



Territory Disputes and the Triangle Relationships between Japan, South Korea and China

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Introduction

Well-known to all, during the last decades of years, East Asia experiences fast economic growth. Now it has become one of the most important economic areas in the world. Along with the economic success of East Asia, its growing influence not just economically but also politically has been felt worldwide. That is, the power of East Asia can be recognized global.

Following the rapid economic growth, it comes into the economic integration. To analysis the economic integration of East Asia, we can firstly approach through the dramatic rise in trade, both global and by Asian economies with those outside the region. Since 2000, these measures have both doubled and the striking feature is that “intra-Asian trade has tripled, and regional trade involving emerging Asia, in particular, has increased even faster. As a result, Asian economies accounted for 35% of world exports in 2009, compared with 25% 10 years earlier, with the share of intraregional exports rising to 55% from 45% over the same period”¹.

Among these Asian countries, Japan, the Republic of Korea (South Korea hereafter) and the People’s Republic of China (China hereafter) play important roles in the development of Asian economic. By 2011, the GDP of Japan is the third largest in the world and the second in Asia. Meanwhile, South Korea also ranks the 4th in the list of Asian economics. And China, which just surpassed Japan, becomes the second largest economic entity in the world. The whole GDP of these three countries amounts about 20% of the world economic². That is, if we take Japan, South Korea and China as a common economic community, it has surpassed the European Union in 2011, and comes to be the largest economic community.

¹ International Monetary Fund (2011): *Asia and Pacific: Managing the Next Phase of Growth*. IMF Regional Economic Outlook, p.48

² Huanqiu Comments (2012). <http://opinion.huanqiu.com/picture/2012-05/2728569.html>. (in Chinese). Retrieved on September 19th, 2012

However, the rapid economic growth of these three countries encounters strong challenge. After the financial crisis, now western countries are going through a slow economic recovery. Most of them are facing the problem of weak market demand. Meanwhile, Japan, South Korea and China all seriously depend on the exports to the United States (the U.S. hereafter) and European markets. Thus, based on the dilemma, the leaders of the three countries try to make full use of their own domestic market by the way of regional economic integration. Currently, Japan, South Korea and China are the most active region in the global economic and investment activities. And during the last decades of fast economic growth, they all have their own competitive industries. With the coordination of economic and trade policies in this region, the native economies and advantageous industries of these three countries will have rapidly developed. At the same time, it also can be more self-reliance and will greatly reduce the risk caused by the global economic recession of the U.S. and European countries. Then, the idea of establishment of Free Trade Area (FTA hereafter) in East Asia comes out.

Based on the common interest appeals, the negotiations of FTA between Japan, South Korea and China has gone through a full of 10 years. At the end of 2002, with the initiative of China, the leaders of the three countries came to an agreement of conducting a feasibility study on the establishment of FTA between Japan, South Korea and China³. Between 2003 and 2009, the research institutes of the three countries formed a comprehensive study based on common policy recommendations⁴. On the October of 2009, the leaders of the three countries started to make joint research about FTA between government, industry and academia⁵. In the May of 2010, the joint research of the FTA started and completed in the December of the same year. The three countries also issued a joint statement⁶. On the 13th of 2012, the Fifth

³ Wang, Yong (2012): *Will the negotiations of FTA between Japan, South Korea and China be postponed by these disputes?* (in Chinese). <http://www.21cbh.com/HTML/2012-8-24/yMNjUzXzUwNTMyMA.html>. Retrieved on September 19th, 2012

⁴ Ibid.

⁵ Ibid.

⁶ Ibid.

Trilateral Summit Meeting held in Beijing. The leaders of Japan, South Korea and China agreed to start FTA negotiations within the year of 2012. On the same day, the three countries also officially signed investment agreements⁷. Chinese Premier Wen Jiabao suggested that the three countries should be closely coordinated, and the free trade agreement negotiations should officially launch with this year. It is necessary to adhere to the principles of openness, justice and transparency. And negotiations should also take care of each other's concerns. To the maximum extent, it should achieve mutual benefit and win-win situation and drive strong force for the economic integration in East Asia⁸.

However, the integration of East Asia does not go smoothly. It accouters many barriers, such as historical issues, different economic development and territory disputes and so on. Among them, these territory disputes, especially the islands disputes now come into the toughest part. That is, territory disputes, which refers to the sovereignty, is always a sensitive political issue and make the simple complex.

On the 15th of August in 2012, a group of Chinese citizens sailed from Hong Kong to the dispute islands, known as the Senkaku Islands in Japan and the Diaoyu Islands in China, followed by Japanese coastguard vessels⁹. Then, this island landing caused the tense foreign relationship between China and Japan. According to BBC's report, two activists returned to the boat, while the other five were arrested on land. Later, the coastguard said the two activists who returned and seven more that had remained on the boat had been arrested for "alleged illegal entry". A spokesman of the group said they wanted the world to know "that this is ...way back in history...the territory of China". "The Japanese have no right to stop us," David Ko told the Associated Press from Hong Kong¹⁰. However, the islands landers are regarded as "heroes" in China. China called for the activists' immediate and unconditional release. The group of

⁷ Ibid.

⁸ Ibid.

⁹ BBC News (2012): <http://www.bbc.co.uk/news/world-asia-china-19264633>. Retrieved on September 19th, 2012

¹⁰ Ibid.

pro-China activists set sail on Sunday¹¹. Later, anti-Japan protests over the Diaoyu Islands dispute erupted in several Chinese cities. On the 27th of August, Japanese ambassador's car was attacked in Beijing and the assailant ripped off the Japanese flag¹². This is one of the fiercest anti-Japan activities in China.

Meanwhile, there is also territory dispute between Japan and South Korea. These contentious islands located in the Sea of Japan (East Sea in South Korea) are controlled by South Korea, called as Dokdo in Korean and Takeshima in Japanese. On August 10, South Korean President Lee Myung-Bak made a surprise visit to the islands, which resulted in the tension relationship between the two countries¹³. Then, South Korea and Japan have temporarily suspended a military exchange programs. Ministry officials from South Korea said that the row could affect the military exchange and cooperation programs if tensions escalate further¹⁴. The islands dispute can easily remind of Korean people's grievances left over from Japan's 1910-1945 colonial rules over Korea peninsula¹⁵. Later, Lee Myung-Bak angered Japan by saying that Japan's Emperor Akihito must sincerely apologize to South Korea. Then, Japan cancelled a finance ministers' meeting scheduled on August and said it would review a foreign exchange swap agreement with South Korea, as the rift threatened to spill over into economic ties¹⁶. Japan has also hinted that it could freeze plans to buy South Korean government bonds under an agreement reached in May¹⁷. Thus, islands dispute develops into noncooperation in fields of military and economic.

At the same time, there is territory dispute between China and South Korea too. Apparently, disputes over the sovereignty of Socotra Rock (Suyan Islet in China) in the East China Sea maybe bring down the two countries' relationship. Now Socotra Rock is controlled by South Korea, but claimed by China. Fortunately, this "Rock

¹¹ Ibid.

¹² BBC News (2012): <http://www.bbc.co.uk/news/world-asia-china-19391992>. Retrieved on September 19th, 2012

¹³ The Nation (2012): South Korea, Japan suspend MEP.

<http://www.nation.com.pk/pakistan-news-newspaper-daily-english-online/international/04-Sep-2012/south-korea-japan-suspend-mep>. Retrieved on September 19th, 2012

¹⁴ Ibid.

¹⁵ Ibid.

¹⁶ Ibid.

¹⁷ Ibid.

dispute”, to be more accurately, has not worsened the Sino-South Korea relationship so far.

The integration in East Asia is complex, which refers to culture background, historical problem, territory disputes and different economic development and so on. First of all, economic integration is the premise of area integration. However, now the harmonious cooperation in economic seems to be paused by the territory disputes. That is to say, these territory disputes, referring to the sovereignty, are sensitive and a headache for the leaders of all the three countries. If territory disputes can't be properly solved by the three countries, the integration of East Asia and the establishment of FTA in East Asia will just be a fantasy. Hence, this thesis seeks to investigate the following question, that is:

How do the territory disputes between Japan, South Korea and China affect their triangle relationship in the process of integration of East Asia?

This question reflects the main objective of this thesis. In the following chapter, that is methodology considerations, it will provide elaboration on the manner on how it intend to direct and control the ways this project moves in order to answer this question.

1. Methodology Considerations

Methodology implies the way researchers investigate, approach problems and seek answers to pre-defined research issues. Based on this, this chapter is devoted to theoretical framework and instruments of data collection. First of all, I will provide a preliminary understanding of the theories chosen to be implied in this thesis, which is called Theoretical Framework. Furthermore, in order to investigate and answer the

question mentioned above, I will show how I make the data collection and also the implement of the empirical data. Last, in this chapter I will make general introduction of the thesis and outline and illustrate the structure of the main parts of this thesis.

1.1. Theoretical Framework

In this thesis, two theories, namely the Strategic Triangles and World System Theory will be used. Before the analysis part (Chapter 4 and Chapter 5), there is a short historical review, which indicates the historical background of East Asia. By generally reviewing the history of East Asia, I want to show both of the two different sides caused by history. On the one hand, these three countries have formed and shared the same culture background of Confucian in history, which has deeply affected their own cultures. Then, the shared culture background greatly reduces the barriers on the culture exchange between the three countries and contributes to the culture integration. However, on the other hand, the shared history also causes the painful past, and is complex with the vanquished humiliation and the brutality of the conquerors, which leads into the dilemma of the three countries that it is difficult for them to compromise during the negotiations over the territory disputes.

The analysis part is divided into two parts: Chapter 4 and Chapter 5. One is with general analysis of triangle relationships between Japan, South Korea and China, and another is, to be more detailed, the part with the angle of bilateral relationships between each two of the three countries.

In Chapter 4, I will combine the Strategic Triangles with empirical data in order to provide this thesis with a structured, or systematic, analysis that can enable me to pinpoint what kind of strategic triangular relationship that Japan, South Korea and China are engaged in. Thus, this will provide this thesis with a preliminary, or general, understanding of the contemporary complex strategic triangular relationship between Japan, South Korea and China. Consequently, on the basis of this preliminary, I will further investigate and thus answer the problem formulation on how these territory

disputes affect the triangle relationship between Japan, South Korea and China in the process of integration of East Asia. Then, in the following part of the analysis, in order to make in-depth study, I will also combine the theory with empirical data to give a detailed description.

Another theory I have chosen in this thesis is the World System Theory. It has been chosen because it can well explain the dynamics of the triangular relationships between Japan, South Korea and China with a perspective of economic. More precisely, according to the World System Theory, Japan, respectively represents the core, as in developed state, and South Korea, the semi-periphery, as in developing state and China, the periphery¹⁸. Accordingly, it illustrates how these economic relationships function with each other. And the World System Theory is mostly used in the second part of analysis that is the Chapter 5.

1.2. Empirical Data

Empirical data will be relied upon to strengthen the understanding of individual national priorities as well as the historical perspectives that the triangle relationship of Japan, South Korea and China in the process of integration of East Asia.

In this thesis, in order to gather as much relevant and available literature as possible, I select lots of statistics from many kinds of sources, such as news, journals, books, research reports and articles. However, confined by the language limit, the sources will just be in English and in Chinese. But I will also try to use the English sources from Japan and South Korea.

The reliability of my research will critically be examined by the usage of numerous sources. Of course, it is very important that the sources are relevant and available. Thus, when I use the sources in this thesis I will be aware of the criteria of Bryman: Authenticity, that the sources are undoubted; Reliability, that who is the author of the

¹⁸ Normally, China now might be more regarded as semi-periphery or closer to semi-periphery. However, in the analysis of this thesis, compared to other two countries, the fast economic growth of China is still based on the low value-added raw material, agricultural commodity, simple manufactured products and cheaper labor. Thus, China is regarded as the periphery in the analysis of this thesis.

document and the sources are free from partiality (such as political partiality); Credibility, that the sources are free from error and distortion; Understanding, that the sources are clear, understandable and comprehensive; Representative, that the sources typically of its kind¹⁹.

It also needs to be noticed that changes are having occurred during the period of writing this thesis as it concerns a contemporary issue. Since this thesis mainly focuses on the theoretical aspects of the triangle relationship between Japan, South Korea and China, the empirical data will primarily serve as a proof of theoretical application. Furthermore, in order to understand and explain the triangle relationships, this thesis will also rely upon both primary and secondary sources.

1.3. General Introduction of the Thesis

Introduction. It contains the introduction and the problem formulation.

Chapter 1. It is the Methodology Consideration; it contains 1) an introduction of the chosen theories and clarification of their function in this thesis, 2) what type of empirical data that has been chosen, why and how I intend to use the selected empirical data in this inquiry, 3) general introduction of this thesis, 4) the structure of the main parts of the thesis.

Chapter 2. The chosen theories in this thesis will be provided with a detailed description, including the Strategic Triangles and the World System Theory.

Chapter 3. Historical review of the integration of East Asia, this chapter will show what the role historical factors play in the triangle relationships between Japan, South Korea and China.

Chapter 4. Analysis part, it will enforce the theory of Strategic Triangles with general analysis. And in this chapter, the four patterns of Strategic Triangles are introduced with the analysis of the triangle relationship between Japan, South Korea and China.

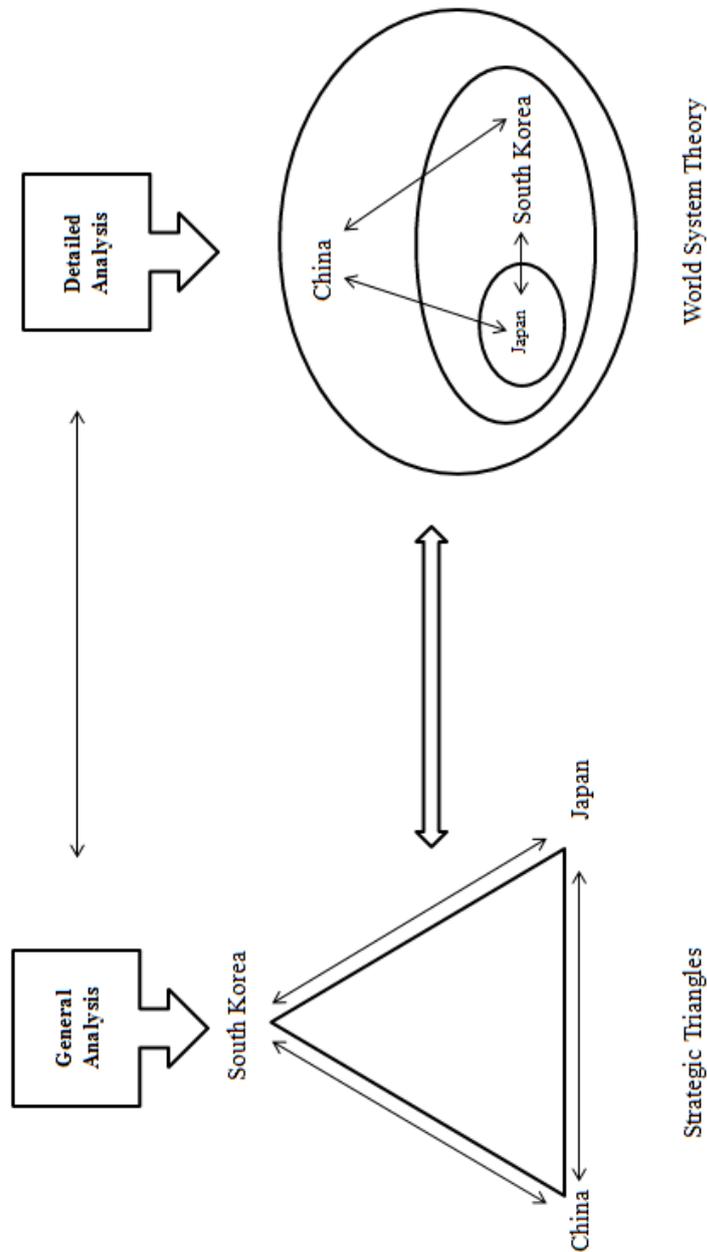
Chapter 5. Analysis part, it will enforce the chosen theory with detailed analysis. It

¹⁹ Bryman, A (2004): *Social Research Methods*. Oxford University Press, p. 380-381

contains the Sino-South Korea Relationship, the Japan-South Korea Relationship and the Sino-Japan Relationship.

Conclusion. It will present a summarization of the central findings of the analysis, as to give an understanding of the core issue presented in the introduction in this thesis.

1.4. Structure of the Main parts of the Thesis



2. Theories

In this chapter, I will give a general description of Lowell Dittmer's "strategic triangles" and another theory chosen, namely the world system.

2.1. Strategic Triangles

Strategic triangle was ever widely used in the discussion of the relationships between the U.S., the Soviet Union (the S.U. hereafter) and China since the early 1970s when the relationships between the U.S. and China showed some improvements²⁰. In Dittmer's article, he gave an elementary game-theoretical analysis of the strategic triangle, thus prevented this theory from being used in a loose, offhand way²¹. According to his opinion, "a strategic triangle may be understood as a sort of transactional game among three players"²².

There is a premise for Dittmer's opinion that the states (representing their constituent members, of course) experience needs that cannot be adequately satisfied in the domestic level, leading them to enter into contact with those countries that dispose of the pertinent values²³. Normally, these contacts consist of transactions, or exchanges. There may be exchanges of goods and services, as in international trade; exchanges of population, as in migration; or exchanges of information, as in mail flows and so on²⁴. Analytically, it seems convenient to adopt a general distinction between exchanges of benefits, for example trade, and exchanges of sanctions, such as warfare²⁵.

According to Dittmer's opinion, positions in a strategic triangle can be ascertained by observing the nature of the three bilateral relationships, and these relationships can be

²⁰ Dittmer, Lowell (1981): *The strategic Triangle: An Elementary Game-Theoretical Analysis*, World Politics, Vol. 33, No. 4, Cambridge University Press, p. 485.

²¹ Ibid.

²² Ibid.

²³ Ibid. p. 486.

²⁴ Ibid.

²⁵ Ibid.

characterized as either in a state of “amity” or “enmity”²⁶. “Amity” is regarded as a positively valued relationship which any player will prefer while a negative one is called “enmity”. Normally, “Amity” results in benefits, such as trade and information flows, national security whereas “enmity” incurs sanctions, for example bombs, tariff barriers, and so forth²⁷.

Therefore, Strategic Triangles can be divided into four kinds of patterns. The first is called “ménage a trois”, which is a strategic triangle consisting of symmetrical amities among all three players. In this type of strategic triangle, the interaction between all three players is cooperative and the relationships are friendly. It preserves balance and thus, is generally regarded as the most desirable pattern. However, in ménage a trois, each player will still worry that the cooperative interaction between the other two players will affect its own interest. At the same time, it is also possible for three enmities to exist. Each player is in the exact same position as the other two: they are foes. This is the second pattern, which is called “unit-veto” pattern. The third is called the “romantic triangle”. This is a strategic triangle consisting of amity between one “pivot” player and two “wing” players, but at the same time enmity between each of the latter. The romantic triangle therefore also has drawbacks, as the two “wing” players are unable to form amity with the rival “wing” player, and thus dependent exclusively on amity with the “pivot”. Consequently they are placed in a position of considerable uncertainty, because one or both may feel vulnerable from being excluded due to a possible rise of hostile bilateral coalition. Such hostile bilateral coalition will result in a “marriage” between the “pivot” and one of the “wing” players and exile to the other. This is the last pattern called “stable marriage”.

There is no doubt that Japan, South Korea and China are the most important participants in the process of the integration in East Asia due to their dramatic economic achievements and conspicuous political influences. Geographically, they are connected. And they are also not satisfied in the domestic level. They contact with

²⁶ Ibid. p. 485.

²⁷ Ibid. p. 487-488.

each other due to the pertinent values. Moreover, the relationship between any two of Japan, South Korea and China is affected by each one's connection to the third. Now, along with the negotiations of the FTA and the escalation of the territory disputes, the trilateral interactions between Japan, South Korea and China have become more and more complicated.

However, Dittmer's Strategic Triangles is also argued by some scholars. His opinion was born with the background of the Cold War. With the collapse of the bipolar international system and the new round of disputes among international relation theories, some assumptions of the traditional strategic triangle theory are being challenged: Under the condition of fierce asymmetry of power, the traditional strategic triangle theory is not suitable; The "with us, or against us" approach has not been the empirical reality in international relations after the Cold War, especially during the 21st century, that is to say, the bilateral relationships between any two of the three can't be simply characterized as either in a state of amity or enmity, thus the trilateral interactions in the game are more complicated; The "unilateral friendly/hostile" do exist, which is contradictory to the hypothesis of Dittmer's theory; The theoretical framework of the traditional strategic triangle theory is based on structural realism but with the limitations of realism in current world politics, the emphases of constructivism and soft power are becoming important factors in forming a new framework of the triangular relations²⁸.

2.2. World System Theory

World System Theory is a combination of the fields of historical sociology, political and social development. And the analysis of World systems can be originated in the early 1970s, which was as a new perspective on social reality²⁹. Immanuel Wallestein advanced this analytical approach after he published *The Rise and Future Demise of*

²⁸ Gwo-hua Chu and Chun-chig Chang (2010): *The Strategic Triangle Theory and the Taiwanese Triangle Strategy*, Issues & Studies, Vol.49, No.1, Taipei, Institute of International Relations, National Chengchi University, p. 92-96

²⁹ Wallerstein, Immanuel (2004): *World-Systems Analysis: An Introduction*, Duke University Press, p. 1

the World Capitalist System: Concepts for Comparative Analysis, in 1974. Then, his most important work - The Modern World System I: Capitalist Agriculture and the Origins of the European World-Economy in the Sixteenth Century appeared in three volumes in 1974, 1980, and 1989³⁰.

The structure of World System Theory is the power hierarchy composed of the core, the semi-periphery and the periphery. The core, which is benefited the most from the capitalist world economy, receives a great share of world surplus by unequal exchange. Normally, the states of the core own stronger economic, political and military power. The firms in the core states manufacture high value-added technological and innovative products and dominate the world market to obtain increasingly surplus. The working classes in the core states are highly skilled and well paid as well as good social welfare. The periphery is these areas that lack strong central governments or is controlled by other states, export raw materials to others, and the economies of the periphery rely on cheap labor. The states, the regions and some of those regions still colonized by the core states have little position in political stages and have to accept the rules and policies in favor of the core states' interests. The productions in the periphery areas are regarded as low value-added raw material, agricultural commodity and simple manufactured products which have little surplus in commodity chain. The workers normally tend to be less educated and less effectively skilled. Therefore, they tend to have much less bargaining power and receive lower wages. Furthermore, there also lies the semi-periphery between the core and the periphery. These areas represent either core regions in decline or peripheries attempting to improve their relative position in the world economic system. They are regarded as the buffer zones between the core and the periphery. The semi-periphery has a mix of peripheral and core-like products. The major concern of semi-periphery

³⁰ Sorinel, Cosma (2010): *Immanuel Wallerstein's World System Theory*, https://docs.google.com/viewer?a=v&q=cache:HBULDoE1rY4J:anale.steconomieuoradea.ro/volume/2010/n2/031.pdf+&hl=en&gl=dk&pid=bl&srcid=ADGEESig-VbappWV-RjWkzo-NfY8kTX-OQlhFkMun0bzD1Vb0xLrVagSIIIdnUOVCIYITBqqXm3AtO-j2utXm4WPCOVT0KUSEJ8_kBOu4PfiUQqIVAYukaK0mYD1Ke5WMwf4pTWkP_yKXx&sig=AHIEtbTWvZY08IOP2KzNwVX0HWPVRInl_Q. Retrieved on September 22ed, 2012

is to keep them from slipping in the periphery and to do what they can to improve themselves to the core.³¹

The key of region integration is the economic integration. Here in this thesis, the theory of World System will offer an angle of economic view to analysis the integration in East Asia. As mentioned in the part of Theoretical Framework, Japan, respectively represents the core, as in developed state, and South Korea, the semi-periphery, as in developing state and China, the periphery³². The application of this theory will lead me to consider the economic bilateral and triangle relationships between Japan, South Korea and China.

World System Theory tries to focus on the economic conditions and to classify the economic structure into three major zones of the core, the semi-periphery and the periphery. However, it is also critiqued that world system theory is only with the perspective of economic, based on the world market interests, and largely ignoring other potentially important variables such as historically preexisting institutional patterns, threats of rebellion from below, and geopolitical pressures and constraints³³. It is not enough to only take economic factors into consideration, the entire structure of states dominance is also determined by the political and military factors³⁴. Furthermore, World System Theory holds the opinion that the foundation of world economy is capitalism, that the basic divisions of the core, the periphery and the semi-periphery simply disregards the qualitative differences not only in the way communist countries organize their economies, but the features of the entire political and cultural life of those societies as well³⁵.

³¹ Wallerstein, Immanuel, op. cit.

³² See the foot notation in p.6 of this thesis.

³³ Skocpol, Theda (1977): *Wallerstein's World Capitalist System: A Theoretical and Historical Critique*, American Journal of Sociology, Vol. 82, No. 5, p.1080.

³⁴ Ibid.

³⁵ Worsley, Peter (1980): *One World or Three: A Critique of the World System of Immanuel Wallerstein*, Socialist Register, p.304.

3. Historical Review

Here in this chapter, there will be a historical review consisting of three parts: *Tributary System in East Asia*, *Greater East Asia Co-Prosperity Sphere* and *East Asia and the Cold War*. By reviewing the history background, I want to show what the role these historical factors play in the on-going territory disputes and how they affect the current bilateral and trilateral relationships between Japan, South Korea and China.

3.1. Tributary System in East Asia

It is generally believed that, the traditional international order in East Asia is a system with China-centered, named the imperial tributary system of China. It was the network of trade and foreign relations between China and China's tributaries. In economics, it is based on tributary trade. In politics, it refers to the foreign relationship between the center and the tributaries. The imperial tributary system lasted for over 2,000 years of Imperial China's dominance of the region, and thus played an important role in the history of East Asia in particular. According to Professor Takeshi Hamashita's opinion, this system, with China-centered, covered by almost the whole East Asia, is unique in Asian history and only just in Asian history³⁶. Before this, John King Fairbank, an American scholar, in a paper to his colleague, also described the Tributary system like this, "in 19th century, the foreign policy of China was carried on by resisting the traditional background that was tributary system"³⁷.

Obviously, this system is different from any other systems that existed in other parts of the world. The establishment of this system was based on the high development of China's agriculture civilization and Chinese culture. And the Chinese ruler normally was considered as the ruler of all human. The other tributaries' rulers were just the

³⁶ Jian, Junbo (2009): *Chinese Tributary System: Conception of Structure and Function*, (in Chinese), International Politics Research, Vol. 1, p. 132.

³⁷ Ibid.

local chieftains owing allegiance to China. Thus, the tributary countries had to send the tributary missions and admitted China's suzerainty and superiority.

The reason of why China was fond of establishing this tributary system is that China should be the center of the world which accords with the requirements of Confucianism. By establishing this system, the ancient Chinese governments could get the political legitimacy. For example, during the period of Three Kingdoms in the ancient China, the rulers of Wei, one of the kingdoms, had met the diplomatic representatives from Japan. Wei's rulers granted Japanese diplomatic representatives Golden Seal on the behalf of China and gave them many valuable presents³⁸. By this way, the rulers of Wei wanted to show its political legitimacy. Meanwhile, the rulers of the tributaries can also get the political legitimacy from the admission of the Chinese central government³⁹. Yi Seong-gye, the founder of the Joseon Dynasty (1392-1910), obtained his ruling power of Korean Peninsula by coup d' état. After he took the throne, General Yi also tried to get the official admitted from the Empire of Chinese Dynasty of Ming (1368-1644)⁴⁰.

Of course, this system is not only political. It also offered another way of international trade, tributary trade. Normally, the tributary trade is imbalance. The tributaries always got more back from Chinese Empires than the tributary missions they sent to Chinese Empires. This imbalance motivated more countries to be China's tributaries, because they could greatly benefit from this trade⁴¹.

In practice, due to the tributary system, East Asia maintained long-term stability. According to John King Fairbank's opinion, it was hard to say that Chinese government benefited from the tributary trade. Normally, those gifts in return from the Chinese Royal were more valuable than the tributary mission. However, this imbalanced trade was admitted by Chinese Empires because they wanted these tributaries to be obedient to China by this. Thus, the tributary system contributed to

³⁸ Ibid. p. 134.

³⁹ Ibid.

⁴⁰ Ibid. p. 139.

⁴¹ Ibid. p. 140.

the safety of East Asia⁴². Furthermore, Professor Takeshi Hamashita also points out that the imperial tributary system of China is not just ritual. It can be regarded as multi-communication between politics, economics, society, and culture and so on in this area. Under this system, mass of multi-communication is possible⁴³. Gradually, Chinese culture is spread to the surrounding countries, such as Korea, Japan and Vietnam. Chinese culture deeply affects the political system, social structure and world views of these countries. Along with this process, there finally formed a Confucian culture circle in East Asia.

However, in 1868, there occurred an important reform in Japanese history, which was called Meiji Reform by historians⁴⁴. Japan was rising in East Asia. Meanwhile, China was defeated in succession by western countries and forced to sign series of unequal treaties. Then later, in the late Meiji years, Japan won the Sino-Japanese war in 1895, and abolished the treaties with the West, and became a regional or even world power finally⁴⁵. The tributary system was based on the super power of China's nation strength. Thus, along with the rising Japan replaced China as the super power in East Asia, the tributary system collapsed at last.

The failure and collapse of the Chinese tributary system is inevitable. This system is dependent on the high development of Chinese agricultural civilization as well as partly benefited from the Chinese national strength after the unified situation. Although Chinese culture offers the most important concepts for the tributary system, that why so many countries wants to be the part of the tributary system may be mostly due to the deterrent force caused by China's super national strength. Thus, when encountering the industrial civilization, modern economic and military regime created by western, the old tributary has to give its way to the modern international system, the nation-state system.

⁴² Ibid.

⁴³ Takeshi, Hamashita (2008): *China, East Asia and the Global Economy: Regional and historical perspective*. Routledge: London.

⁴⁴ Jian, Junbo, op. cit. p. 141.

⁴⁵ Ibid.

However, even though this system has withered away. Its effect still cannot be ignored. Korea peninsula, as a tributary in East Asian history, was partly forced to be obedient to the only super power-the ancient China for a long time. And this past period now is regarded as an unforgettable humiliation for the Korean people with the strong national dignity, especially after South Korea has achieved the great economic miracle. Now that how to deal with the past tributary memory still trouble the current relationship between South Korea and China. For Japan, the dream that it tries to replace China as the super power in East Asia and establish a Japan-centered East Asia also derives from this history background. However, different from China, which gained its central position mostly by the deterrent force caused by its super national strength, Japan tried to get it by mass military actions.

3.2. Greater East Asia Co-Prosperity Sphere

Along with the decline of China's national strength and the rising of Japan's power, Japan started to seek the domination in East Asia. The Greater East Asia Co-Prosperity Sphere (the Co-Prosperity Sphere hereafter) can be regarded as the production of this history background.

The Co-Prosperity Sphere was raised by the government and the military of the Empire of Japan during 1930s and 1940s⁴⁶. It was strategic vision and political appeals which was similar to the federal system. The main purpose of the Co-Prosperity Sphere, according to the Japanese government of the day, is to help the Asian nations get rid of the colonial powers of Western and establish their own independent states⁴⁷.

In August 1940, Japanese foreign Minister Matsuoka Yôsuke firstly announced the

⁴⁶ Zhao, Jianmin (1997): *A Review of the History of "the Greater East Asia Co-Prosperity Sphere"*, (in Chinese), World History, Vol. 3, p. 10.

⁴⁷ Gordon, Bill (2000): *Greater East Asia Co-Prosperity Sphere*.

<http://wgordon.web.wesleyan.edu/papers/coprospr.htm>. Retrieved on September 24th, 2012

idea of the Co-Prosperity Sphere in public⁴⁸. However, the roots of the Co-Prosperity Sphere can go back many years prior to its first announcement. On the 3rd of November in 1938, Japanese Prime Minister Fumimaro Konoe announced that, “what the Empire seeks is to secure the East Asia forever and build a new order in East Asia. The establishment of the new order should be based on the multi-cooperation between Japan, Manchu and China in the fields of politics, economics and culture and so on. Thus, we can establish internationalism, oppose the communism, and create new culture, and achieve economic integration. This will contribute to the stability of East Asia and promote the progress of the world”⁴⁹. That is to say, Japan wanted to divide China into two parts (Manchu and China) and ruled them separately in East Asia. Meanwhile, Japan also tried to cooperate with Germany and Italy to resist the U.S. and England and confine the development of the International Communism. This is the core concept of Japan’s new order in East Asia. On the 18th of October in 1941, Tōjō Hideki started to be the executant of the Co-Prosperity Sphere. Later, Japan made series of military actions, and took over the strongpoints of the U.S., England and Holland and invaded many Southeast Asian countries. On the 8th of December, the Japanese sneak attacked on Pearl Harbor. Japan named the series of the wars as “Greater East Asia Wars”⁵⁰. Along with Japanese military actions, Tōjō Hideki started the building of the Co-Prosperity Sphere. In a meeting in January of 1942, he said, “The key point of the Greater East Asia War contains two sides. On the one hand, it is necessary to seize and ensure the main strategic points; on the other hand, we have to manage and control the important resources of this area in order to strength our military forces. Meanwhile, we will closely cooperate with Germany and Italy and actively take more military actions until the surrender of the U.S. and England. The fundamental principle of the construction of the Co-Prosperity Sphere is.....based on the order with Japan-centered.”⁵¹

⁴⁸ Zhao, Jianmin, op. cit. p. 10

⁴⁹ Ibid. p. 11.

⁵⁰ Ibid. p. 12.

⁵¹ Ibid.

By the May of 1942, the area controlled by Japan amounted into about 7 million square kilometers with more than 500 million people⁵². By series of mass military actions, Japan almost achieved its goal of the Co-Prosperity Sphere.

Japan used the Co-Prosperity Sphere as a way of propaganda for the people both in Japan and in other controlled countries. Japanese leaders spoke of “Asia for Asians”, the need to liberate Asian countries from Western imperialist powers, and economic co-prosperity for member nations. When Japan occupied various Asian countries, they set up governments with local leaders proclaimed independence from the Western powers.⁵³

However, the occupied countries soon found out that the reality of the Co-Prosperity Sphere greatly differed from the high-light propaganda. The local governments established by the Japanese came to be puppet regimes with the Japanese making all significant decisions⁵⁴. The Japanese conducted themselves with great haughtiness and disdain to the local population and imposed a program of “Japanization” on the people with little or no regard for local customs and beliefs⁵⁵. Many native people of these Asians countries suffered and died from forced labor, torture and execution. The Co-Prosperity Sphere turned out to be just another form of oppressive imperialism in place of the imperialism previously imposed by Western nations⁵⁶.

It proves out that the proposal of the Co-Prosperity Sphere is cheating. It is just the gorgeous coat of the murderous Japanese invaders. And the continuing ambiguities in the Japanese public memory of the war continue to trouble relations with its neighbors. For South Korea, Japan brought painful memory of colonial rule for forty years. For China, it encountered the modern Japan, and was defeated by the latter for the first time in history. The invasion of Japan causes the Chinese national catastrophe, which is still regarded as a humiliation and painful memory by Chinese.

How to deal with these historical problems is the premise of the integration in East

⁵² Ibid. p. 13.

⁵³ Ibid.

⁵⁴ Gordon, Bill, op. cit.

⁵⁵ Ibid.

⁵⁶ Ibid.

Asia. Even though the war is long-ended, it still detonates great damage to Japanese relations with South Korea and China. Finding a way of bridging this perception gap is a challenge task for historians and politicians in these three countries, and it will not be an easy task to accomplish.

3.3. East Asia and the Cold War

After World War II, along with the surrender of the Empire of Japan, the U.S. occupied Japan and divided Korea peninsula along the 38th parallel, with the U.S. military forces occupying the southern half part and the S.U. military forces occupying the northern half part⁵⁷. Four years later, the Communist Party of China won the civil war with the Chinese Kuomintang supported by the U.S. and established a communist China in the mainland China. Thus, during this period, according to the different division of social ideology, East Asia was divided into two camps. That is, the Democratic People's Republic of Korea (North Korea hereafter), the Mongolian People's Republic (Mongolia hereafter) and China belong to the Communist World headed by the S.U.. And South Korea and Japan belong to the Western World, led by the U.S..

During the period between June 1950 and July 1953, there occurred the Korean War, a war between North Korea and South Korea⁵⁸. This war was regarded as a contest between the Communist World and the Western World in Korea peninsula. During this war, China assisted North Korea with manpower and supplies and in its aftermath the diplomatic relationship between South Korea and China almost completely ceased and South Korea sought closer relations with the U.S.. At the same time, due to the failure of the Chinese Kuomintang in the Chinese civil war, the U.S. took possible measures to help Japan recover its economics and tries to make Japan as the advance position of its anti-communism policy. Like most western nations at the time, Japan

⁵⁷ Deng, Hongzhou & Ding, Zhihong (2001): *The Analysis on the Origin of the U.S. Involvement in the Korea War*. (in Chinese). Research of the War History, Vol 2, p. 67

⁵⁸ Ibid.

and South Korea did not recognize Beijing as the legitimate Chinese government. However, with the split of Sino-S.U. relationship and the improvement of Sino-U.S. relationship, it offers a possible chance to normalize the relationship between Japan and China. In July 1972, Kakuei Tanaka succeeded as a new Prime Minister of Japan. Tanaka assumed a normalization of the Sino-Japan relationship. Furthermore, the Nixon's visit to China in 1972 also encouraged the normalization process. On September 29, 1972, Tanaka visited Beijing and signed a joint statement⁵⁹. Finally, it established diplomatic relations between Japan and China. Compared to Sino-Japan relationship, due to the factor of the North Korea, the normalization of diplomatic relations between the Sino-South Korea came a bit later. Relationship thawed gradually and South Korea and China established normal diplomatic relations on August 24, 1992⁶⁰.

During the period of Cold War, based on the common ally- the U.S., the relationship between South Korea and Japan became more stable. However, due to the different camps of ideology division, the relationships between China and the other two experienced a long-term winding process. At the same time, along with the establishment of different social system, it makes the current triangle relationships between Japan, South Korea and China more complicated.

4. Strategic Triangles

In this Chapter, the content, as previously stated, is the general analysis part with the introduction and the application of Dittmer's Strategic Triangles

⁵⁹ Ministry of Foreign Affairs of Japan: *Joint Communiqué of the Government of Japan and the Government of the People's Republic of China*. <http://www.mofa.go.jp/region/asia-paci/china/joint72.html>. Retrieved on September 24th, 2012

⁶⁰ Asian Times: <http://www.atimes.com/atimes/Korea/FI11Dg03.html>. Retrieved on September 24th, 2012

4.1. Introduction

Based on Dittmer's Strategic Triangle relationships, in the following parts, I will show the understanding of what kind of relationships that Japan, South Korea and China are engaged in. In order to discuss which of these patterns is applicable for the relationships of Japan, South Korea and China, I will analysis the four kinds of patterns in turn, that is ménage a trois, unit-veto, stable marriage and romantic triangle.

4.2. Ménage a trois

The pattern of "Ménage à Trois" (*see Figure 1*), which consists of amities between all three players, normally is regarded as the most desirable because it optimizes the interests of all players in the game with the minimal cost.

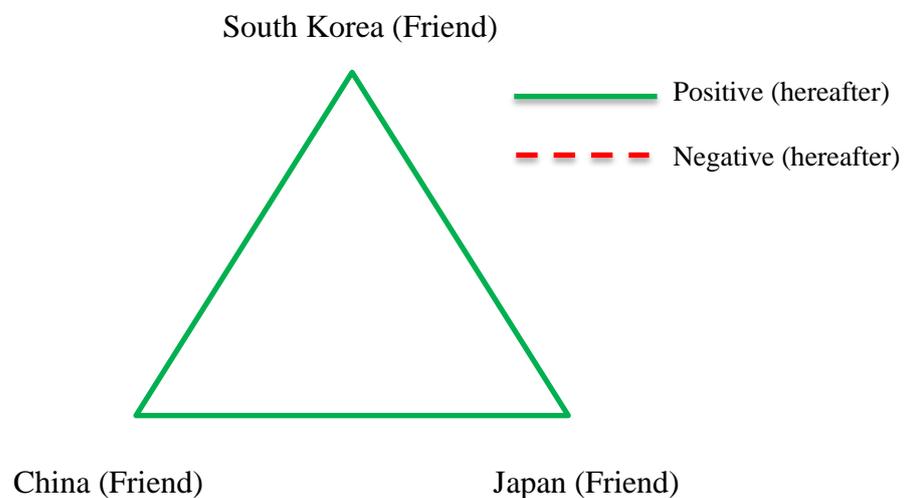


Figure 1

However, the current Sino-Japan relationship has been greatly worsened by the Pinnacle Islands dispute. Meanwhile, after the surprise visit to the Dokdo islands made by South Korean President Lee Myung-Bak, the Japan-South Korea relationships also sinks to zero. Thus, this pattern is obviously not suitable for the triangle relationships between Japan, South Korea and China. However, this pattern

with amities between all three countries is the best premise of the integration in East Asia.

4.3. Unit-veto

If all the three players can form into amities between each other, on the contrary, it is also possible for three enmities to exist. In this “Unit-veto” pattern (*see Figure 2*), each player is in the exact same position as the other two: they are foes.

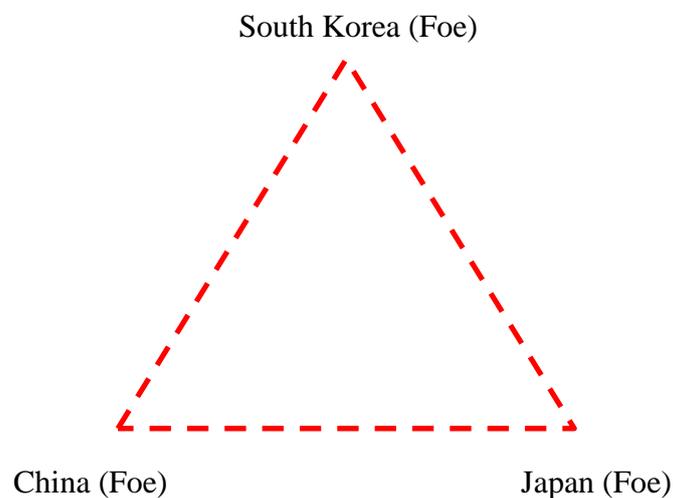


Figure 2

In this pattern, that is, all the relationships between these three countries are worsened by the territory disputes. And thus, area integration will be impossible. However, this pattern is not sustainable. Every player in this game wants to benefit from the triangle relationship and gain the most beneficial position. Among all these three relationships refer into the territory disputes, the improvement of Sino-South Korean relationship can be the most likely.

4.4. Stable Marriage

The “Stable Marriage” consists of amity between two of the players and enmity

between each and the third (*see Figure 3*).

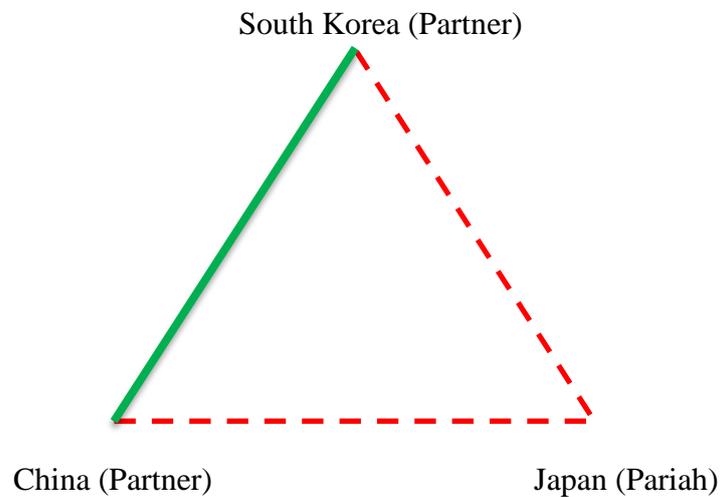


Figure 3

This pattern reflects the current relationships between the three countries. On the issues of the territory disputes, Japan screws up the relationships with South Korea and China. Meanwhile, the relationship between South Korea and China does not be affected by the Socotra Rock dispute and they are partnership. Apparently, Japan lies in the worst position of the triangle relationship. And South Korea and China, even though they are not in the most beneficial position, yet they can benefit from each other and form a united front.

If Japan wants to gain a better position in the triangle relationships, there are two choices. First, Japan should try to break the ties between South Korea and China by the way such as provoking the territory dispute. Thus the partnership between South Korea and China will break down. Thus, the pattern of the triangle relationships will come into be the “unit-veto” as mentioned above. This will not make Japan get a better position but can destroy the partnership between the other two countries. Second, Japan should try to improve the relationships with South Korea or China. By this, Japan can gain a better position in the triangle relationship and meanwhile this action will also make one of the other two be the “pivot” position.

4.5. Romantic Triangle

This pattern, called the “Romantic Triangle” (*see Figure 4*), consists of amity between one “pivot” players and two “wing” players, but enmity between each of the latter. “The pivot position in a romantic triangle is the most advantageous available, permitting amities with two other players and enmities with none, thereby maximizing benefits while minimizing expenditures for sanction”⁶¹. However, even though the arrangement maximizes the benefits of the pivot, it is not always attainable.

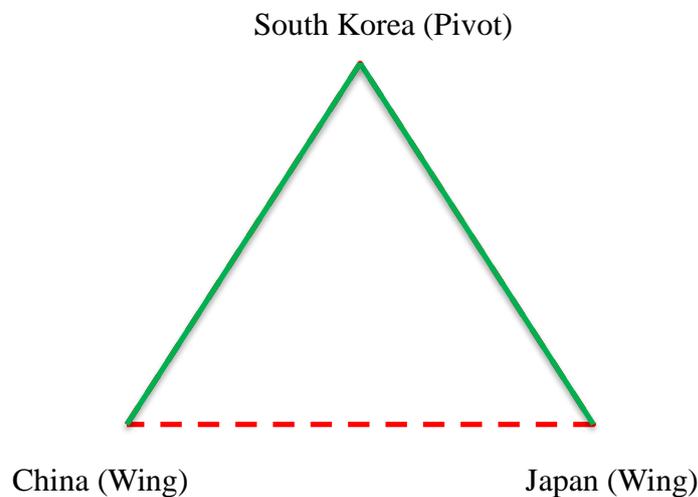


Figure 4

Figure 4 shows that if South Korea can properly solve the territory dispute with Japan before the other two and it will occupy the most beneficial position, as the “pivot”. Since the Pinnacle Islands dispute between Japan and China becomes more and more fierce and China is considering throwing economic sanctions against Japan, which could greatly destroy the bilateral relationship between them. It seems that if South Korea could calm down the tension situation and improve its relationship with Japan, China’s sanctions would push South Korea to the most beneficial position in the triangle relationships.

In history, South Korea was one of the tributary countries of China. And in the early

⁶¹ Dittmer, Lowell, *op. cit.*, p. 510.

of 20th century, South Korea was colonized by Japan. That is, confined by its limited national strength, South Korea ever did not have the domination position in the history of East Asia. That if South Korea could properly solve the territory dispute with Japan, it could gain the “pivot” position and derive maximum benefits from the both “wing” players, namely Japan and China that both with super powers in East Asia.

4.6. Conclusion

According to the analysis in this part, the first pattern, *Ménage à Trois*, even though it is the most desirable, is not applicable in this case. The friendly relationships between the three countries encounter the sensitive territory disputes. Meanwhile, the Unit-veto pattern is also not applicable because no one wants to be trapped in the worst triangle relationships.

However, the pattern of *Stable Marriage* can well describe the current triangle relationships between Japan, South Korea and China because Japan messes up its relationships with the other two because of the territory disputes while the relationship between other two still keep in good condition even though South Korea and China also have territory dispute.

But it is worthy to point out that the clash of Japan-South Korea relationship seems to be temporary. That is, when China is considering whether to throw economic sanctions against Japan, by the way, which could seriously destroy the Sino-Japan relationship, South Korea can conduct a *Romantic Triangle* pattern in a way of properly solving the territory dispute with Japan. If South Korea could seize the “pivot” position, it will benefit the most in the coming negotiations of FTA and also the long-range integration in East Asia.

5. Territory Disputes and the Triangle Relationships

In this Chapter, as mentioned above, this part of analysis will give more details of the relationships between Japan, South Korea and China concerning the territory disputes. And the bilateral relationships between each two of the three countries will be discussed. Hence, the Chapter 5 contains three main parts, including the Sino-South Korea relationship, the Japan-South Korea relationship and the Sino-Japan relationship.

5.1. Sino-South Korea Relationship

5.1.1. Socotra Rock Dispute

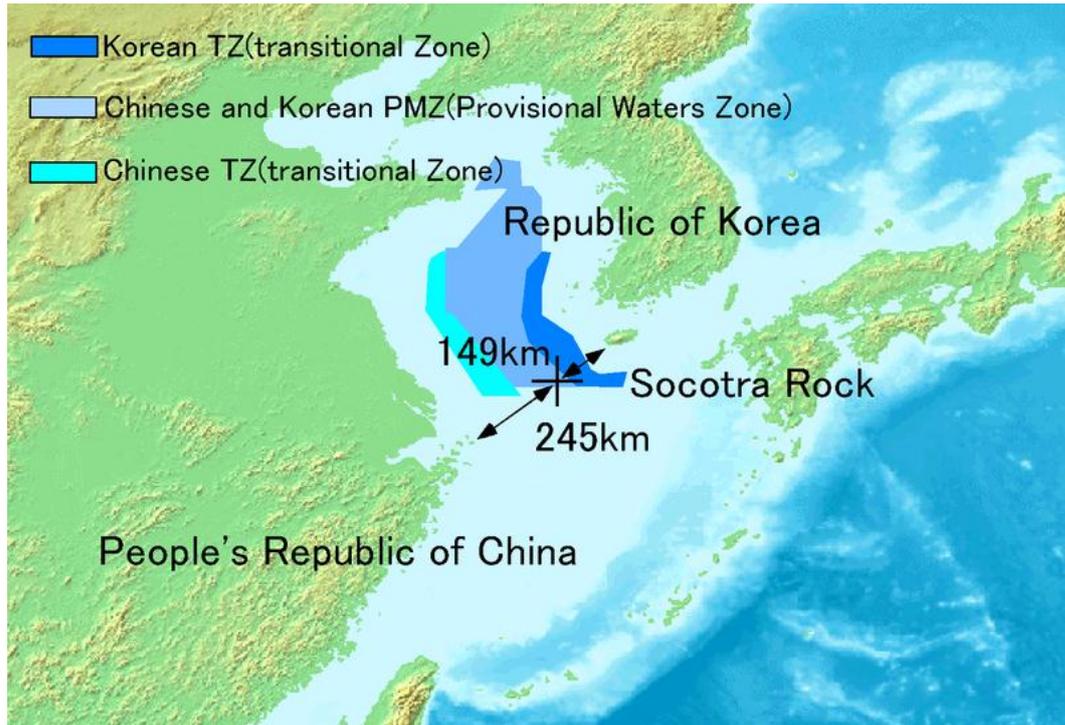
As mentioned in the part of Introduction, the Socotra Rock, located in the East China Sea, is a submerged rock. Now this rock becomes the territory dispute between South Korea and China. South Korea considers it to lie within its Exclusive Economic Zone (EEZ hereafter), referring to it as Ieodo or Parangdo and China also considers it to lie within its EEZ and refers to it as Suyan Rock⁶². The rock is claimed by China, but controlled by South Korea. Since 1995, the government of South Korea had made mass constructions in this area and finally in 2003, South Korea finished the building of the Korean Ieodo Ocean Research Station⁶³.

As showed in *Picture 1*, the rock is located 149 kilometres to the southwest of Jeju Island of Korea. And for China, Yushan Island of Zhejiang 245 km away, is nearest to Socotra Rock⁶⁴.

⁶² Liu, Yading (2008): *The legal status of Suyan Rock and its significance*. (in Chinese) Shijiqiao, Vol. 3, p.68

⁶³ Ibid.

⁶⁴ Ibid.



Picture 1 Location of the Socotra Rock

According to the United Nations Convention on the Law of the Sea, a submerged reef can't be claimed as territory by any country. However, China and South Korea argue which is entitled to claim it as part of the EEZ in the East China Sea. For South Korea, its claim to the Socotra Rock is based on the fact that the submerged rock and its adjacent waters are part of South Korea's continental shelf.

On the 14th of September in 2006, in the regular press conference, concerning the report that China had conducted aerial surveillance on the Socotra Rock in the East China Sea, the Chinese Foreign Ministry Spokesman Gang Qin made the following comment about it⁶⁵:

“In handling its relations with other countries, China abides by universally-recognized norms of international laws and advocates consultations and dialogues. Suyan islet is located in the northern part of East China Sea under the sea level, over which China and South

⁶⁵ Zhu, Lijiang (2007): *Chinese Practice in Public International Law: 2006 (II)*. Oxford University Press, p.767

Korea have no territorial disputes. China and South Korea have conducted several consultations over the demarcation of each other's' exclusive economic zones. Suyan islet is located in an area over which both countries have overlapping EEZ claims. In 2000 and 2002, China made representations twice to South Korea for its construction of the maritime observation station on Suyan islet and opposed its unilateral actions in the area over which both countries have overlapping exclusive economic zones claims. South Korea said Suyan islet wouldn't affect the delimitation of the exclusive economic zones. China always holds a clear and consistent position on Suyan islet. South Korea's unilateral actions can't take any legal effect."⁶⁶

Jae Ho Chung, a scholar from South Korea, describes the dispute as “unfortunate event” in his article *China's “soft” clash with South Korea*⁶⁷. Even though China insists that there is no territory dispute with South Korea and announces that the unilateral actions of South Korea's can't take any legal effect. It seems that both of the two sides try to calm down this dispute and make it within control.

According to BBC News, on the 12th March of 2012, in the regular press conference, the Spokesman of the Chinese Foreign Ministry Weimin Liu made the comments that China and South Korea have come to an agreement that the Socotra Rock is without the status of the territory and there is no territory dispute between South Korea and China⁶⁸. The both sides should concern more over the demarcation of each other's' EEZ and should not take more unilateral actions⁶⁹.

Obviously, both South Korea and China try to make the territory dispute into a state of control. However, another problem can seriously threaten the Sino-South Korea relationship is the settlement of the history problems.

⁶⁶ Permanent Mission of the People's Republic of China to the UN:

<http://www.fmprc.gov.cn/ce/ceun/eng/fyrth/t272110.htm>. Retrieved on September 24th, 2012.

⁶⁷ Chung, Jae Ho (2009): *China's “soft” clash with South Korea*. Asian Survey, Vol. 3, p. 482-483.

⁶⁸ BBC News (2012): http://www.bbc.co.uk/zhongwen/simp/world/2012/03/120312_china_korea_island.shtml. (in Chinese). Retrieved on September 24th, 2012

⁶⁹ Ibid.

5.1.2. History Connections between South Korea and China

In history, South Korea was part of Chinese tributary system for a long time. On the one hand, the ancient Chinese culture deeply affects the Korean culture and Confucianism becomes the basement of Korean culture and social code. However, on the other hand, many South Korean also regard the tributary memory as a humiliation, especially after they have gained the great economic achievements.

There is a research conducted by a team made of four scholars from the U.S., China, South Korea and Japan, namely *Historical Beliefs and the Perception of Threat in Northeast Asia: Colonialism, the Tributary System, and China–Japan–Korea Relations in the Twenty-first Century*, that shows a broad gap between Chinese and South Korean perceptions of their shared tributary past⁷⁰:

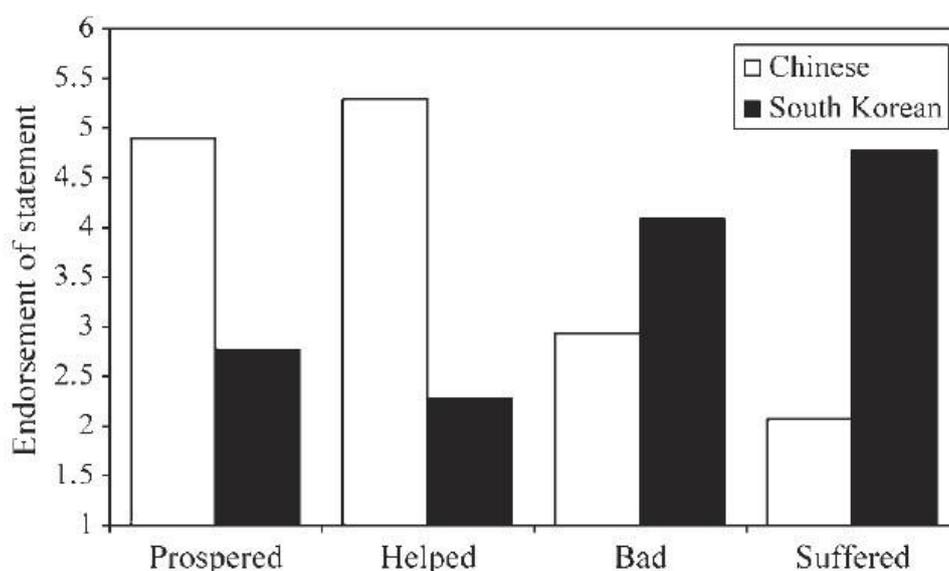


Table 1 Chinese and South Korean beliefs about the past tributary relationship between Chosun Korea and Ming-Qing China⁷¹

⁷⁰ Gries, Peter Hays, and Zhang, Qingmin, and Masui, Yasuki, and Lee, Yong Wook (2009): *Historical beliefs and the perception of threat in Northeast Asia: colonialism, the tributary system, and China–Japan–Korea relations in the twenty-first century*. International Relations of the Asia-Pacific, Vol 9, p. 252-253.

⁷¹ Notes of the Table 1: Prospered: Chosun Korea prospered as a Chinese tributary state; Helped: Being a Chinese tributary state helped Chosun Korea develop; Bad: Being a Chinese tributary state was not good for Chosun Korea; Suffered: The Korean people suffered at the hands of the Chinese.

As showed in the *Table 1*, the Chinese students largely agreed that Chosun Korea prospered as a Chinese tributary state, and that being a Chinese tributary helped Chosun Korea develop. However, the South Korean students did not. Similarly, more South Korean than Chinese students agreed that Koreans suffered and that tributary relations with China were bad for Korea. It showed that the Chinese respondents were unaware of Korean grievances about their tributary past and they viewed the past tributary relationship with Korea as a very positive experience for Chosun Korea and the Koreans. That is to say, due to the different attitudes to the history of this period, it always causes indignation and discontentment during the two countries when dealing with the historical issues.

During 2004 and 2005, South Korea's nation anger was aroused by China's attitude to the history of the Koguryo (Gaogouli in Chinese). The Koguryo was an ancient kingdom located northern and central parts of the Korean Peninsula, southern of Northeast China and southern Russian Maritime province in present day. South Korea regards the Koguryo as the incontrovertible origin of their nation and the English word "Korea" also stemmed from it. However, in 2002, China started the Northeast Project, which is short for the Northeast Borderland History and the Chain of Events Research Project. It was conducted by the Chinese Academy of Social Science and had finished in 2006⁷². According to the research findings of the Northeast Project, China claims that the history of Koguryo as a part of Chinese history. The principles argued by scholars are as follows: the Koguryo belonged to an inseparable "one system" of China's territory; the Koguryo's relations (of a tributary nature) with the Chinese dynasties were not state-to-state but internal central-local relations; and since Koguryo originated in the current Chinese Northeast, it belongs solely to Chinese history⁷³. As the carrying out of the Northeast Project, it soon sparked disputes with both South and North Korea.

⁷² China.com (2005): http://news.china.com/zh_cn/history/all/11025807/20050729/12525151.html, (in Chinese) Retrieved on September 24th, 2012.

⁷³ Chung, Jae Ho, op. cit. p.476.

In the immediate aftermath of the Koguryo controversy, the Korean Broadcasting System (KBS) took an opinion poll, which found that 58.2% of respondents did not “like” China⁷⁴. South Korean consider that China’s repudiating of the Koguryo as part of Korean history is clearly a denial of Korean nationhood, and the Koguryo controversy also produced a highly negative impact to the Sino-South Korea relationship (as stated in *Table 2*). According to series of questions (see the notes as follows), although in 2004 the people who chose China accounted into 61% to the highest and even surpassed those of the U.S., South Korean’s opinion to China plummeted thereafter attributing to the Koguryo controversy.

Table 2 the Impact of the Koguryo Controversy (%)⁷⁵

<i>Year</i>	<i>Chose China</i>	<i>Chose the U.S.</i>
2002^a	41	30
2003^b	48	33
2004^c	61	26
2005^d	29	55
2005^e	11	46
2006^f	12	50
2006^g	24	47
2008^h	15	45

Notes:

- a. Sisa Journal, March 2002. Question: “Which of the four major powers do you feel most favorably toward?”
- b. Joong-ang Ilbo, February 12, 2003. Question: “Where should South Korea’s foreign policy focus be placed?”
- c. Dong-A Ilbo, May 4, 2004. Question: “Which country should South Korea regard most important?”
- d. Ibid., November 7, 2005. Question: “On which country should South Korea’s foreign policy focus be placed?”
- e. Joong-ang Ilbo, December 22, 2005. Question: “Where should South Korea’s foreign policy

⁷⁴ Ibid., p.473.

⁷⁵ Chung, Jae Ho, op. cit. p.473.

focus be placed?”

f. Joong-ang Ilbo, May 18, 2006. Question: “Where should South Korea’s foreign policy focus be placed?”

g. Munhwa Ilbo, September 16, 2006. Question: “Which country should South Korea regard most important?”

h. Kyunghyang sinmun, August 15, 2008. Question: “Which country do you feel most favorably toward?”

Due to the fact that the Koguryo controversy erupted as a political-diplomatic problem, China sent Vice Foreign Minister Wang Yi to Seoul, and subsequently, South Korea and China agreed that this issue was academic and should not affect bilateral relations. Thus, in the summer of 2004, the Chinese Foreign Ministry also deleted the Koguryo section on its official website⁷⁶.

Although there are different attitudes to the history, yet the bilateral relationship between South Korea and China is still in a state of control. Why the Sino-South Korea is so stable may be partly due to their strong economic ties.

5.1.3. Economic Ties between South Korea and China

Even though South Korea and China have established their normal diplomatic relations until in the year of 1992, the economic ties between South Korea and China experienced the sharp improvement.

In *Table 3* shows South Korea’s trade with China in select Years. The bilateral trade increases almost 628 times in 26 years, which makes China become South Korea’s top trading partner and the trade with China is the biggest source of South Korea’s trade surplus.

Table 3 South Korea’s Trade with China in Select Years (in US\$ millions)⁷⁷

<i>1980</i>	<i>1985</i>	<i>1990</i>	<i>1995</i>	<i>2000</i>	<i>2005</i>	<i>2006</i>
188	1,161	3,821	16,540	31,250	100,563	118,016

⁷⁶ Ibid., p. 472-473.

⁷⁷ Ibid., p. 470

The reasons why the economic ties between South Korea and China improve so fast may be partly due to the complementarity of their economic structures. According to the World System Theory, South Korea respectively represents the semi-periphery, as in developing state and China, the periphery. Compared to China, South Korea own stronger economic power. The South Korean firms manufacture high value-added technological and innovative products. South Korea is taking adjustment of industrial structure and tries to transfer the labor-intensive manufacture into the overseas. Meanwhile, China, as the periphery, with mass cheaper labor and is eager for the capital and technology. Thus, they could be largely profited by these different economic demands. In 2004, South Korea's cumulative (actually utilized) investment in China accounting to 17.9 billion US\$ for the first time surpassed its investment in the United States which is 17.1 billion US\$⁷⁸. Thus, the both two could greatly benefit from the bilateral economic cooperation.

Another fact that this thesis also wants to figure out is the South Korea's rapidly expanding trade dependency on China. In 1985, the percent of China's trade in South Korea's total trade is 1.9%. But 20 years later, this data rocked from 1.9% to nearly 19% in 2006⁷⁹. Considering that China's trade dependency on South Korea in 2006 was only 7.6%, which grows more slowly, the widening relative dependence gap has become a source of concern to South Korea⁸⁰.

5.1.4. Conclusion

It seems that the future of Sino-South Korea relationship is difficult to predict. However, as stated above, even South Korea and China have not finally solved the dispute; the two have already made an agreement which makes the sensitive issue less complicated. The debate of the Koguryo issue may be still on-going between scholars,

⁷⁸ Ibid.

⁷⁹ Ibid., p. 471-472.

⁸⁰ Ibid.

but in the level of government it has been confined as academic in nature and it should not affect bilateral relations between the two countries.

The motivation for the improvement of these problems may be partly due to the fast development of the economic cooperation between South Korea and China. For China, maybe especially for South Korea, which owns rapidly expanding trade dependency on China, how to strengthen the bilateral relationship is an important issue. This, in the foreseeable future, the Sino-South Korea will still keep stable.

5.2. Japan-South Korea Relationship

5.2.1. Liancourt Rocks Dispute

The Liancourt Rocks, located in the Sea of Japan (East Sea in Korea), are a group of small islets (*see Picture 2*). It is also known as Dokdo or Tokto in Korean, and Takeshima in Japanese⁸¹. According to western historical records, the Franco-English name of the islets derives from Le Liancourt, the name of a French whaling ship. In 1849, it came close and surveyed on the rocks⁸².

⁸¹ Wang, Hailong (2011): *Current Research Analysis of Historical Problems on Sovereignty of Dokdo (Takeshima) between South Korea and Japan*. Philosophy and Humanities Sciences No. S1, p.5.

⁸² Ibid.



Picture 2. Location of the Liancourt Rocks

The sovereignty over these islets is disputed between Japan and South Korea. Now, the Liancourt Rocks are controlled by South Korea and the Korean classifies the islets as Dokdo-ri, Ulleung-eup, Ulleung County of North Gyeongsang Province; meanwhile, Japan also claims its sovereignty over these islets and regards them as part of Okinoshima, Oki District of Shimane Prefecture⁸³. The Liancourt Rocks are located 210 kilometres to the east coast of the main land of South Korea and for Japan the Liancourt Rocks are situated at a distance of 220 kilometres from the main island⁸⁴. That is, the distance between these islets and the main land/island of South Korea and Japan are almost the same. But, Ulleung-do, the Korean island, is at a distance of 92 kilometres to the Liancourt Rocks while the distance of these islets to the nearest Japanese island, Oki Islands, is 160 kilometres⁸⁵.

The Liancourt Rocks contain two main islets and series of surrounding rocks. The two main islets, called *Seodo* and *Dongdo* in Korean, and *Otokojima* and *Onnajima* in Japanese⁸⁶. The total surface area of the islets is 0.18745 square kilometres⁸⁷. The

⁸³ Ibid.

⁸⁴ Ibid.

⁸⁵ Ibid.

⁸⁶ Cyber (2012): *Facts about Dokdo*. <http://www.dokdo.go.kr/eng/html/introduction/introduction.jsp>. Retrieved on September 24th, 2012.

⁸⁷ Ibid.

Liancourt Rocks lie in rich fishing grounds which may contain large deposits of natural gas.

In the recent years, the government of South Korea has made mass constructions on these rocks. In 1982, the South Korea established “the Dokdo Natural Protection Area”⁸⁸. In 1993, the South Korea built the lighthouse on the islets⁸⁹. In 2004, the government of South Korea allowed tourists to visit the islets. And since the March of 2005, more and more visitors have gained approval to visit on these islets. In the May of 2006, the South Korean government pronounced that in the coming 5 years, it would invest 34.2 billion Korean Won (Korean currency) to explore the natural environment of these islets and the surrounding seas⁹⁰.

All these actions of South Korean government greatly angered Japan. In August 2012, Lee Myung-Bak, the President of South Korea, made a surprise visit to the Liancourt Rocks⁹¹. This visit is the first time of the South Korean President to do so. Later, Japan temporarily withdrew its ambassador to South Korea, Masatoshi Muto, and Minister for Foreign Affairs Kōichirō Gamba summoned the ambassador of South Korea to file a complaint and wanted to lodge the case with the International Court of Justice. However, it was rejected by South Korea later. Thus, South Korea and Japan have temporarily suspended a military exchange programs⁹². At the same time, Japan cancelled a finance ministers’ meeting scheduled on August and said it would review a foreign exchange swap agreement with Seoul, as the rift threatened to spill over into economic ties⁹³. That is, the current relationship between Japan and South Korea is seriously challenged by the territory dispute.

5.2.2. History of the Dispute

The dispute over the Liancourt Rocks between Japan and South Korea has a long term

⁸⁸ Wang, Hailong, op. cit. p.7.

⁸⁹ Ibid.

⁹⁰ Ibid.

⁹¹ The Nation, op. cit. Retrieved on September 24th, 2012

⁹² Ibid.

⁹³ Ibid.

historical evolution. In the ancient bilateral relationship between these two countries, the evidences of the Liancourt Rocks could be found in the historical documents of these two countries. However, all these documents just record the names of the Liancourt Rocks and some simple descriptions of history events. There are no descriptions referring into the ownership.

In 1905, Japanese government regarded the Liancourt Rocks as “res nullius” (Latin: nobody’s property), then named it as “Takeshima” and decided to make them as part of Okinoshima, Oki District of Shimane Prefecture⁹⁴. In the same year, the local government of Shimane Prefecture made an announcement in the local newspaper that from this time, the islets of “Takeshima” belonged into the county of Shimane Prefecture⁹⁵. This “Notice of Shimane Prefecture” becomes the important evidence for Japan’s claim for the sovereignty of the Liancourt Rocks. This event is one of the most important history events about the territory dispute over these islets and also is the main research subject of many South Korean scholars. The “Notice of Shimane Prefecture” starts the territory dispute of these two countries in the modern times.

After the World War II, the U.S. occupied Japan. In order to efficiently control Japan, in 1946, with the name of United Nation, the U.S. made the Supreme Commander for the Allied Powers Instructions (SCAPIN, hereafter) during the occupation of Japan⁹⁶. According to SCAPIN #667, the Liancourt Rocks, along with many other islands, as part of those territories over which Japanese administration was to be suspended⁹⁷. The instructions redefined and confined the territory of Japan after the World War II. The Liancourt Rocks were excluded from the territory of Japan. Then in the same year, the Liancourt Rocks was turned over to the U.S. forces in Korea. And in SCAPIN #1033, it also set the permission area for Japanese fishing, which was called as the MacArthur Line⁹⁸. As stipulated in the instructions, Japanese boats and sailors could

⁹⁴ Wang, Hailong, op. cit. p. 10.

⁹⁵ Ibid.

⁹⁶ Chen, Ganghua (2008): *The South Korean-Japanese Dispute over Dokdo (Takeshima) and Its Relationship with the US*. Academic Exploration. No.4, p. 42.

⁹⁷ Ibid.

⁹⁸ Ibid.

not enter into the area of the Liancourt Rocks within 12 nautical miles and could not get close to the same islets in any ways⁹⁹.

However, in 1951, the U.S. officially circulated a notice to the government of South Korea that the Liancourt Rocks were the territory of the Japan¹⁰⁰. Just one month before the Treaty of San Francisco was signed; the United States sent South Korean Ambassador You Chan Yang the official document, stating that the official policy of the United States was that the MacArthur line would be abolished by the Treaty of San Francisco¹⁰¹. In the official document, it stated that “Dokdo, namely Takeshima or the Liancourt Rocks, according to our understanding, lived no one. In history, it also was not regarded as part of South Korea. Since 1905, it has been within the jurisdiction of Okinoshima. And before this, Korea never has claimed the management of this area.”¹⁰²

On the 8th of September in 1951, the Treaty of San Francisco between the victor countries such as the U.S and the defeated country Japan was signed in San Francisco¹⁰³. In the final paper, it did not mention the jurisdiction of the Liancourt Rocks. In response, on 18th of January of 1952, the South Korean government declared the “Syngman Rhee Line”, which was three months earlier before the Treaty of San Francisco came into effect¹⁰⁴. It declared that the Liancourt Rocks were part of the territory of the South Korea. But 10 days later, Japanese government raised a protest to South Korean government and stated that the Liancourt Rocks were the territory of Japan. Then the serious territory dispute erupted between the two countries.

According to the proposal of Japan, both of the files SCAPIN #667 and #1033 were just temporary administrative order, which could not be regarded as the proof of the sovereignty claim and the Treaty of San Francisco was the office diplomatic

⁹⁹ Ibid.

¹⁰⁰ Ibid. p.45.

¹⁰¹ Ibid.

¹⁰² Ibid.

¹⁰³ Ibid.

¹⁰⁴ Ibid.

documents. In the May of 1953, during the Korean War, Japanese occupied these islets and built a tablet to show its sovereignty. Until July in 1953, Japanese government declared in public to the world that the Liancourt Rocks were part of Japanese territory¹⁰⁵. However, South Korea stated that, that in the Treaty of San Francisco which did not mention the jurisdiction of the Liancourt Rocks does not mean that South Korea does not have the jurisdiction of the Liancourt Rocks. Geographically, the Liancourt Rocks also lies closer to the Ulleung-do, the Korean island.

As mentioned above, the Liancourt Rocks just were a group of small islets and not suitable for the living of humankind, but it has important geography location and economic resources. With a perspective of military, the Liancourt Rocks lie between Japan and South Korea, which is rather important for the national defense of both the two countries. Furthermore, these islets and the surrounding seas own huge marine rights and interests. The width of the Sea of Japan is less than 400 nautical miles. Thus, the jurisdiction of the Liancourt Rocks will play an important role in the partition of EEZ between the two countries. And for South Korea, the problem of the jurisdiction of these islets does not only mean the national sovereignty and marine rights and interests, but also are meaningful to proclaim the history reality and maintenance the national interests. In the modern times, Korean Peninsula was colonized by Japan. Thus, for the Korean, territory dispute is not just sovereignty dispute, but also contains their revenge feeling.

5.2.3. Japan's Colonial Rule in Korean Peninsula

A permanent exhibit in Seoul, concerning Japanese colonial rule, contains a plaque with the following words¹⁰⁶:

¹⁰⁵ Ibid.

¹⁰⁶ Cooney, Kevin J. and Scarbrough, Alex (2008): *Japan and South Korea: Can These Two Nations Work Together?* Asian Affairs, p.174-175

“During the 5,000 years of history this nation has recovered wisely from many foreign aggressors and national crises. However, in 1910 we left a shameful page in history by letting the Japanese infringe upon our nation. Through activities of the righteous armies, independence movements on foreign soil, the national independence movement, the feeling of unified national sentiment, and various resistance movements, we ultimately achieved the long awaited liberation from the Japanese occupation of this country.”

These words indicate the attitude of many South Koreans toward the Japanese forty years of occupation: feelings of shame and victimization.

The involvement of the Empire of Japan in the Korean Peninsula began with the Treaty of Ganghwa signed in 1876 during the Joseon Dynasty. In 1905, Korea was occupied and declared as an Imperial Japanese protectorate according to Eulsa Treaty. Thus, Japan established its hegemony over Korean domestic politics. On the 22nd of August in 1910, Japan effectively annexed Korea through the Japan-Korea Annexation Treaty signed by Lee Wan-Yong, Prime Minister of Korea, and Terauchi Masatake, who later became the first Japanese Governor-General of Korea¹⁰⁷. In 1965, the treaties were eventually declared void by both the State of Japan and South Korea. In South Korea, the period is usually named as “Japanese Imperial Period” or the “period of the Japanese imperial colonial administration”.

According to Ronan Thomas’ description, Japanese colonial occupation of Korea began with benign control: “banning the teaching of the Korean language and history in favor of a ‘cultural’ policy, which eulogized Japanese culture and arts as superior”¹⁰⁸. Throughout the era of Japanese rule, Japanese was the official language in Korea. As in Japan itself, education in Korea also was regarded primarily as an instrument of “the Formation of the Imperial Citizen” with emphasis on moral and

¹⁰⁷ Yutaka Kawasaki (1996): *Was the 1910 Annexation Treaty Between Korea and Japan Concluded Legally?* Murdoch University Electronic Journal of Law, Vol. 3.
<http://www.murdoch.edu.au/elaw/issues/v3n2/kawasaki.html>, Retrieved on September 29th, 2012

¹⁰⁸ Cooney, Kevin, op. cit., p. 175.

political instruction. The effect of the colonization was more than a military occupation. It was an attempt to destroy Korean culture along with the identity and confidence of the Korean people. This degradation continued with the period of “Japanization”, which involved Japan’s direct exploitation of Koreans in the 1920s and 1930s¹⁰⁹.

In the colonial period, many Koreans became victims of Japanese brutalities. During World War II, about 450,000 Korean male laborers were involuntarily sent to Japan. The ultimate humiliation of Japanese colonial occupation culminated with the tens of thousands of Korean women being forced into prostitution by the Japanese Imperial Army during World War II. They were known as “comfort women”.

Thus, the territory dispute between South Korea and Japan could easily remind Korean nation of its occupation during the early of 20th century and the wounds of South Korea’s colonial past. Despite the rapid economic growth during the last half of the twentieth century, South Korea is still trying to come to terms with the suffering experienced during this period of oppression. Although time is healing, for many South Koreans, these wounds from Japanese colonial rule and its aftermath are too deep to be easily healed.

5.2.4. The U.S. Factor

It seems that the Japan-South Korea relationship is seriously affected by the historical issues. However, we also can’t ignore their common ally-the U.S., which plays an much important role in the bilateral relationship between these two countries.

After the World War II, the earlier policy of the U.S. towards to Japan tended to be strict. The current officials of the U.S. regarded Japan as “dangerous competitor”, and tried to expropriate Japanese “aggressive forces” and made Japan obey to the U.S.. To make sure that Japan would not be the threat of the U.S. and establish a pro-American government, in September and November of 1945, the U.S. issued series of files

¹⁰⁹ Ibid.

during the occupation of Japan. The strict policy of SCAPIN was born under this background.

However, in 1947, Cold War started between the U.S. and the S.U. in Europe. Meanwhile, the Chinese Kuomintang lost the rule power in the main land of China and a new communist China was founded by the Chinese Communist Party. Thus, Japan became the core of the policy of the U.S. in East Asia. According to the U.S., Japan could not only block the S.U., but also balance the power of China in this area. Then, the U.S. changed its strict policy toward to Japan. In order to make Japan to be the new ally in East Asia in place of China, the U.S. took possible measures to help Japan recover its economics. Among the new American policy, the recovery of Japan's economic was emphasized. During this period, Japan got massive reduction on war compensation and started to clear the communists and their supporters. Furthermore, in order to build closer relationship with Japan, the U.S. held separate peace talks with Japan. Thus, in the Treaty of San Francisco between the victors and the defeated country Japan, it did not mention the jurisdiction of the Liancourt Rocks. That is to say, the territory dispute between Japan and South Korea is caused partly due to the adjustment of American policies in East Asia.

However, after the Cold War, what the U.S. seeks is multi-cooperation between allies. In 1998, in the Strategic Report in East Asia made by the U.S. Defense Department, it raised the concept of "Security Pluralism"¹¹⁰. According to the concept, the U.S. wanted to establish a security framework mainly relying on the bilateral-cooperation and also try to promote the Intro-alliance Cooperation¹¹¹. Thus, the U.S. strived for the establishment of Great Strategic Alliance between the U.S., Japan and South Korea and vigorously promotes the military cooperation between Japan and South Korea¹¹². For the U.S., both of Japan and South Korea are its important Asian allies. That is, even though the territory dispute partly due to the U.S. policies, the U.S. still

¹¹⁰ Li, Ying (2010): *U.S. Factor in the Dokdo(Takeshima) Issue*. Master Thesis of Jinan University. p.33

¹¹¹ Ibid.

¹¹² Ibid.

holds neutral policies on the Japan-South Korea dispute.

However, even though the U.S. neutral policies over the territory dispute between Japan and South Korea, yet based on the allies, the U.S. will also try to avoid a terrible Japan-South Korea relationship, which will seriously affect the U.S. interests in East Asia.

5.2.5. Conclusion

As stated above, the territory dispute between Japan and South Korea is rather sensitive, which is not just a sovereignty dispute, but also including the complex history feeling. That is, territory dispute will be a long-term headache for the leaders of both of the two countries.

However, will the bilateral relationship between Japan and South Korea be greatly worsened by the Liancourt Rocks dispute? The answer seems “no”. As the most important allies in East Asia for the U.S., the deterioration of the Japan-South Korea relationship also affects the U.S. interests in East Asia. That is, based on the common ally-the U.S., the clash of Japan-South Korea relationship looks like temporary and in the foreseeable future, the bilateral relationship still can be regarded as stable.

5.3. Sino-Japan Relationship

5.3.1. Disputes of Pinnacle Islands

The Pinnacle Islands¹¹³, also known as the Senkaku Islands in Japanese and the Diaoyu Islands or Tiaoyutai Islands in Chinese¹¹⁴, are a group of islands Located in the East China Sea. Now these islands controlled by Japan, but strongly claimed by

¹¹³ The Pinnacle Islands are the English-language name of the Diaoyu Islands in Chinese/the Senkaku Islands in Japanese. In 1870s and 1880s, this English name Pinnacle Islands was used by the British navy for the rocks neighboring to the largest island Diaoyu Dao in Chinese/Uotsuri-jima in Japanese. In this thesis, this neutral name will be mostly used instead of the Diaoyu Islands in Chinese/the Senkaku Islands in Japanese.

¹¹⁴ The name of the Diaoyu Islands is mostly used in Mainland China and the Tiaoyutai Islands mostly in Taiwan.

China¹¹⁵. The location of the Pinnacle Islands is as followed (*see Picture3*).



Picture 3. Location of the Pinnacle Islands

The Pinnacle Islands consist of five uninhabited islets and some barren rocks, among which the largest island is called Diaoyu Dao in Chinese / Uotsuri-jima in Japanese (Diaoyu Dao hereafter¹¹⁶), and the total area of the islands accounts into 6.3 square kilometres¹¹⁷. These islets in the East China Sea are located approximately 92 nautical miles to northeast of Taiwan, 192 nautical miles to east coast of Mainland China and about 225 nautical miles to southwest of the Japanese island of Okinawa¹¹⁸.

Japan government holds the points that the history of its survey on the Pinnacle Islands could be dated back until the late 19th century, and at that time they were “terra nullius” that meant these islets belonged to no one. But China acquiesced to Japanese sovereignty over the Pinnacle Islands until the 1970s. However, China

¹¹⁵ “China” here contains Mainland China and Taiwan. The Pinnacle Islands are claimed by both the Mainland China and Taiwan. However, considering the facts that Japan does not officially recognize Taiwan as a sovereign state and Mainland China regards as Taiwan as a part of China, in this thesis, the Pinnacle Islands dispute will be considered as a dispute just between Japan and China.

¹¹⁶ In order to be clear to read, in this thesis, the Chinese name of Diaoyu Dao will be used when referring to the largest island in the Pinnacle Islands.

¹¹⁷ Zhang, Hui (2012): *The Diaoyu Islands Disputes between China and Japan and the Prospect of the Solving*. (in Chinese), Guangxi Jiaoyuxueyuan Xuebao, No.3, p.16.

¹¹⁸ Ibid.

argues that documentary evidences which indicate Chinese possession could be found prior to the First Sino-Japanese War and the territory is accordingly a Japanese seizure that should be returned as the rest of Imperial Japan's conquests.

In 1895, China lost the First Sino-Japanese War. After the war, in April of the same year, both of the two countries signed the Treaty of Shimonoseki that stipulated, among other things, that China would cede to Japan "the island of Formosa (Taiwan) together with all islands appertaining or belonging to said island of Formosa"¹¹⁹. And among the islands surrounded by Taiwan, China considers that here includes the Pinnacle Islands. Thus, there is a disagreement between the Japanese government and Chinese government as to whether the islands are implied to be part of the "islands appertaining or belonging to said island of Formosa" in the Treaty of Shimonoseki¹²⁰.

On the December 1st in 1943, according to the Cairo Declaration issued by China, the U.S. and Britain, it stipulated that the territory that Japan seized from China, such as Manchu, Taiwan as well as Penghu Islands and so on, should be returned back to China and Japan should be excluded from all the territory seized by its greedy and violence¹²¹. Moreover, the Potsdam Proclamation made on July 26th in 1945 aiming to urge the surrender of Japan also announced that "The terms of the Cairo Declaration shall be carried out. And the sovereignty of Japan must be confined over within the Honshu, Shikoku, Kyushu, Hokkaido and other surrounding islets decided by us."¹²²

According to the Cairo Declaration and the Potsdam Proclamation, China argues that the Pinnacle Islands as well as Taiwan, Penghu Islands and so on, should be returned back to China and China have the indisputable sovereignty over its Diaoyu Islands.

After Japan lost the Second World War, the Treaty of San Francisco was signed between Japan and part of the Allied Powers in 1951. In the Treaty of San Francisco, Japan explicitly relinquished the control of Taiwan together with all islands appertaining or belonging to it.

¹¹⁹ Jiang, Hua (2006): *The Diaoyu Islands disputes between China and Japan*. (in Chinese). Master Thesis of Yanbian University. p. 5

¹²⁰ Ibid.

¹²¹ Ibid.

¹²² Ibid.

Japan points out that the islands have been placed under the administration of the U.S. as part of the Nansei Shoto Islands, in accordance with Article III of the Treaty of San Francisco. And at the same time, China expressed no objection to the status of the Pinnacle Islands being under the jurisdiction of the U.S. under Article III of the San Francisco Peace Treaty. In 1972, the U.S. ended its occupation of the Ryukyu Islands chain, including the Pinnacle Islands. Thus, Japan takes the jurisdiction of the Pinnacle Islands and controls these islands up to now.

5.3.2. Japan's Nationalization of these Disputed Islands

In August of 2012, a group Chinese sailing from Hong Kong headed to the disputed Pinnacle Islands. Later, this island landing soon froze the foreign relationship between China and Japan, which also lifted the curtain on the frictions of the two countries concerning the disputed islands.

On September 5th, 2012, according to VOA News, Japanese government has already come to an agreement that it would buy a group of disputed islands in the East China Sea¹²³. On that Wednesday, Japanese media reported that the central government would pay private Japanese landowners 26 million US\$ for the three main islands in the chain, known the disputed Pinnacle Islands¹²⁴.

“Of course, we are negotiating with the owner while we try to grasp where the situation stands between the central government and the Tokyo metropolitan government”, said Fujimura, but “I cannot talk about the content of our discussions whatsoever as they are still in process”.¹²⁵

According to VOA News, that earlier this year, Tokyo's outspoken nationalist governor, Shintaro Ishihara, offered to have his metropolitan government buy the

¹²³ VOA News (2012): *Japan to Buy Disputed East China Sea Islands*.

<http://search.proquest.com.zorac.aub.aau.dk/docview/1037971196?accountid=8144>. Retrieved on September 25th, 2012

¹²⁴ Ibid.

¹²⁵ Ibid.

islands, saying Japanese leaders were not doing enough to protect the territory from Chinese claims¹²⁶.

Challenged by Japanese actions of purchase of these disputed islands, China government still insists its indisputable sovereignty over the Pinnacle Islands again. In a regular press conference, spokesperson of Chinese Foreign Ministry, Hong Lei made the comments as follows:

*The Diaoyu Island and its affiliated islands have been China's inherent territory since ancient times, for which China has plentiful historical and jurisprudential evidence. The Diaoyu Islands were first discovered, named and used by the Chinese. They have been under the jurisdiction of China's coastal defense at least since the Ming Dynasty. Japan didn't claim sovereignty over the Diaoyu Islands until the Sino-Japanese war in 1895, and it stole these islands through illegal means. It is obvious that the claim that the Diaoyu Islands are Japan's inherent territory is totally untenable.*¹²⁷

By the way, Hong Lei also commented that “any unilateral action taken by the Japanese side against the Diaoyu Island and its affiliated islands is illegal and invalid”; and “The Chinese Governmentwill take necessary measures to safeguard national territorial sovereignty”.¹²⁸ Hong Lei's comments represent the voice of Chinese government that there are no negotiations concerning the sovereignty issue. According to the comments of Xinhua News, the reasons why Japan wants to nationalize these disputed islands as follows: 1) the economic recession of Japan in the recent years results in the frustration of the whole country, which also encourages the growth of the Japanese nationalism; 2) Japan's purchase of these disputed islands is also partly due to the coming campaign. That is, the territory disputes always are used as the tools for seeking the political interests; 3) Moreover, the Pinnacle Islands

¹²⁶ Ibid.

¹²⁷ Ministry of Foreign Affairs of the People's Republic of China (2012): *Foreign Ministry Spokesperson Hong Lei's Regular Press Conference on September 5, 2012.*

<http://www.fmprc.gov.cn/eng/xwfw/s2510/2511/t967701.htm>. Retrieved on September 25th, 2012.

¹²⁸ Ibid.

and its surrounding seas are rich in the oil and natural gas resources, which become rather important for Japan as a country lacking of the energy resources¹²⁹.

However, whatever the reasons for Japanese actions of nationalization of these disputed islands, this action has already seriously affected the bilateral relationship between Japan and China. On September 11th of 2012, Japan has completed the contract of purchase the Pinnacle Islands, which also ignites the fierce Chinese public anger again.

5.3.3. Anti-Japan Sentiment in China

The anti-Japan sentiment of Chinese has a history background. In the end of 19th century, China, the former super power in East Asia was defeated for the first time in history by Japan which was ever just a tributary country to the Chinese tributary system. This was shameful for Chinese. But, much more serious than that is the Japanese invasion during the 1930s-1940s, which is not just a painful memory but also a huge humiliation for Chinese.

However, the recent anti-Japan sentiment in China is not resulted from any history issues, but Japan's nationalization of these disputed islands in the East Asia. Since September of 2012, China has seen a spate of anti-Japan protests, especially after Japan purchased the three of the disputed islands. Now the protests have spread to more than 100 cities in China¹³⁰.

During these protests, many protesters call for a boycott of Japanese productions, which include about 40 Japanese brands. Fast Retailing, a Japanese brand, has shut its outlets in Beijing. Meanwhile, dozens of 7-Eleven convenience stores, which belong to another Japanese company, are also closed. Canon, the consumer electronics group, has halted operations at three factories until Wednesday. Sony says two of its seven factories would be closed on Tuesday. Mitsumi Electric, an important supplier to

¹²⁹ Xinhua News (2012): http://news.xinhuanet.com/world/2012-09/17/c_123727191.htm. Retrieved on September 25th, 2012.

¹³⁰ FT.com (2012): Anti-Japan protests spread across China. <http://search.proquest.com/docview/1041081150?accountid=8144>. Retrieved on September 25th, 2012

Nintendo, says it suspends manufacturing operations. Toyota, Honda and Nissan, which encounter the fiercest resistance this time, all say they have suspended production at some locations in China.¹³¹

Obviously, the anti-Japan sentiment in China now causes boycott for the Japanese productions by Chinese, which could largely reduce the share of Japanese productions in Chinese market and seriously harm the reputation of Japanese productions in China.

5.3.4. Will China Throw Economic Sanctions Against Japan?

Japan's nationalization of these disputed islands has already escalated to the point where economic sanctions may be an option for policy makers. Considering that the significance of the Japanese market for Chinese international trade is relatively low and continues to decline and Japan is a nation with an externally-oriented economy, China is capable of making Japan pay much more in trade war¹³².

Since Japan and China established the normal diplomatic relations, the economic relationships between the two countries experienced fast improvement. From 1972 to 1991, Japan's trade dependency on China was always lower than 5%. Meanwhile, Chinese trade dependency on Japan was always higher than 16%¹³³. During this period, China benefited more but Japan had more positive status. According to the division of the World System Theory, China, as the periphery, manufacture mostly the low value-added raw material and agricultural productions while Japan, as the core, have more bargaining power in the world trade market have the domination position in the world market.

However, along with the fast growth of Chinese economic, Chinese trade dependency on Japan is lowering while Japan is with a rising trade dependency on China. By the

¹³¹ Ibid.

¹³² China.org.cn (2012): *Options and Rules of Economic Sanctions against Japan*. http://www.china.org.cn/opinion/2012-09/24/content_26613446.htm. Retrieved on September 25th, 2012

¹³³ Neteaze News (2012): <http://money.163.com/12/0924/11/8C5OUNKN00253DC8.html>. Retrieved on September 25th, 2012

year of 2010, Japan's trade dependency on China increased to 20% while China decreased to 11%¹³⁴. Based on the fact that Japan is a nation with an externally-oriented economy, thus, it shows that Japan's economy will suffer severely if China were to impose sanctions on it while China's loss would be relatively less than Japan.

In the first seven months of 2012, Chinese customs data show the country's exports to Japan was 86.3 billion US\$, accounting for 7.6 percent of its total exports. During the same period, China imported 104.59 billion US\$ worth of goods from Japan, that 10.1 percent of its total imports. According to Japanese customs statistics, in the first six months of 2012, Japan exported 73.72 billion US\$ worth of goods to China, which was 18 percent of its total exports. Moreover, Japan's imports from China added up to 91.34 US\$ billion, that 20.5 percent of its total imports. This also shows that Japan is more dependent on China economically¹³⁵.

Moreover, by the end of June 2012, Japan's investment in China is 83.97 billion US\$. In contrast, China's investment in Japan was only 1.03 billion US\$¹³⁶. That is, if China imposed sanctions on Japan, the Japanese mass investment in China would be suffered firstly.

Will China really throw economic sanctions against Japan? If the answer was "Yes", obviously, it would cause great shock to Japan's economic. Moreover, this also would seriously worsen the bilateral Sino-Japan relationship. By the way, South Korean productions, as the competitor of Japan in the Chinese market, also would benefit the deterioration of the Sino-Japan relationship.

By the way of imposing economic sanctions against Japan, China could make punishments for Japan's actions of nationalization of the disputed Pinnacle Islands. But conversely, China would also suffer from the sanctions against Japan because of the close lateral economic interdependency. That is, it is not an advisable way for

¹³⁴ Ibid.

¹³⁵ China Daily (2012): *Consider sanctions on Japan*.

http://www.chinadaily.com.cn/opinion/2012-09/17/content_15761435.htm. Retrieved on September 25th, 2012

¹³⁶ Ibid.

China to throw such economic sanctions against Japan. However, instead of blindly mass sanctions, China also could work out a comprehensive plan and make special economic sanctions against Japan in some fields. By this way, with the premise of no worsening to the bilateral economic relationship, China could use the economic sanctions as a tool to force economic pressure on the Japanese government to make some compromises on the territory dispute.

5.3.5. Conclusion

According to the analysis above, the Sino-Japan relationship seems to be the most venerable during the triangle relationships. The bilateral relationship between the two countries contains too much uncertain factors. There are historical barriers between the two countries while there are also on-going islands dispute frictions which are becoming increasingly fierce. As so far, there are still no signs showing the compromise of both the two countries.

However, even though China may take economic sanctions against Japan, but due to mass economic ties between the two countries, the economic sanctions that will be thrown by China seem to be limited. Meanwhile, as the anti-Japan sentiment is still increasing in China, the Japanese productions are in the danger of abandon by Chinese consumers, which is what Japanese government should concern and take effective measures to deal with this. For Chinese government, how to correctly conduct the public sentiment is also a test for Chinese government.

Japan and China, as the super powers in this area, the bilateral relationship between the two countries directly affect the process of the integration in East Asia. Obviously, a terrible bilateral relationship will make the integration in East Asia circuitous. Thus, how to deal with the crisis caused by the territory dispute and normalize the bilateral relationship is an important issue for both of the two countries.

Conclusion

This part will summarize the findings of the analysis as above and also try to offer an answer to this thesis's problem formulation that how the territory disputes between Japan, South Korea and China affect their triangle relationship in the process of integration of East Asia.

In Chapter 4, by applying Dittmer's Strategic Triangles, it offers general analysis and understanding of what kind of relationships Japan, South Korea and China are engaged in. That is to say, the pattern of Stable Marriage, according to my analysis, can well describe the current triangle relationships between Japan, South Korea and China because Japan messes up its relationships with the other two because of the territory disputes while the relationship between other two still keep in good condition even though they also have territory dispute. However, it is also worthy to figure it out that the clash of Japan-South Korea bilateral relationship seems to be temporary. That is, when China is considering whether to throw economic sanctions against Japan, by the way, which could seriously destroy the Sino-Japan relationship, South Korea can conduct a Romantic Triangle pattern. As a pivot position in the triangle relationships, South Korea will benefit the most.

In Chapter 5, combined with the World System Theory, it analyses the bilateral relationships between these three countries, which is the Sino-South Korea relationship, the Japan-South Korea relationship and the Sino-Japan relationship. According to the analysis, even there are historical misunderstandings between South Korea and China, the bilateral relationship between the two countries is still keep in control due to the mass economic interdependency. Meanwhile, the clash of Japan-South Korea relationship caused by the Liancourt Islands also seems to be temporary because of the factor of the U.S.. A terrible Japan-South Korea will not accord to the U.S. interests in East Asia. That is, even though the Japan-South Korea relationship now is temporarily influenced by the territory dispute, yet in a long-term it

will still be improved by the common ally-the U.S.. Unfortunately, the current Sino-Japan relationship seems to be more complex. Along with Japan's nationalization of the dispute islands, the anti-Japan sentiment of Chinese is aroused again. Meanwhile, Chinese government is also considering the economic sanctions against Japan in order to punish the Japanese government. The Sino-Japan relationship encounters the greater difficulties than ever. It is hard to predict how the Sino-Japan relationship develops. But to be sure, a terrible Sino-Japan relationship will make the integration in East Asia more tortuous. However, if the bilateral relationship between Japan and China continues to worsen, South Korea could conduct the Romantic Triangle in the triangle relationship between the three countries, which makes South Korea benefit the most.

According to the report, the leaders of Japan, South Korea and China agreed to start FTA negotiations within the year of 2012¹³⁷. Now, due to the seriously territory dispute, that whether to start the FTA negotiations as expected is still unknown. But frankly speaking, the current tension relationship between China and Japan will easily make South Korea have the initiative power in the negotiations of FTA and also in the process of the integration in East Asia.

¹³⁷ Wang, Yong, *op. cit.*

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