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# SINO-JAPANESE RELATIONS: CONNECTING ASIAN GIANTS WITH ECONOMIC PROSPERS AND CONFLICTING IDENTITIES

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I hereby declare that I have compiled the paper independently and all works, important standpoints and data by other authors has been properly referenced and the same paper has not been previously presented for grading.

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#### **ABSTRACT**

This paper is trying to create an encompassing view of Sino-Japanese relations by elucidating two leading aspects directing the relations – first, the socially constructed identities connected with animosities about the shared past and, second, deep economic interdependence, mitigating the divergences. Methodologically benefiting from theoretical content analysis, process tracing and case study, the complex relationship will be examined mainly through the historical context, but the insights for the conjectural future will also be made. The forward-looking portion of this research is compiled around the current political and economic shifts between President Xi Jinping and Prime Minister Abe Shinzo. Sino-Japanese relations were brought back into the center of critical global political issues in 2012 after the Senkaku/Diaoyu islands dispute became more visible internationally. Last years have also marked a new era for the domestic politics in both countries as Xi entered into the leadership of the Communist Party for the first time and Abe started his new term as a Prime Minister. After 2012, both governments have taken an assertive stance in bolstering the national pride through nationalist narratives. This has simultaneously generated an aid for fixing the historically volatile identities as well a looming risk of conflict.

Despite the increasing nationalism in both countries, economic relations have flourished. The 2018 Abe's three-day visit to Beijing broke officially the icy barrier, which had overshadowed the relationship over seven years. During his meeting, a set of notable considerations over Sino-Japanese co-operation were arranged. Japan shifted itself even closer to the Xi's signature project, the Belt and Road Initiative (BRI). From this setting, the paper will produce the case study, which tries to create a novel perspective in analyzing the Sino-Japanese relations through the BRI.

**Keywords:** Sino-Japanese relations, identities, nationalism, Belt and Road Initiative, Asia-Pacific, regional co-operation, history problem

#### INTRODUCTION

When scrutinizing the international relations in the Asia-Pacific, one cannot disregard the centuries-old puzzle existing between China and Japan. The contemporary Sino-Japanese relations have been moderating a high number of regional challenges for nearly a century. Both political scientists and economists have been striving to determine a sustainable solution for this bilateral gridlock. Of course, if we postulate the relations not to be entirely halted, then we can incline ourselves to point those specific factors forming the structure of fluctuating relations. Seeking the lasting fix for normalization of the Sino-Japanese relations, have shown out to be predominantly perplexing. The root causes as well the solutions for this puzzlement vary for different schools of thought. As Hiroki Takeuchi (2014, 8) identifies that, even though neoliberalists may flag for the pax mercatoria as an evitable remedy, while the realists cling on the pessimistic bedrock assumptions about the global anarchy and security dilemmas, neither theory have not offered an absolute means to fully comprehend the issue. Thus, constructing the understanding purely on rational choice in a materialistic basis have not produced any robust outcomes in the past, whereupon it is then highly probably not to occur in the future.

Hence, the contemporary focus in analysing the relations of China and Japan have shifted with increasing volume to comprehend the magnitude of shared history in fabricating conflictual national sentiments. Rather than stressing solely on the growing imbalances in high politics and power relations, we should highlight the remarkability of unstable national identities, profoundly hindering the dialogue and cooperation between the two nations. However, one should not understate the scale of geopolitics and economic relations in conducting the operability of the relationship.

Now, when China is rising with a record-breaking velocity, a new historical venue has been formed. There has never been a situation like the present, where both China and Japan would possess a simultaneous great power-status. This dynamic has generated both, substantial opportunities for robust economic co-operation and grave geopolitical challenges for each party. We could state that 'tables' have somewhat turned as, China is rising to be confident with its power while Japan is relatively declining with its crumpled "bubble economy" (Shibata 2016, 84).

Though, this equation is not that unequivocal. What then is clear is that the national identities are in a state of crisis. From this unsettled dynamic rises a crucial research question that: by recognizing the conflicting reading of history and active process of reforming of the national identities through nationalism, how China and Japan can uncover a new constructive path to advance rather than to deter the normalization of the relationship? To meet the answer for that question, this paper endeavours to build a particular claim arguing that, through heeding the increased prospects for working-level co-operation, the actual remedy for a Sino-Japanese détente could be solidified through resolutely increased economic interdependence. More definitely, the paper will set the emphasis on the case study investigating China's new gargantuan economic project, the Belt and Road Initiative (BRI) and what Japan's copulation to the project would supply for easing the inflamed relationship with the burdening history problem. The methodological contribution of this study is to have a square shape. Firstly, a content analysis of relevant books and monographs from Japanese, Chinese and Western scholars, will examine the theoretical discussion about the leading historical preferences in Japanese and Chinese identity formation. The second angle will be on creating a clear comprehension about the historical pinnacles starting from atrocities of the interwar period, ending to the post-war-period of normalization, a qualitative as well as pluralistic history-driven process tracing will be utilized. By using the reviewed content on stressing the socially constructed relations, third chapter will focus on the perplexed identity formation in China and Japan. The chapter will analyse how the prevailing issues with shared history is generating an obstinate acrimony together with upsurges in nationalism in both countries. Lastly, the final chapter will research the recent secondary literature to gain comprehension about the predominant opinions and views of co-operation between China and Japan.

As discussed above, the core interest of this research is to argue for the magnitude of increasing the socio-economic interactions in relieving the perplexing Sino-Japanese relations. Especially by heeding the United States retrograding locus in Asia we can see that China and Japan has acted diligently to fill this gap. The two Asian giants have taken the initiative with parallel economic and infrastructure corridors: the Chinese BRI, Japan's resurrected Comprehensive and Progressive Agreement for Trans-Pacific Partnership (TPP-11) and Partnership for Quality Infrastructure, to shape the Asia-Pacific with thick integration and co-operation. While it seems that China and Japan would strive for increasing their regional hegemony in tandem, it has to be still acknowledged that the bilateral ties remain fragile and are highly determined by the movements in domestic politics. As China, after Xi Jinping's inauguration in 2012, began to enhance its regional and global position with an assertive turn, it also had a direct implication on the bilateral relations. Unusually though, despite the intensified geopolitics within the East and South China Seas mounting nationalistic

sentiments, the economic endeavours under the current administration of Abe and Xi have probably seen its warmest days in a long time.

To create a comprehensive and encompassing thesis, this paper will be divided into four parts to discover the hypothetical contingencies and challenges for relieving the tumultuous Sino-Japanese relations through economic liaison and eminently to critically evaluate the prospects for Japan's amalgamation into the BRI. Firstly, the paper will start with analyzing the primary literature providing the main theoretical frameworks used in this paper to open the academic discourse in comprehending the historical and social perplexities in Sino-Japanese relations. The second part will briefly go through the historical background by highlighting the central historical pinnacles with qualitative historical analysis. The main focus is to find how the sense of 'humiliation' derives from certain periods in history. Progressing from the decades of vehemence, the period of postwar normalization will be briefly elucidated to create a basis for comprehending the significance of economic interactions directing the relations. Thirdly, after illustrating the historical stumbling blocks, the importance and role of the history as a tool for China and Japan to embrace their identities through nationalistic narratives will be analyzed via constructivist lenses. After heeding the analytical approach to the history-oriented conflict of parallel identities, the final chapter turns the attention to the economic ties between China and Japan. With primarily analyzing the secondary literature, the final part will take its emphasis into the prevalent discourse on the BRI's prospects for Sino-Japanese relations within the Japanese, Chinese and global arenas.

#### 1. ACADEMIC DISCOURSE AND CONTENT ON SINO-JAPANESE RELATIONS

One focal point of this paper is undoubtedly to investigate and argue for the socially constructed nature of Sino-Japanese relations and highlight how the economic interactions have been functioning as a building block to sustain this exceedingly fragile relationship. The social approachment focusing on conflicting national identities will be illustrated as being a compendium of extensive books, monographs and journal articles providing the theoretical basis for the arguments and analyzation. More specific factors and views will be presented with supplementary detail in a variety of focused journal articles engaged in analyzing the history, identities, ideas, interests and economic interactions. Despite the broad conceptual variance in this literature review, the main focus in the paper will be rendered specially to comprehend the history affiliated identity formation through nationalistic narratives and how it is interlinked with the economic interdependence and co-operation.

#### 1.1. History, Identities and the Social Constructivist Literature

Building a theoretical framework to assist the thesis of the paper, the constructivist stream in International Relations (IR) rises to be a particularly useful tool. The baseline for the analytical discussion, touching the social-sphere will be acquired from Alexander Wendt whose book Social Theory of International Politics (1999) provides an extensive foundation for examining the prevailing international system. One of the scholar's main arguments is to demonstrate the importance of replacing the material dependency of state systems with inter-subjectivity and how this non-material nature of international relations is ultimately derived from social constructions (Wendt 1999, 193). In his earlier article (1994), he casts the concept for collective identity formation similarly by explicating the constructivism as a structural theory of the international system by making three core claims. First, he claims that: "states are the principal units of analysis for international political theory", secondly: "the key structures in the states system are intersubjective, rather than material" and lastly that: "state identities and interests are in important part constructed by these social structures, rather than given exogenously to the system by human nature or domestic politics" (Wendt 1994, 385).

For this paper expressly the latter part of the claim concerning the state identities and interests as being constructed by the social structures instead of "given exogenously" (ibid.) plays a crucial role in Sino-Japanese relations. The aforementioned Wendt's argument also gives a space for criticism as we encounter more specifically the identity formation processes in China and Japan. In both countries, domestic political forces have had a notable impact in shaping the national identities, especially when it comes to the anti-Japanese and Chinese sentiments and upsurges in nationalism, governments and education play a substantial role.

Thus, when we engage ourselves deeper into examining contemporary Sino-Japanese relations, the cultural and historical inducement cannot be simply evaded. History is embedded deeply into the Chinese and Japanese national ideas, identities, and interests. Suzuki (2007) argues that shared past has controlled Sino-Japanese interplay over the decades and as a result both countries have emulated a robust national consciousness within "Self-Other" dynamic. Suzuki amongst many other contemporary scholars, such as He (2007), Gustafsson (2011 and 2015), Neumann (1996), Wendt 1994 and 1999), abridges the beneficiaries of signifying the 'Self' and 'Other'- identities for understanding the complexity of Sino-Japanese relations and especially understanding Japan's historical role in Chinese national identity formation (Suzuki 2007, 29). In addition, Suzuki justifies the attractiveness of the particular analytical framework by professing that: "it successfully demonstrates the role Japan has played and continues to play in China's identity formation and highlights the embedded nature of Japan's negative history in this process" (ibid., 41).

Currently, international society is, to a certain extent, familiar with the fact that the negative history between the two nations dictates the barrier blocking the real openings for a robust relationship. Therefore, when analyzing this complex dynamic in Sino-Japanese relations, a dominating hurdle, also often referred as the "history problem" (Shibata 2019, 81-103), the question about the shared comprehension of the conflictual history, rises almost constantly as the main object in revamping the ups and downs as well the nationalistic overreactions in China and Japan. Shibata offers a valuable analysis of conflicting identities with biding a tool for understanding the core aspects of Japanese identity formation through historical pinpoints. Shibata elaborates how the nationalism in Japan is seen as a mechanism to enhance the damaged national self-esteem by writing: "resurgence of nationalist discourse in Japan as an effort to reinterpret and reshape memory to restore the nation's damaged collective esteem" (ibid.). She also endeavors to show how this reappearance of nationalist tendencies in Japan clearly accumulates from the national identity crisis, which is compelled by the growing sense of insecurity and anxiety under the economic

stagnation and significantly rising China (ibid.). Social vulnerability in Japan, in turn, has functioned as a motivator for the rising Chinese nationalism, where over the years the variable anti-Japanese sentiments have intermittently intensified into striking proportions. As many scholars before Shibata have argued, that the probable reason for the longstanding inflammation in relations between China and Japan is due to Japan's "historical amnesia" (ibid.). With this "historical amnesia", Shibata connotates Japan's: "political leaders' frequent denial of the Nanjing massacre, sanitization of its history textbooks, and the controversial visits of its head of state to the Yasukuni Shrine" and how this: "has generated deep and enduring Chinese hostility toward Japan." (ibid.).

As a counterpart for Shibata's vision towards a Japanese identity crisis, Gustafsson (2014) probes into Sino-Japanese relations into the viewpoint of self-identity and recognition. Gustafsson examines the reasons for the apparent lack of mutual recognition of "others" self-identities (Gustafsson 2014, 117-138). He takes a novel approach to Japanese self-identity formation largely seen through war-time memory. Instead, Gustafsson derives the positive self-identity through the peaceful post-war period, where Japan is regarded as a peaceful liberal democracy with being one of the key contributors in accommodating China's rapid rise (ibid.). China's partial denial of Japanese peaceful post-war identity inversely is titled as China's "amnesia" (ibid.). This 'amnesia' and hostile anti-Japanese sentiments are being considered to derive primarily from the Chinese patriotic education where the detrimental wartime atrocities are selectively over emphasized leaving no space for the positive post-war progress (ibid.).

Whereas Gustafsson and Shibata take a more intensified focus on history and formation crisis of Japanese identities, Suzuki then aligns himself somewhat contrarily focusing more on the Chinese identity formation in contrast of Japan as a significant 'Other' (Suzuki 2007, 23-47). Suzuki situates Chinese national identity to correspond to China's modern sense of 'victimhood' in the international society where Japan plays a particular role in withholding the historical part as an imperial aggressor (ibid.). Thus history for Suzuki is as well on the immediate core of the troubled relationship between the two states.

To briefly lay out a foundation for backing the economic aspect of the thesis, bringing forth International Political Economy theory (IPE), we can construct a profound twine between the IPE and the social-cultural constructivist aspect of the dyad relations. For the political economy facet of Sino-Japanese relations, there is a robust variance of research and theoretical discourse available. For this paper the valuable theoretical viewpoint for economic relations were derived

from Robert Gilpin's foundational book, *The Political Economy of International Relations* (1987). Although Gilpin's America -centric view and personal alignment to the neoclassical stream of realism, he provides essential questions and arguments for any school of thought in IR to digest. Gilpin works with a myriad of questions regarding the global interplay between the markets and states. To meet the context of this paper Gilpin lays out a set of questions asking:

Under what conditions does a highly interdependent world economy emerge? Does it promote harmony or cause conflict among nation-states? Is a hegemonic power required if cooperative relations among capitalist states are to be ensured, or can cooperation arise spontaneously from mutual interest?

Finally, approaching the main arguments and the specific case study of this paper, the question investigating that, could the increased co-operation and interdependence added with Japan's participation with the Chinese BRI recuperate the relations into a degree where the negative social barrier could be reversed to form a constructive relationship with profound mutual benefits? To approach this uncertain future scenario the paper will critically evaluate the prevailing discourse from secondary literature including, an opinion survey, primary reports from the foreign ministries of China and Japan, bilateral dialogues, official statements, news and opinion articles

### 2. HISTORICAL CONTEXT AND ITS IMPLICATIONS IN THE BILATERAL RELATIONS AND IDENTITIES

Before we are able to form elaborations for the sake of future relations, it is crucial to comprehend the central historical culminations nourishing today's clashing views about the shared past (McCargo 2013, 198). This corrosive 'history issue' is still probably the leading cause in sustaining the density in Sino-Japanese relations (ibid.). Why the grievances and humiliating views about the past are living strong even now and how to improve the lagging relationship? These particular questions are going to be stressed further with examining the primary academic literature engaged in deconstructing the persistent history issue. But prior to those questions, the coming chapter will commence by concisely arranging the key points in history shaping the current and past identities and at large the nature of relations.

This chapter will begin with surveying the early period of Sino-Japanese history. Though the shared cultural history stretches its roots over multiple centuries, the early period for this case is reduced into commencing from the transition years in the end of XIX to the beginning of the XX centuries. From the early years on, the chapter will heed the painstaking period from the Second Sino-Japanese War further into the Second World War. From the next subchapter will briefly touch the post-war period of normalizing the relations. During this period, despite the absence of wartime atrocities, the shared sentiments of humiliation began to trench even deeper.

#### 2.1. From 1894 to the Interwar Period

#### 2.1.1. The Meiji-Qing Period

As an initial push towards the "fifty years that overshadow two thousand" (McCargo 2013, 197), the paradigmatic shift in Japan from Tokugawa (1603-1868) to Meiji-period (1868-1912) in comparison to simultaneous declining of Qing dynasty (1644-1912), can be seen as an overture for the adverse history in Sino-Japanese relations. After Japan's opening up to the world due to Meiji restoration, it started to rapidly modernize its technology and eventually emerged as the first non-western industrial power (ibid., 21). *Vis-a-vis* with its phenomenal economic and technological growth, the Meiji leadership saw an acute demand for enhancing the state's power

and to construct stronger national identity (ibid., 24). Various steps were taken to consolidate the state structure but probably the most significant renovation was the declaration of the 1889 national constitution, "which symbolized the forging of the first modern nation-state in Asia." (ibid.).

Under the Meiji leadership the resilient weight was put into fortifying the military capability and the process of making the "invincible Japan" (ibid., 26; Cheow 2006, 19) was soon to be matured enough. After a rapid shift from the eras of warring feudal shogunates into being a rising power amongst the Western industrial powers, all ultimately followed in an outbreak of the first Sino-Japanese War in 1894-5. Significantly weakened China was already under the period of national humiliation by the Western powers who were constantly exploiting China due to its destabilized rule by the Qing-dynasty (Cheow 2006, 18). First Sino-Japanese War was an immediate triumph for modernized Japanese military, which quickly overwhelmed the vast Chinese army in both at land and sea. As a grand prize for the undeniable victory, Japan earned a fatal advantage to determine the terms in the Treaty of Shimonoseki in 1895. By the 1895 Japan had manage to suffuse strategically important areas in the North East, Shandong province and Manchuria, which put Beijing's access to the sea on a deadlock. With the favorable treaty of Shimonoseki, Japan also ceded the island of Taiwan and Pescadores (McCargo 2013, 26). This resulted in a skyrocketing rise in the Japanese national pride, while China started to sink deeper into the widespread sentiment of national humiliation. Final blow for the novel military power to boost its morale was the naval victory over Russia during the Russo-Japanese War 1904-5 (ibid.). Settings were rightly adjusted for the coming period of global war where the Chinese humiliation would take its lowest point, which would overshadow the Sino-Japanese relations for long into the future.

#### 2.1.2. The Second Sino-Japanese War and The Ultimate Humiliation 1931 – 1945

The Second Sino-Japanese War is a particularly challenging topic to analytically examine due to the heavy biases between different interpretations. One notable difference is already in the interpretation concerning the starting years of the Second Sino-Japanese War. For instance, due to one visualization, China only issued a formal declaration of war with the United States in 1941 when Japan attacked the US Navy at Pearl Harbor. Whereas, many Chinese scholars, on the other hand, regard that Japan began to wage war in 1931, when Japan occupied Manchuria after the Mukden incident and established the Manchukuo puppet state in 1932. However, probably the most commonly adjusted date for the takeoff of the war, is seen to be the July 7, 1937 with scandalous Marco Polo Bridge Incident where the China's National Revolutionary Army and the Imperial Japanese Army clashed with a fatal consequence (Minoru, Si-Yun 2014, 29-30). This

paper though, will trail the starting point to be the year 1931 with Mukden Incident as it lays out an intact understanding of the negative history between China and Japan.

After imperial Japan's first invasion to China and its decisive victory over a major European power, its leadership saw itself to be and up being stamped in history for the Chinese as a: "ultimate humiliation of China by Japan in its tumultuous 2,000-year relationship." (Cheow 2006, 20). Japan was considered to severely lack the effective economic and cultural insinuation ability over its Manchurian territories. That gave a comparative advantage for China's novel nationalist government, Republic of China (ROC) to take an assertive turn in order to regain the full control of the territory over the Imperial Japan (ibid.). As a decisive solution Japan decided to utilize its military supremacy to eradicate the looming threat in Manchuria. After a partial explosion of South Manchurian Railway near Mukden, Japanese army gained an opening to push the ROC's Northeastern Army out from the area. The Mukden Incident gained wide gratitude in Japan, with enhancing the nationalistic sense of Japanese supremacy over the East-Asian region. Oppositely, in China the anti-Japanese sentiments started to dwell vigorously. By 1932 Japan had managed to establish its puppet state, Manchukuo which served as a stepping stone for the Imperial Army to start expanding its presence in China (ibid., 31).

By the year 1936, China was on the brink of internal chaos while it was stricken with simultaneous threats coming from the civil war between Chiang's ROC and Mao's CCP (Chinese Communist Party) and the fear of total war with Japan (ibid., 42). Chinese and Japanese troops were clashing repeatedly and anti-sentiments towards each other were rising dangerously fast and Chiang Kai-Shek was soon enable anymore to rationalize the public in China. Minoru and Si-Yun illuminates this hostile fraction that started to escalate quickly, especially in China. They divide the national debate between: the hawks and doves, where the doves took the realist and meek stance to admit the current realities admitting China's inferiority in its modernization and that instead of ending up losing more territory and to pay up reparations, "it would be better to simply relinquish territory to avoid war." (Minoru, Si-Yun 2014, 35). The hawks in the other end represented a complete opposite with a hubristic vision for China's superiority. The hawks considered that: "China's continual defeats were the consequences of corrupt or treasonous government officials" and, "if the Chinese eliminated these officials and entered to an all-out war against Japan, then China could expel the Japanese and recapture Manchuria." (ibid., 36) The hawks also based their reasons to wage China into a total war on three core arguments that: Firstly, China's total population was supreme over Japan, secondly, China was more abundant in resources and it has a vast territory,

and thirdly, China trusted on Western powers to eventually intervene in order to secure its interests in China (ibid., 37).

In 1937, after the Marco Polo Bridge incident the propensity for China and Japan to be driven into large scale war, started to seem inevitable. Chiang Kai Shek, though his strident efforts to thwart the engrossing rage within the public, were forced to act. The exertions from both sides to resolve the growing conflict peacefully instantly perished after the assassination of Lieutenant Oyama Isao by the Chinese troops (ibid., 50). Aerial bombings and large-scale mobilizations began to expand the war. Japanese forces quickly overpowered the city after another. The two of the largest cities at that time, Beijing and Tianjin were lost in July 1937, after which Japan executed the invasion of Shanghai (ibid.). But even though Shanghai was lost rapidly, Chinese revolted against intensely. Japan's planned three-day operation in Shanghai expanded to last up till November and, like China, Japan suffered major losses. The forces of the Chinese army went to Shanghai so that Nanjing, the capital of that time, surrendered to Japan in December almost without resistance. Nevertheless, the Japanese soldiers soon committed the worst massacre of the war which would become one of the main factors in creating the complications in Sino-Japanese history.

By 13 December 1937, after months of fierce combatting, Nanjing was occupied in front of the retreating Chinese troops. The Chinese troops were already depleted in Shanghai, which resulted in Nanjing's virulent surrender to Japan almost with non-existent resistance. Japanese occupation of Nanjing is playing a particularly painful role in bedeviling the Sino-Japanese relations. This period in history, which is commonly known as the Rape of Nanjing or Nanjing Massacre, served a rampant exhibition of atrocities towards Chinese civilians and military troops. Within a short period, Japanese troops slaughtered the civilian population of the city of Nanjing near to its entirety. According to Jeffery N. Wasserstrom (2013, 52) within a few months Japanese troops killed approximately 200,000 to 300,000 inhabitants and raped tens of thousands of women.

Foreign powers were largely averting in their aid because many were reluctant to jeopardize their relations with Japan by helping China in its forlorn war. Finally, after the Japanese attack on Pearl Harbor and the US's declaration of war for Japan at the latest, made the Second Sino-Japanese War as a part of the World War II. For Japan, the war ended in August 1945, when the United States first hit the Hiroshima and then Nagasaki with an atomic bomb. In China, Japanese forces officially surrendered a month later. Over an eight-year course of war, an estimated 20 million Chinese civilians died. Over three million Chinese soldiers had fallen, with a contrast of estimated 1.1-1.9 million fallen Japanese. After the war, the Chinese economy was in ruins, there were

approximately 95 million refugees in the country, and were left out in starvation. For China it was not possible to enjoy peace for long as the power struggle between KMT and PRC outbroke into a civil war next year. Mao Zedong remained victorious and began to pave the way for modern China to come by declaring China as the People's Republic of China in 1949.

#### 2.2. Post-War Period, Normalization of the Relations

With 50 years of belligerence, China and Japan had managed to decease the over two millenniaold robust relationship with valuable cultural exchange (Burns 2000, 28). The two Sino-Japanese Wars had caused a significant damage for the bond decades to come but in a parallel view this also offered a clean slate for China and Japan to restart their relations. The reconciliation process was however complicated due to that the two countries were on a course to the diverging destinations. The post-war Sino-Japanese relations since 1945 constitutes a period of incipient restart efforts varying from disappointments to prospers. This historical timeframe can be divided into three parts: The pre-normalization period (1949–1972), The post-normalization period (1972 to the late 1980s) and the third period with end of the Cold War and changing dynamic in power, leading to the current situation where China and Japan are celebrating their 45<sup>th</sup> anniversary of the normalization of diplomatic relations (Rose, Griffith 2018).

As Japan was humiliated to surrender its endeavors in Asia-Pacific by the USA, while concurrently China was driven into an internal abyss with CCP and KMT demolishing the country. After four years of civil war, Mao Zedong's CCP began to implement his communist dream over China and as a result in 1949, the People's Republic of China was established. As the post-war world shifted further into the bipolar order, China and Japan were also determined to be locked into opposing blocks (Burns 2000, 37). Japan's China-relations were essentially administered by the US and therefore prospects for physical reconciliation remained bleak. US officials concerned that the future co-operation between China and Japan with possibly leading to reconciliation, would gravely danger the US's interests in Japan and Asia (ibid.). Though the Sino-Japanese relations were under a tight external control and the diplomatic exchange were nonexistent (ibid., 38). The bilateral trade was not though completely halted, during the 1950's the trade was not running in significant numbers, as an example the amount of trade in 1950 was totaling only 4.7 million USD, whereas in 1956 it was already worth of 151 million USD (ibid.). Up until the 1972 Sino-Japanese during the pre-normalization period was stamped with continuous mood swings, largely due to the lack of official diplomacy and highly reactive environment domestic politics. With the beginning

of 1970s China tilted towards Japan as it cut the ties with its Soviet dependency after Mao's decision on Sino-Soviet split (Cheow 2006, 23). What followed was a vital event for the normalization process, better known as the "Nixon shock" (ibid.), which at large remarked China's opening to the world.

The first period of post-war relations concluded in 1972 due to President Nixon's push towards constructive normalization China relations, which enabled the further signing of Treaty of Peace and Friendship (TPF) in 1978 that brought a significant "momentary reconciliation" over the two Asian giants (ibid.). Forming a new paradigm in official diplomacy in Sino-Japanese relations unlocked the barrier to truly intensify the trade relations, which thenceforth would notably impact the economic and political interest in both sides (Burns 2000, 41). Mao's death in 1976 marked a new era for China. 'Opening' China to the world meant that China had to quickly modernize its industry and economy to catch up with the modern world (ibid.). This transformation process also meant a significant elevation in economic interactions between China and Japan. During Deng Xiaoping's "Open Door" policy the bilateral trade ten-folded and by the 1993 China was to become Japan's second largest trading partner right after the USA (ibid., 43).

The interplay was on its right tracks to lead this co-operation to form a lasting and robust relationship which had reigned over two millennia's. While Japan was deferring its position as the "big brother" (ibid., 47) for China by lending huge amounts of low-interest loans through its Overseas Development Assistance (ODA) and pushing China further into the international organizations, the improved relations had not managed to free Sino-Japanese relations from its historical chains. Negative history still kept its clench over the social relations as the new upsurge in nationalism in both sides started to occur with Japanese repetitious high-level visits to the controversial Yasukuni-shrine and large-scale whitewashing scandal of history in Japanese schoolbooks. From this setting we may start to progress into the next chapter which will magnify the effect of this new surge in nationalistic sentiments on identities and further on to the economic relations.

#### 3. CONTROVERTING IDENTITIES IN CONTROL

#### 3.1. New Narratives

To demonstrate clearly on what magnitude the identities and national sentiments are playing in determining the Sino-Japanese relations, we can heed back to the 15-16th of September in 2012 when across China tens of thousands of Chinese mounted to protest against Japan. Back in 2012 more than 10,000 Chinese marched on the streets in Guangzhou (The Economist 2012). The demonstrations included impulsive surges of rage with groups breaking into a hotel next to the Japanese Consulate, attacking into Japanese restaurants, shops, factories and burning Japanese made cars and flags. Of course, there can be found an undeviating cause which ultimately triggered the rage to outburst on that scale. The dispute between the two countries escalated approximately a week before when Tokyo's nationalistic governor Shintaro Ishihara announced that it had nationalized the disputed Senkaku/ Diaoyu island group. China instantly condemned the agreement by sending two guard boats to the islands. The island disagreement resulted in damaging the diplomatic relations and in establishment of East China Sea Air Defense Identification Zone (ADIZ) by China. However, the dispute has not been officially resolved, regarding the current state of relations led by Abe and Xi, it could be noted that at least the question for the Senkaku/Diaoyus has been effectively shelved aside for not injuring shared economic interests.

Surely this sort of national demonstration of hatred was not a unique occurrence. If we look back to the notorious 2005 anti-Japanese mass demonstrations all over China, spanning over three weeks, we can notice that the public nationalism is a serious issue in Sino-Japanese relations (He 2007, 1). Thus, it is critical to ask that, firstly, what drove Japanese officials to directly provoke the Chinese by making an arbitrary decision over nationalizing those inhabited islands and secondly why this stirred such aggression within the Chinese nation? The reasons for this tensity can vary greatly, but what this paper attempts comprehend is how the changes in identity formation effect on actions and reactions in both flanks and why especially nationalism has become a growing trend in domestic politics in both countries. The relationship remains fragile, and this kind of radical movements in public and political elite can severely damage the extant economic relations and evade the history-problem to be solved in the future.

Thus, this chapter will examine the Sino-Japanese dynamic through the national identities and how the rising nationalism in domestic politics uses the controversial history in forming the "Self"concept in contrast to the "Other." First, we discuss the identity formation from the Japanese perspective and how it has introduced new narratives to gain recognition from China as a peaceful liberal democracy, with the consensus on cultivating the mutual understanding on positive postwar history instead of playing the adverse 'history card.' (Gustafsson 2014, 120, Suzuki 2015, 97). Whereas in China the identity formation is as well under heavy construction. As we have seen, history plays a substantial role in China's historical narrative in molding the national identity through patriotic history education and governments thick propaganda. Now, contemporary China and especially Xi Jinping has taken an assertive turn in bolstering up its rejuvenation of "Chinese Dream," where according to its ideal future, the last remnants of humiliating past would be finally released. (Kallio 2016, 17) Ancient Chinese-traditions and culture have also been increasingly reintroduced to the society, partly to paint the picture of China for the Chinese as for the global audience, as one of the central powers in the world. (ibid.) This has, of course, raised multiple concerns and queries in Japan, which in turn can be seen in the growing demand in Japanese nationalism.

#### 3.2. "Self" and "Other": Identities Under Nationalism

#### 3.2.1. Role of Nationalism in Shaping Japan's National Identity

Japan's national identity from an political elite perspective, has a long history in balancing between East and West. This ambiguity in identity formation has evolved into a persistent controversial issue in Japan, among the civil society, academics, and political elite. The Japanese identity as an essential Asian power is often based on historical facts with the emergence of Japanese culture as pursuing to represent certain Japanese uniqueness, apart from the significant influence of Chinese civilization. Japanese identity as one of the western powers in turn, as it was presented earlier, is often justified by the rapid modernization of the Meiji period (1868–1912), which resulted in Westernization of Japanese society in many different ways (Hatch 2010, 377–378). In his analysis, Walter Hatch elucidates that the debate on Japanese national identity is not extensively considered as an indication of existential conflict within Japanese collective consciousness. Instead, discursive changes in Japanese identity reflect changes in the interests of the Japanese political elite. Sometimes emphasizing the Asian and sometimes Western characteristics in the foreign policy context always serves the political interests of the particular elite (ibid., 380-381).

Above all, contemporary post-war-Japan is still strongly linked to the past by the fact that the country matured into being a modern nation-state in concord with triumphant nationalism. This period of history, however, remains a sensitive topic in Japanese discourse. Yet nationalism is an integral part of the Japanese national identity the painful war-time memories often emerge even due to moderate expression of patriotism. An illustrative example for this is the Japanese executive's visits to controversial Yasukuni Shrine, which is often considered by the Chinese and Korean as an expression of paying homage for the humiliating past (Cheow 2006, 22).

As Ria Shibata (2016) notes in her article that the emergence of nationalist discourse in Japan could be seen as an urgent need to, "reinterpret and reshape memory to restore the nation's damaged collective esteem." (Shibata 2016, 81). When interpreting today's Japan, it is blatant that the state has struggled with reminiscing of the past so far that the encouraging vistas for the future have almost become intangible. From the 'lost decade' of the 1990s when Japanese society faced its worst economic crash since the end of the War, an increasing number of contemporary Japanese politicians have strived long for enriching the nation's lost positive identity and pride (ibid., 84). Political elite along with Abe's return to the office in 2012, has taken a new assertive course to bolster up the nation's long-lost self-esteem and pride by introducing new narratives. Abe has introduced his vision how to 'Make Japan Great Again' with the "Chosen Glory," where the nation's painful past is being relaxed via glorious national myths and buoyant visions for the future (ibid., 83). Sort of a contradictory national narrative "Chosen Trauma" (ibid.) is also utilized by the politicians. Within this narrative, the aim is to fade the sense of guilt by narrating memories about the victimhood. (ibid.) For example, crucially by highlighting the atomic bombings of Hiroshima and Nagasaki the political elite seek to produce a collective identity of being the 'victimized' state (ibid., 83, 94).

It is ostensible that the conviction may be solidifying that Japan has overcome its past sins and now considers nationalism as a worthy way of guarding the nation's glorified positive identity. But the subject is still timid, though not as sensitive as before during the History Book Controversies in 1982 and 2001. Nowadays, the current dynamic with nationalistic leadership in Japan and China has shown some auspicious prospects for a robust future, but still reconstructing the sensitive national identities with reshaping history and collective memory by feeding, "egoist, pernicious national myths that inculcate a sense of innate superiority." (He 2007, 3). Japanese leadership plays a precarious game since, the perils of fanatical nationalism should not be underestimated. When adjusting the shared past unilaterally, it may become highly counter-reactive on the other side instigating the further intensification of relations.

#### 3.2.2. Role of Nationalism in Shaping China's National Identity

As it is mostly the case in Japanese national identity, naturally history is one of the primary propulsions in the Chinese nationalism and formatting of victim identity. Although when in Japan the historical grievances can have a dual effect: as a method to 'glorify' the past or to create an alternative 'victimhood'. In China, Imperial Japan's wartime atrocities are mostly situated by propaganda on top of the peaceful post-war history of Japan in favor of creating a resilient "victimized state" identity (Gustafsson 2015, 126, Suzuki 2007, 31). There is a broad body of literature available examining this aforementioned "historical amnesia" (Gustafsson 2015, 126) and how it selectively denies Japan's efforts to identify themselves as a peaceful liberal democracy (ibid.). Generating this amnesia could be seen as a sort of long-term strategy for the government, and it can be considered as one of the leading sources for the ultra-nationalistic 'anti-Japanese' sentiments to deteriorate in China (ibid., 134). This has not been the case always as in the 1970's government strived to produce shared illusion about the Sino-Japanese history, with avoiding perpetual underlining of Japanese war-time atrocities (He 2007, 6). He elucidates this period of "illusion" by noting that during the 1970s, "Most young Chinese at that time had minimal knowledge about Japanese war atrocities, for the state-controlled textbooks rarely mentioned them and academic research on this topic was banned." (ibid.). Conversely, this feeling about the Sino-Japanese amity was dumped after the strong war-victim narrative started to mature vigorously within the conservatives in the Communist Party (ibid.). Due to China's launch in anti-western and similarly anti-Japanese education patriotic nationalism exceptionally after the Tiananmen Square incident in 1989, China's relations between Japan have plunged several times ever since (Modongal 2016, 4). China has used and is using nationalism in this manner to justify many of its domestic and foreign-policy choices. Primarily this can be grasped with this decade's island disputes, both in the South- and East China Seas where the nationalistic policy adoptions have offered a wide variety of potencies and disadvantages for the Communist Party.

When it comes to the creation of the "victimhood" and setting Japan as the main "victimizing other" (Suzuki 2007, 38) Chinese government takes significant risks in inspiring the public to mend themselves towards 'anti-Japanese' sentiments. But why particularly Japan, is being considered as the primary "victimizing other" (ibid.) in Chinese identity creation? Suzuki finds out three core explanations for this 'shared view'. Firstly, "memories of Japanese imperialism are the freshest in Chinese minds." (ibid., 38-39). Suzuki notes that despite the various conflicts that China have had since 1949, sentiments over Japanese wartime hostilities exceeds all of rest (ibid.). Secondly, Suzuki notes that: "the stories of 'historical revisionism' in Japan or any actions associated with this are given wide-scale publicity." (ibid.). Thirdly, following the second point,

these Japanese "historical revisionists" which tends to Chinese observers, deny their 'victim' identity, often cause an unnecessary "media hype" which can further intensify national sentiments and arbitrary reading of Sino-Japanese history in China (ibid.).

China thus has a requisite to emphasize its specificity and glory, especially before the eyes of its citizens. Therefore, many actions such as malignant anti-Japanese demonstrations and arbitrary actions in the South and East- China Seas are being justified by the injustices made by "Others." Whipping up the national identity through strong "victimizing" of "Others" is sure a simplistic way to enhance the sense of patriotism, but on the other hand, in the case of Japan, it is particularly dangerous for the government to let the strong national sentiments to emerge freely. As it has been presented earlier in some cases, the public-nationalist opinion may develop beyond radical in contrast with the Communist Party's official line. Letting the radical nationalist tendencies and opinions to accumulate freely is though a major risk especially in countries where the satisfaction of the people with the prevailing conditions creates a primary legitimacy for the authoritarian regime and in this case for the Communist Party. The government cannot merely afford to lose its grip on its citizens neither it cannot take a risk to ruin the robust interdependence with Japan. As it was concluded with the Japanese national identity which is currently being boosted through 'glorified' nationalistic narrative, China also needs to focus on pragmatic policy making instead of feeding the unilateral views about the patriotic history through public education and media. Of course, there is no imperative paradigm solution for China and Japan to get rid of the shackles of negative past, but as the Sino-Japanese relations since the beginning of the post-war normalization have proven, that increased economic interdependence and co-operation might be the utmost efficient and constructive resolution.

## 4. SINO-JAPANESE ECONOMIC RELATIONS: HOT ECONOMICS, COLD POLITICS AND THE BELT AND ROAD INITIATIVE

As we have seen this far that the path to normalization between China and Japan have been accumulating gradually through the decades from sharing the economic interests as well the worries about the changing global economic order. Of course, the road to prosper have also carried some challenging disputes along its way. As Katherine Burns (2000, 50) notes that despite the bumps bothering the overall benevolence in the dyadic relation, "a combination of skillful highlevel diplomacy together with an underlying commitment by both parties to the economic relationship has mitigated conflict". This artisanship of separating the politics from the economics, also known as *Seikei Bunri*, have long provided an effective tool for China and Japan to shelve aside the sensitivities in geopolitics from damaging the robust economic relations (Nagy 2013, 54, Maeda 2016).

Nevertheless, the recent plummet with 2012 island dispute instigated significant damage, freezing the official diplomatic relations for years. Last year's meeting of Xi and Abe in the October, though marked a figurative implication for thawing the Sino-Japanese relations. The meeting was scheduled to celebrate the 40th anniversary of the signing of the Treaty of Peace and Friendship between the two countries in 1978. The monument agreement officially normalized relations for the first time after the wars, and now both leaders were noticeably unanimous that the relations are advancing back on the right track. In the Asahi Shimbun's news article headline, Abe's visit to Beijing was described as being the "historical turning point", as China and Japan managed to ratify more than 50 agreements on different joint infrastructure projects and sign a substantial currency swap worth of 3.4 trillion yen (Asahi Shimbun 2018). Furthermore, Japan announced before the meeting that it would stop its official development assistance (ODA) paid by the country to China for 40 years. According to Abe, "China has developed into the world's second-biggest economy. The historic mission (of the ODA) is completed,"(Jiji Press 2018). This, of course, had as well a symbolic significance for China, as it officially moved out from the sphere of Japanese assistance towards being the new "big brother" (Burns 2000, 47). For Japan a demand for a large-scale cooperation between China and Japan is rising with high speed, so from a Japanese perspective, it would be economically reasonable and politically worthwhile to improve this "new start" (MOFA 2018) with its rapidly growing neighbor. Even if there is improbable credit in Tokyo and Beijing that the conflict over the Senkaku/Diayou-islands will be resolved any time soon. However, instead of putting the resources of conflict resolution, countries are more than ready to concentrate on mounting new infrastructure and financial projects, which will be mutually beneficial. From a Chinese point of view, Japan's participation in the BRI-projects would then serve a momentous vote of confidence for the image massive infrastructure program, and closer working-level economic relations can further increase Japan's investment in China and *vice versa*.

Despite the grave challenges, dwelling deep within the critiques of China's true intentions on shaping the economic hierarchy and geopolitics, diminishing of the gap between Beijing and Tokyo through co-operation between can be considered only as a positive thing. Over the last decades, this gap has been abridged with arguable success by increasing the economic interdependence and co-operation both in national- and private level, thus it would be astute to maintain the assurance for the future as well.

Now, in both countries, the public plays also a significant role in creating a future where friendship with robust economic relations can prosper without a ballast of negative history. Therefore, as it was stated in the previous chapter that, more pragmatism and assertiveness should be demanded from the political elite, so that in a few years, relations between Japan and China will not plummet into a similar or even a deeper pit. With this final chapter, the hypothetical future venue with increased interdependence and co-operation between China and Japan through the BRI will be analyzed. Due to the recentness of this convergence between Xi and Abe on the BRI, many vistas for the future remains still undefined. Therefore, the analysis will focus more on the prevailing discourse between the political elite and public intellectuals from China and Japan by using the secondary literature gathered from the various national news and polls embodying the public opinions as well the foreign ministries publishing reports and speeches. Through analyzing the secondary literature and dominant discourse, this paper effort to draw a conclusion answering to this ambiguity that would the BRI offer a concrete and constructive win-win situation for both, the state and the people in China and Japan?

#### 4.1. Connecting the Two Giants: Case Study of the Belt and Road Initiative

First, before we can elaborate the BRI within the context of Sino-Japanese relations, it is worthwhile to briefly construe the outline of, "the most ambitious infrastructure investment effort in history" (Chatzky, McBride 2018). With the Xi's initial introduction of Silk Road Economic Belt and the 21st Century Maritime Silk Road, (currently termed as the BRI) in 2013 a new paradigm in the global economy were laid out. As in his first speech at Kazakhstan's Nazarbayev University for setting the frameworks of BRI, Xi emphasized according to the Ministry of Foreign Affairs of the People's Republic of China (2013) report, that to preserve the ancient continuum of friendship and harmony countries should strive:

To vigorously strengthen the practical cooperation and to be good partners with mutual benefit and win-win opportunities. We should turn the advantage of political relations, the geographical advantage, and the economic complementary advantage into advantages for practical cooperation and for sustainable growth, so as to build a community of interests. We should create new brilliance with a more open mind and a broader vision to expand regional cooperation.

Up to this day, the project has gathered along, with varying estimations over 65 countries, where "In 2018 alone, over 60 nations including New Zealand, Austria, Kazakhstan and South Africa joined the initiative." (Belt and Road Portal 2019). According to the World Bank's approximation from 2018, the total collection of signatory countries already accounts a staggering amount of "30 percent of global GDP, 62 percent of the population, and 75 percent of known energy reserves." (World Bank 2018). Intrinsically, this has somewhat forced Japan to take significant efforts in balancing with the velocity of China's giddy regional and global growth. Preferably Japan would tend to remain its earlier position as a fervent criticizer of the BRI. Conversely, Abe surprised the international community in 2017 at APEC Economic Leaders' Meeting held in Philippines, as he affirmed that: "We will raise Japan-China relations to a new stage by strengthening our cooperation at every level and by deepening our exchanges, including high-level mutual visits, at the major juncture of the 40th anniversary of the conclusion of the Treaty of Peace and Friendship between Japan and China, which we commemorate next year." (Abe 2017). After his opening statement, at the press conference Abe was enquired to elaborate further his statement concerning the increasing the co-operation through the BRI, he responded:

As for the "One Belt, One Road" initiative, we look forward to this initiative making contributions in a forward-looking way to the peace and prosperity of the region and the world by adequately incorporating the thinking held in common by the international community regarding the openness,

transparency, economic efficiency, financial soundness, and other such aspects of the infrastructure. Japan wishes to cooperate from this viewpoint.

Abe's sudden cautious signaling towards the Xi's BRI, from one perspective, incurred disconcerting views among the international and domestic observers. Especially when heeding Japan's considerable counter-balancing regional procedures: TPP-11, Partnership for Quality Infrastructure and "Free and Open Indo-Pacific Strategy" (MOFA 2017) to promote Japan's role in regional economic rule-making, the recent sympathies in sharing profound interests between Abe and Xi have dumbfounded many. We can then ask, how does this thaw between Tokyo and Beijing actually correlate in the Sino-Japanese relations? How will the two regional giants commence in the future? Will China and Japan find harmony through the BRI in how to tackle the overshadowing doubts about the openness, transparency, and sustainability of the project? And how this will effect on the deep-rooted national sentiments that derives from the dilemma of shared history?

#### 4.2. The Discourse – From Sceptics to Advocates

To derive a good overview about the Sino-Japanese relations under this current sea of change, in the absence of profound primary literature, we ought to interpret the secondary literature which will give us the understanding of the direction where this new co-operative initiative is progressing. With this section, the paper will analyze the prevailing discussion and language used. Phrases such as "historic turning point" and "new era" is surrounding a large quantity of the content published in the commentaries and op-eds, but the criticism is as well strongly present especially within the Chinese and Japanese media outlets such as The Japan Times, Asahi Shimbun, South China Morning Post, Global Times and Xinhua News.

It is vital to question that, from which reasons this sudden turn in relations is according to Abe: "Switching from competition to collaboration" (as cited in Jiangtao 2018). One strong justification can be found from the drastic shifts in global politics, where the U.S. under Trump's administration has been increasingly contesting the global economic order, causing significant friction within the Asia-Pacific region. Therefore, the on-going Sino-Japanese concord on sharing the regional economic order under the deal of "anti-hegemonism", instead of aligning against each other, can be critically concerned as a hedging strategy against the growing uncertainty exported by Trump (Perlez 2018). As Perlez quotes Zhu Feng, an Asia expert at Nanjing University at her article in *The New York Times*: "The Trump administration's economic nationalism and trade protectionism are a leading driver to improved ties between Beijing and Tokyo." (ibid.). Conversely, if the

improvement of the relationship is regarded purely from this perspective, the long-term effect in building a lasting and constructive friendship becomes rather parochial. With a similar critical standpoint, Yoichi Funabashi (2018) the chairman of the Asia Pacific Initiative, writes in the opinion section for the Japan Times, arguing that the remarkable leap in the normalization of the relationship can have a dual effect in bringing peace and prosperity for the Asia-Pacific region but simultaneously risking Japan's vital security relationship with the U.S., which in a degree can further jeopardize the security dilemma between China and Japan (Funabashi 2018).

Despite the existent critique and skepticism on Japan's partaking on the BRI, the project for working-level Sino-Japanese co-operation is on its forward-looking path. Though the questions around the overall performance of the BRI in the Asia-Pacific and how the two countries will be able to reap the fruits equally often meet the same issue that, how Japan and China will find the consensus in the structural base and how to tailor together Abe's and Xi's simultaneous infrastructural initiatives. Despite Abe's warm welcoming of the BRI, the friction concerning the transparency and legal frameworks of the project still seems to hinder the Japanese views. Cooperation with the BRI comes with questionable price tag but Japan, on the other hand, benefits from deepening the relations at least in two ways as Shiro Armstrong (2018) points out: First, engagement in massive infrastructure and development projects can enable for Japan to internally shape the projects to be more attractive and transparent. Secondly, it could boost the opportunities for opening the plans for bidding, where Japanese companies could also partake (Armstrong 2018). Despite Abe's firm demand on conditionalities regarding the: "openness, transparency, economic efficiency and financial soundness" (Kawashima 2018) it is fair to argue that the BRI have landed its feet firmly between China and Japan. Then as the final part of the case study concerning the Sino-Japanese relations under the current shifts in relations, the paper will glance on how the improved relations (mainly economic) have impacted on the public opinion towards each other.

#### 4.3. Public View: Analysis of the Joint Japan-China Opinion Poll

This final part will try to create the finishing remark for the research question of this paper that, how the improved economic relations and interdependence will effect on the actual bilateral relationship and especially will the economic convergence remedy the uneasy social relations, burdened by the territorial disputes and historical sentiments? The answer to this question will be composed of the valuable and extensive annual surveys published annually by the Japanese non-profit think-thank, The Genron NPO. The Japan-China Annual Joint Opinion Poll is crafted in

collaboration with China International Publishing Group, and it represents as the "only survey in the world that continuously traces the general attitudes of Chinese people" (The Genron NPO 2018).

To begin with the analysis, we should glance into the results signaling a general opinion in China and Japan of one another's country. The latest survey presented a notable rise of 11 points from 2017 in Chinese view toward Japan as a "favorable" country. Chinese impression of Japan as a favorable neighbor resulted in 42.2% of respondents, while in Japan just 13.1% replied having a favorable view of China correlating to the 86.3% having an "unfavorable" impression. Analyzing the result shows us a somewhat contradicting reality when heeding the intensity of the "anti-Japanese" sentiments in China during the last 15-years. When it comes to the reasons behind the results, relatively high percentage in positive-impression with Chinese respondents was primarily due to the economic and cultural aspects like; "remarkable growth of Japan's economy and its high standards of living,", "Japanese politeness, good manners and high cultural standards" and "high quality of Japanese products." The negative sentiments with "unfavorable" answers were showing results that retold the fixed structure of double-sided hinderance. From Japanese answers, the dominant factor signaled a correlation to the territorial issues over Senkaku's, China's increased military presence in the region and concerns about increased aggression and non-transparency in the international society. In China the "unfavorable" impressions for Japan decreased as the answers to the factors such as: "Japan's lack of a proper apology and remorse over its history of invasion into China," decreased from 67.4% to 54.7% and "Japan's attempt to besiege China on military, economic and ideological fronts with the US and others" also decreased. This recent 'thaw' in the relations was evident also in the answers concerning the state of Sino-Japanese relations, which contributed a similar result between Chinese and Japanese. From Chinese answers, a significant drop in opinions opting the state of Sino-Japanese relations as "bad" falling 20 points, as in contrast in Japanese responds there was only a single point drop.

When it comes to the economic relations between Japan and China, "the majority of the Japanese continue to consider a win-win relationship to be difficult, showing a slight increase from last year" (ibid.). While again China presented a dramatic increase also in the importance of economic interdependence showing: "67.4% of the Chinese expressed their anticipation that economic and trade relations with Japan will improve, nearly doubling the percentage from last year (36.7%)." (ibid.). About the particular frameworks of co-operation under which the economic interactions would be conducted, Chinese gave a green light with over 40% acceptance to developments such

as, "the early realization of the Japan-China-South Korea FTA, cooperation on the One Belt, One Road initiative, Japanese participation in AIIB as well at the TPP11" (ibid.). In Japan, ambiguity towards increased economic co-operation under certain frameworks was strong as 70.1% responded "Not Sure" and only 7.3% were in favor of Japan's co-operation on the BRI.

We could then state that in the light of the poll results we can see a notable improvement in public relations, especially within the Chinese public. It is still uncertain about laying out any definite conclusion that has the diplomatic convergence between Tokyo and Beijing functioned as central causation in curing the inflamed relations. Yet we can deliberate that why there is such a dramatic increase in positive attitudes in China towards mutual co-operation and Japanese as a nation, while in Japan attitudes towards Chinese and Sino-Japanese relations have not relatively improved? Therefore, it is also hard to analyze what would be the overall impact of increased co-operation and interdependence on Sino-Japanese relations, but in China, the prospects for normalizing the relations is undoubtedly playing a more significant role.

#### **CONCLUSION**

As we have seen throughout this paper that the Sino-Japanese relations remains as one of the utmost perplexed relational puzzles in the XXI century. Despite the triumphant phrases, 'new era' and 'historic turning point', the prospects for the rocky future seems to abide. Therefore, it can be concluded by heeding the content of this research, that Sino-Japanese relations between China and Japan can develop along two parallel lines. Firstly, in agreement with the thesis argument of the paper, it is certain that the economic interdependence between China and Japan through cooperation, interpersonal and cultural exchange is going to grow, but similarly, political friction is possible to moreover increase due to the unsolved territorial disputes and growing disparity in power balance. When it comes to the persistent social constructions within the identities, it is not likely that the deeply rooted sentiments are going to be erased any time soon. Instead of attaching to opposing views about the historical positions as a "Victim" and "Victimizing Other", China and Japan both find an agreement at least in that the military conflict over the Senkakus must not be considered as an alternative.

Hence, in this regard the research question as well the thesis argument offers a hypothesis for a constructive corridor wherein pragmatic solutions must be located through deep economic coperation. In order to discover the key for reconstruction, for both, strong trust and sense of benevolence is required. Though, the process of constructing the mutual trust is not stress-free. Especially within the context of Sino-Japanese relations, where the national identities are exceptionally reactive and fragile, building a lasting bond of trust, where both parties realize to tolerate the differences in culture, politics and history is demanding. Thus, to mitigate the conflicts in political and socio-cultural spheres, both governments are required to involve in assertive decision making that will and can rouse the arcane public sentiments. Nationalism is sure an effective way to boost the feeling of national pride, which both of the countries demand, but it come with some significant risks. However, the "history problem" is still a major stumbling block against an affable relationship, both sides appear to gradually acknowledge it as a hindrance in all levels of transactions. To guarantee the operability of future cooperation, especially through the BRI, Japan and China must uncover the way to relate their nationalistic narratives with the shared economic interests.

The current path that Xi and Abe have indicated is now shifting the relations into the direction that could function as a design for the corridor of immense mutual-benefits. Of course, as it were perceptible from the opinion articles as well from the opinion poll that public criticism and suspicions are floating in the air, and even if the expectations are not particularly high on neither side, the current progress still provides a far healthier route than a deterioration. Both Tokyo and Beijing stand in front of a valuable momentum to shift the relations towards a lasting rapprochement which will contribute critically to the peace in East Asia, Asia-Pacific and the world as a whole.

Arguably the coming years then will show us a crucial period of transition. Albeit the signaling between the political elite from both sides has been remarkably positive, the guestion, how this transitions will turn out to be is still not too transparent. Neither it is not sure how China and Japan will find a mutual understanding in by which rules the global economy will ans should be played. Additionally, a significant part of the future is also dependent on the U.S. as China and Japan will go to deepen their hedge. The importance of Sino-Japanese relations will further rise as it has stepped into a new era where today's China has a very different weight in world politics. So has Japan with the lagging economy and diminishing population, which is forced to wrestle with new economic-strategic and military calculations with China. Although China poses itself as the most populous country in the world, rising power center and one of the most critical factors in international capitalism, Japan should recognize that both, China and Japan need each other to create a prosperous and free future for the themselves and at large for Asia-Pacific.

Thus, as the thesis of this research have argued, China and Japan stand in front of valuable and novel opportunities to firstly, bolster their bilateral ties in the social, political and cultural dimensions. Secondly, with intensified cooperation and economic interdependence, China and Japan are able to significantly enhance the prosperity and safety within the whole Asia-Pacific region. That is why BRI, incorporated with Japan, brings a considerable prospects for both China and Japan to rewrite their shared history in terms of success rather than humiliation.

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