan and China
Comparing the 1930s and the present

- One similarity
  - Chinese students studying in Japan and that of Japanese students studying China

- Two Differences
  - The structure of economic relations
  - Regarding their counterpart as Asia’s regional power
Exchange Students

Chinese students studying in Japan

Japanese students studying in China

Japan Student Services Organization, International Students in Japan 2018
The structure of economic relations

Japan exports to China
- semiconductors etc
- plastic
- semiconductor equipment
- electrical machinery
- steel
- the others
- scientific optical instrument
- parts of optical instrument
- organic compound
- car
- motor

China exports to Japan
- communication tool
- clothes
- audio visual systems
- metalware
- furniture
- parts of computer etc
- the others
- computer etc
- textile goods
- parts of car
The cooperation between the two countries on Asian issues

Japanese

Chinese

The Genron NPO, ANALYSIS PAPER: The 14th Joint Public Opinion Poll between Japan and China, Japan-China Public Opinion Survey 2018
A new type of cooperation

- Japan faced various instances of environmental pollution.
- Environmental problems turn into global issues.
- Japan’s experiences can contribute to resolving the same problem in China.
Conclusion

- In 1930s, Japanese political intention and the unequal relationship interrupted the progress of economic cooperation.
- Now, people in both countries regard the other country as very important.
- A new type of cooperation to resolve various global issues is expected.
Thank you for listening!
The PRC-Japan Lead Economic Initiative in East Asia

The People’s Republic of China (PRC) and Japan are the two countries that had been at the center of East Asian regional development and still are highly influential in the region. The influence of these two countries is embedded in other East Asian countries history, economy, social development, and culture. Furthermore, as the PRC had risen to be one of G2 countries and as Japan’s significance in the region endures, the two countries are critical in leading regional development. For instance, along with the Republic of Korea, the three countries economy accounted for about 23 percent of global GDP in 2015. One may speculate, therefore, the potential regional development and its economic prosperity that the PRC and Japan’s cooperation may bring forth.

The PRC and Japan lead economic initiative could further prosper the region for reasons such as the region’s great potential and the potential to increase the efficiency of the existing regional organizations like Association of Southeast Asian Nations, which is often criticized for its deficiencies. However, as the two countries have unresolved issues, such as history and territory, initiating such collaborative economic cooperation seemed to be challenging. As 2018 marked the 40th anniversary of the Treaty of Peace and Friendship between the PRC and Japan and as the Japanese Prime Minister marked that the countries had “entered a new phase,” nevertheless, the cooperative relation among the two countries seem to be promoted rather than conflicting with adversities.

Consequently, in the so-called “new era” of the PRC and Japan relation, the plausible positive impacts of the PRC and Japan collaboratively lead economic initiative in the East Asia region will be examined. In doing so, the critical issue of “To what extent the PRC and Japan lead economic cooperation initiative will positively influence the East Asia region?” will be corresponded.

Bibliography

The PRC-Japan Lead Economic Initiative in East Asia

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Presented at PKU-Waseda Workshop
31 May, 2019
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Critical Issue

To what extent the PRC and Japan lead economic initiative will positively influence the East Asia region?
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People’s Perceptions/Identity

International environment and security

Domestic Politics

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Cooperation agreements

Infrastructure, Finance, Logistics, Information technology

Minister of Economy, Trade and Industry Hiroshige Seko

Competition to cooperation
High quality cooperation
Cooperative potential (Eastern Economic Corridor)

October 26, 2018
Premier Li Keqiang & Prime Minister Shinzo Abe
Prosperity in the region & world economic stability
BRI: Third market cooperation

Suggestions
By Minister of Commerce Zhong shan

1. Innovate open & win-win cooperation
2. Trade connectivity
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When will the PRC-Japan lead economic initiative take the place?
TIMELINE

1972 September 29
PRC-Japan Normalization

1978 October
China-Japan Treaty of Peace and Friendship

1998 November
Japan-China Joint Declaration on Building a Partnership of Friendship and Cooperation for Peace and Development

2008 May
Joint Statement ... on Comprehensive Promotion of a “Mutually Beneficial Relationship Based on Common Strategic Interests”

2012 September
Senkaku/Diaoyu Island dispute
PM Abe: “Fully returned to the normal track”

25-27 October
1st official visit of Japanese Prime Minister to the PRC in 7years

Prime Minister Shinzo Abe- President Xi Jinping:
Realign bilateral relationship
3 key principles:
1. shifting from competition to cooperation
2. Forging a relationship as partners, not as threats
3. Developing free and fair trade regime

52 Memorandums of cooperation
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Resume discussion on implementation of the “2008 Agreement”
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Actors & Beneficiaries

- The People’s Republic of China
- Japan
- Enterprises
- East Asia Region
- International society
East Asia

(2015)

Intra regional trade: 55% total global trade
PRC + Japan + ROK: 23% global GDP
Figure 2
Average annual GDP per capita growth by region

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Why should the bilateral economic initiative be implemented?
Why PRC-Japan Lead Cooperation?

1. Deficiency of existing regional organization
   - Public Choice Theory:
     - Free rider problem
     - Cost effectiveness
     - Voting rules

2. Potential for regional development
   - Inclusion of developing and developed countries

3. Common interests between the PRC & Japan
   - National economic development
   - Regional Development
   - Liberalists
Public Choice Theory

Free Rider Problem
- Public good theory
- Solutions:
  1. Charge additional fees
  2. Provision of premiums
  3. Force not to be a free rider

Cost Effectiveness
- Prioritize national interest
- Club theory
- Marginal utility & marginal cost

Voting Rules
- Rules of making decisions:
  1. Majority rule
  2. Point voting
  3. Veto
- Size of majority population
- Method of distribution
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Implementation of PRC-Japan Economic Initiative

1. BRI
2. Continuation of established bilateral cooperation
   Ex) Japan-China Policy Dialogue on the Mekong Region
3. Expansion of Joint economic initiative
4. Multilateral cooperation with other developing countries in the region
Concluding Remark
Critical Issue

To what extent the PRC and Japan lead economic initiative will positively influence the East Asia region?
Conclusion

- **PRC-Japan lead economic initiative is an initiative that**
  1. Continues the PRC-Japan relations
  2. Takes a similar form to that of the First China-Japan Third Party Market Cooperation Forum

- **PRC-Japan lead economic initiative**
  1. Will take a place under the so-called “new phase” of the two countries bilateral relation
  2. Had already taken a step, which can be considered to be the first step, in 2018

- **PRC-Japan lead economic initiative will benefit**
  1. East Asia in short-term
  2. International society in long-term
  3. Not only the governments, but also enterprises
PRC-Japan lead economic initiative needs to be implemented as
1. The regional organization’s limits are posited by some like the public choice theories
2. With support, the region can further develop
3. Both the PRC and Japan share common interests in the region

The PRC-Japan lead economic initiative will be like
1. (possibly) a form of the Belt and Road Initiative (BRI)
2. Continuation of practiced bilateral cooperation
3. Further expansion of joint exercises
4. Multilateral cooperation
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THANK YOU!

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