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The Pandora's Box of Sovereignty Conflicts: Far-reaching regional consequences of Japan's nationalization of the Senkakus 主権争いのパンドラの箱を開けてしまった尖閣諸島の国有化 長期に及ぶ地域的影響

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Summary

The nationalization of the Senkakus opened a Pandora's box of conflicting sovereignty claims that Japan will not be able to close without either conceding on key issues regarding the administration of the islands and surrounding waters or risking a sustained escalation of the dispute. By analyzing Japan's political landscape, the strategic objectives of the People's Republic of China, the goals of the Republic of China (Taiwan), and the nationalism-driven militarization of the region, this article explains why the current dispute over the Senkakus is likely to be a protracted one.

Preliminary remarks

The effective nationalization by Japan of three uninhabited islets in the East China Sea has opened a Pandora's box of conflicting sovereignty claims that China's paramount leader Deng Xiaoping tried in the late 1970s to keep sealed until wiser generations would be able to handle the issue.

The purchase of the islets in the disputed Senkaku Islands group, known as Diaoyu in China and Diaoyutai in Taiwan, from a private owner for 2.05 billion yen in September 2012 sparked a chain of reaction changing the nature of Japan's relations with the other two claimants, China and Taiwan -- and paradoxically weakening its ability to claim exclusive sovereignty and control over the islands.



• Picture 1: Minamikojima (foreground), Kitakojima and Uotsuri islands, part of the Japanese-controlled Senkaku Islands. (Source: Kyodo News)

Japan has repeatedly denied the existence of any dispute over the sovereignty of the islands in order to avoid being forced to negotiate with China and Taiwan, and therefore to preclude having to make concessions that would weaken its effective administration of the Senkakus and surrounding waters.

Japan had the tacit acceptance by the PRC (China) and ROC (Taiwan) of its exclusive administration over the islands before the nationalization provoked both claimants, but the subsequent course of Japan's relations with Beijing and Taipei since then threatens Japan's exclusive control over the Senkakus. In particular the Japan Coast Guard's treatment of the daily intrusion of Chinese vessels in the waters surrounding the islands since nationalization illustrates the long-term problem.

Boat diplomacy

In 2010, Japanese law-enforcement vessels prevented Chinese fishing boats from entering what Japan considers its territorial waters, resulting in a widely publicized ship collision. By contrast, since the nationalization of the islands in early September the Japanese Coast Guard has been escorting Chinese ships inside the waters.

There has actually been coexistence between Japanese and Chinese vessels in waters surrounding the Senkakus, even within what Japan sees as its territorial waters, in the view of Prof. Michael Sheng-Ti Gau. This might be interpreted by other powers as "the recognition by the Japanese government of the existence of a dispute over sovereignty."¹

Under the 1982 United Nations Convention on the Law of the Sea, foreign vessels are allowed innocent passage inside the 12 nautical miles delimitating territorial waters, but the Convention does not provide for fishery or resource exploitation rights.

China's dispatch of fishery administration boats is intended to pave the way for fishing boats to enter the waters in the future. China has also been sending scientific investigation boats and maritime surveillance vessels, the former to determine the kind of resources beneath the seabed, the latter to protect China's maritime interests, including islets.²

The indecisiveness of the Japanese Coast Guard—fluctuating between strong action and backing off—is weakening Japan's *de facto* sovereignty and exclusive control over the Senkakus and providing China with the opportunity to build, through repeated intrusion of its vessels into contested areas, a basis on which to claim control over the islands.

Japan, of course, faces difficult alternatives in the face of a rising China. What is clear is that it will not be able to close the Pandora's box without either conceding on key issues regarding the administration of the islands or risking a sustained and dangerous escalation of the dispute, with adverse economic, diplomatic and military consequences. Shelving once again the dispute, as Japanese Prime Minister Tanaka Kakuei and Chinese Premier Zhou Enlai successfully did during the normalization of bilateral relations in 1972, might be the only solution in the short to medium term. In the wake of Japan's nationalization of the islands, and nationalist responses on all sides, that is difficult.



Picture 2. The Japan Coast Guard patrol vessel Yonakuni (foreground) and the Chinese maritime surveillance vessel Haijian 137 sailing in parallel in waters 38 kilometers north of Uotsuri Island, at 5:40 p.m. on Jan. 21, 2013. (Source: Kyodo News)

Rather, it is likely that the dispute triggered by the nationalization of the Senkakus will become a protracted one, keeping the level of tension between countries at a high level in contrast to past accidents around the islands when, after few months of popular and diplomatic protests, the situation calmed down and things returned to normal. This is the result of the interaction of three factors: domestic politics in Japan, China and Taiwan; Chinese strategic objectives; and the increasing militarization of the region.

Domestic politics in Japan

As was the case in the decision to nationalize the islands, future Japanese behavior toward the Senkakus will depend heavily on domestic factors. Disputes over territorial sovereignty always evoke strong emotions, making them powerful tools at the hands of politicians. This is particularly true in East Asia, where tensions between major powers have remained high after the end of the Pacific War because of unsettled historical issues and mutual distrust.

Nationalistic feelings in the region can be easily awakened for political purposes by playing with sovereignty-related issues. Then-Tokyo Governor Ishihara Shintaro was very successful in doing so when he announced his intention to purchase the

Senkakus in April 2012.

The Liberal Democratic Party, which returned to power in December 2012 after three years in opposition with Abe Shinzo as Prime Minister, used the Senkaku dispute to criticize the failure of the previous DPJ government to take a more assertive position toward China, in particular after former Prime Minister Noda Yoshihiko nationalized the islands, triggering the repeated intrusion of Chinese vessels.

During the campaign for the Lower House elections, Abe proposed that decommissioned ships belonging to the Self-Defense Forces be repainted and used as Japan Coast Guard patrol vessels and that military reservists be transferred to the Coast Guard to strengthen the maritime police force, the primary objective being that foreign ships "be prevented" from entering the Senkakus' surrounding waters.

Of course, there is always a gap between a political platform and its subsequent implementation. The strong rhetoric toward China developed by Abe before the December Lower House elections may soften in the coming months as economic and fiscal issues preoccupy the new leadership. Indeed, Abe's strong commitment to boost Japan's export-oriented stagnating economy may lead Japan to seek closer ties with China, its largest trading partner.

Abe must score political successes in the next few months before the Upper House elections to be held next summer, elections that are decisive if he wants to establish a stable government based on a majority in both parliamentary chambers as a basis for moving forward his maximum program including Constitutional revision. Because the economic situation stands first in the minds of the Japanese population, achievements in this area could be decisive.

The offensive policy for the revitalization of the Japanese economy is reflected in a mid-January 20.2 trillion yen (\$227 billion) emergency stimulus package and a 13.1 trillion yen (\$144 billion) supplementary budget for fiscal 2012 ending in March, and later that month the drafting of a record-high 92.6 trillion yen (\$1.0 trillion) initial general-account budget for fiscal 2013.



Picture 3: Liberal Democratic Party president Abe Shinzo bows after being elected as new Prime Minister during a plenary session of the Lower House in Tokyo on Dec.26, 2012. (Source: Kyodo News)

One danger the new cabinet faces during the next few months preceding the Upper House elections is the reaction of financial markets. For this reason the package includes a pledge for strengthening cooperation between the government and the Bank of Japan to prevent possible negative consequences of the package such as spiking long-term interest rates. A second danger is the vulnerability of the Japanese export-oriented economy to fluctuation of global demand. Though the American fiscal cliff has been at least temporarily avoided and the European crisis may be softening, the possibility of a new major economic downturn cannot be precluded.

It can be anticipated that, in the absence of significant economic achievements in the coming months, the Abe Cabinet may choose to proclaim its hawkish policy toward China in order to secure support for the Upper House elections and hide failures of fiscal and macro-economic policies. In that event, the period preceding the elections, to be held in July, will likely be marked by heightening tensions with China and Taiwan. If Japan fails to stop the incoming of Chinese ships through diplomatic means, the new Cabinet may address the sailing of Chinese vessels into Japan's proclaimed territorial waters with a more confrontational stance.

Regardless of economic successes, the internal dynamic of the Liberal Democratic Party is likely to prevent Abe from diverging much from his confrontational stance toward China. As Prof. Karoline Postel-Vinay argues, Abe needs to show his constituency inside the party that he is strong and will maintain a strong stance against China in order to keep internal support.³ The factional divides within Japanese politics thus are a decisive factor in gauging the Senkaku dispute.

The necessity for Abe to secure his base in the most hawkish elements of the LDP is reflected, among other facts, by his visits to the Yasukuni shrine in August and October 2012 and his expressed regret for not having done so during his first term as Prime Minister in 2006-2007. As Gavan McCormack rightly pointed out in [The Asia-Pacific Journal](#), Abe will likely continue visiting Yasukuni during his current term in office in order to avoid being seen as succumbing to pressures from China and the Koreans and to keep his party's internal unity.

Abe's appointment of hawks and neo-nationalists in key positions inside his newly-formed Cabinet ([see here](#)) reflects his awareness of the need for continuity between pre- and post-elections policies. Shindo Yoshitaka is a good example: the new Minister of Home Affairs is well-known for his strong stance toward neighboring countries regarding territorial disputes. He was aboard a boat off the Senkakus in August 2012 when a dozen Japanese nationalists landed on one of the islands.



Picture 4: Japan's new Prime Minister Abe Shinzo (front C) and members of his Cabinet after their first Cabinet meeting in late evening of Dec. 26, 2012. (Source: Kyodo News)

To this need to keep unity inside the Liberal Democratic Party is added a greater tolerance by the Japanese population for a firm stance toward China, reflected by the tilting to the right of the whole Japanese political landscape during the campaign for the Lower House election and the growing influence of a "third political force," the Japan Restoration Party. This party, spearheaded by Osaka Mayor Hashimoto Toru and absorbing Ishihara Shintaro's smaller political group Sunrise Party in early November 2012, called for strengthening the surveillance capacities of the Japanese Coast Guard to protect Japan's territory against China in its platform. The party also pledged to revise the Constitution and remove the ceiling that limits defense spending to one percent of the gross domestic product. As Prof. Postel-Vinay observes, the fact that the Japan Restoration Party placed third in the elections, just behind the Democratic Party of Japan that held the majority in the Lower House until then, highlights if not the expectation, at least the tolerance of domestic public opinion for a much stronger stance toward China.⁴

Though economic achievements, undertaken partially with the help of the Chinese market, could bring Abe to slightly soften his policy toward China on the Senkaku issue compared with the content of his party's platform for the December elections and his personal pledges, the nature of the Japanese political landscape and the Liberal Democratic Party's internal dynamic make it unlikely that significant concessions will be made by the Abe Cabinet in order to settle the dispute.

Abe is indeed in a difficult situation, blocked between the need to maintain prosperous economic ties with China while pressured to honor his pledges to remain inflexible regarding Japan's sovereignty and control over the Senkakus. This was reflected in his ambiguous statement made in a January 11 press conference following the adoption of the 20.2 trillion yen stimulus package. While reiterating that Japan's sovereignty over the islands was "not negotiable" and vowing to "resolutely protect Japanese territory," he expressed the hope that relations with China could be improved in order to "reestablish mutually beneficial economic relations."

Chinese strategic objectives

What then are China's strategic objectives? And what concessions would Japan have to make in order to resolve the dispute, or at least shelve it temporarily? In the terminology of negotiation theories, the "reservation point" of China must be assessed in order to gain a sense of the extent of the "zone of agreement" between the two countries.

Unlike Japan, the use of the dispute for domestic consumption, playing with the nationalistic feeling of the population, is at most of secondary importance.⁵ Leadership in Beijing is well aware of the possibility that such a policy could provoke backlash, reducing its flexibility in dealing with Japan. Nevertheless, the

government will need to justify any agreement it reaches, which means that for Beijing, Japan must meet some of its objectives in the dispute.

China is pursuing two objectives in the current dispute. The first, diplomatic, is the recognition by Japan that a dispute over the sovereignty of the Senkakus exists. The second, strategic, is to weaken the so-called First Island Chain, seen by some in Beijing as containing China's growing maritime power, while expanding its territorial waters and exclusive economic zones.⁶



Picture 5: Graphic representation of the First and Second Island Chains. (Source: globalsecurity.org)

On this issue, as Prof. Yu Tiejun points out, China could be satisfied with tacit Japanese recognition that a dispute over the sovereignty of the islands exists.⁷ A zone of agreement thus appears to exist, though very thin, in what would be a face-saving, implicit recognition by Japan of a dispute over sovereignty that would make it possible to shelve the discord for the time being.

Jean-Pierre Cabestan observes that the establishment of a bilateral mechanism for crisis management could be such a face-saving measure for Japan, allowing China to claim implicit recognition by Japan of the territorial dispute, but nothing more.⁸ Such a scenario could allow Abe to justify his policy to hawks in and outside his party without losing face.

From the Chinese perspective, this would represent a first step toward the achievement of Beijing's objectives, and a partial diplomatic success. Indeed, though the sailing of ships into the Senkakus' surrounding waters will certainly continue in order to keep Japan under pressure, China may already have reached the limit beyond which further provocations would be dangerous and thus counterproductive.

Indeed, China cannot go too far. When China for the first time in mid-December 2012 sent a civilian surveillance airplane close to the Senkakus, it succeeded in forcing Japan to militarize the crisis by scrambling F-15 jet fighters to protect her territory in line with the Japanese Self-Defense Forces' standard operating procedures.⁹

However, China refrained from using her own jet fighters: though J-7 and J-10 jet fighters of the People's Liberation Army were spotted in Japan's air defense identification zone on January 10, the planes carefully remained in the zone without pushing closer to the islands.¹⁰ China is thus running out of tools to push Japan toward concessions on the dispute. The role of the United States as a restraining factor is essential to understanding this fact.



Picture 6: Chinese surveillance airplane entering Japanese airspace near the disputed Senkaku islands shortly after 11 a.m. on Dec.13, 2012, in the first such intrusion. (Source: Kyodo News)

The American factor

On the day of his investiture as Prime Minister, Abe called for strengthening the security alliance with the Americans as a first step toward reinforcing Japan's diplomatic and security posture in the region. The United States, however, rather than support Japan, may choose to maintain its traditional role as moderator between Japan and China, at least as long as the risk of escalation of the dispute is not acute. Indeed, it has avoided taking a position regarding the question of sovereignty of the islands and has instead emphasized the need for a peaceful settlement of the dispute.

As pointed out by China-specialist Yabuki Susumu in an interview with the [Asahi Shimbun](#), the United States is likely to refrain from taking a strong stance toward China over the Senkaku dispute, above all because of the economic and financial interdependence between the two countries, but also because of certain shared geopolitical interests in, for example, Afghanistan. Indeed, President Barack Obama is likely to counsel Japan to exercise restraint on the territorial issue. As Prof. Postel-Vinay points out, it is difficult to imagine Japan adopting an anti-China and anti-American stance at the same time.¹¹

The United States could also exercise a restraining influence on China. After her first meeting with the new Japanese Foreign Minister Kishida Fumio in mid-January, Secretary of State Hillary Clinton said that "Although the U.S. does not take a position on the ultimate sovereignty of the islands, we acknowledge they are under the administration of Japan," basically a paraphrase of the 2013 Defense Authorization Act approved by the Senate and House of Representatives in late December 2012. She went a bit further, however, by adding that the United States opposes "any unilateral actions that would seek to undermine Japanese administration," referring to the intrusion of Chinese vessels into Japan's territorial waters and airplanes into her airspace, before reiterating the fact that the United

States has security treaty obligations to defend Japan over the islets in the event of an armed attack. The Secretary made no mention of the fact that it was a U.S. decision to transfer sovereignty over the islands to Japan in 1972 when Japan secured administrative control over Okinawa.

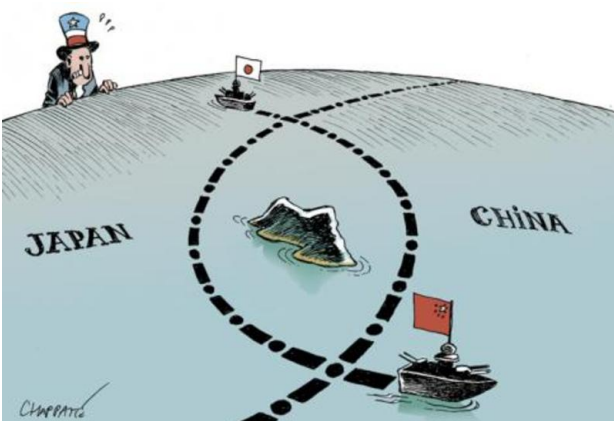
The United States thus drew a clear line not to be crossed by China: the intrusion into Japan's territorial waters or airspace by elements of the People's Liberation Army. The decision by the United States to remain aloof from the dispute over the sovereignty question while preventing escalation is a major factor shaping the Senkaku issue.

Shelving the dispute, again?

In view of what has been said above, it seems apparent that resolving the dispute in the foreseeable future is impossible. Nevertheless, an analysis of the Japanese stance and Chinese strategic objectives leaves the door open for shelving it once again as Zhou Enlai and Deng Xiaoping wisely counseled in the 1970s, a course that the two governments followed until recently.

During a meeting in late January with the head of the New Komeito party, the junior coalition partner of the Liberal Democratic Party, future Chinese president Xi Jinping said that he would "seriously consider" holding a high level summit with Japan, adding that China "wants to promote the strategic relationship of mutual benefit with Japan."

Abe seems to be ready for such summit, declaring during a television program in the final days of January that "There might be a need to reestablish the relationship [with China], starting with a summit." If a Sino-Japanese summit does take place, it will in all probability be held after the presidential investiture of Xi, who is to replace Hu Jintao in March.



Picture 7: Cartoon © Chappatte, Switzerland. Website: [here](#)

To find a means that can express implicit recognition by Japan of a dispute over sovereignty while avoiding Abe losing face, and thus being attacked by his domestic constituency, will be difficult. But diplomatic ingenuity is limitless. One thing is certain, however: Even if the dispute is shelved tomorrow, it will reemerge sooner or later, possibly in a more dangerous form.

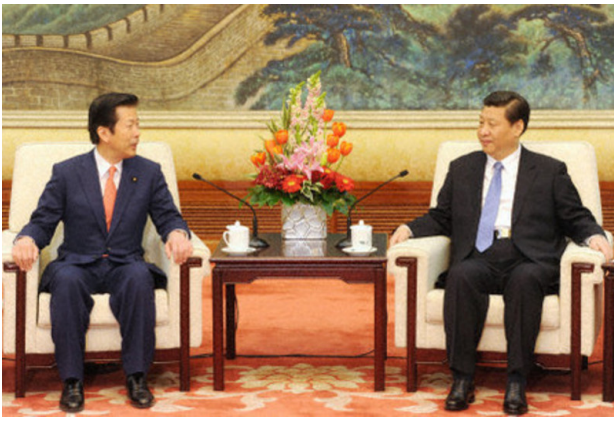
Regional militarization

Though domestic political developments powerfully influence the handling of the dispute, the regional and global contexts are also important. Indeed, the changing regional environment is a key underlying factor in the dispute: the Senkakus issue is crystallizing the tensions engendered by the changing balance of power associated with China's rise as well as the growing militarization of the region.

The sustained modernization of the Chinese military and the development of a blue water navy characterized by increased power projection capabilities are important factors augmenting regional conflict. In addition to provoking other countries to improve their military capacities, militarization makes it more difficult for leaders to cooperate with China on regional security issues while justifying their actions to domestic audiences.

A report released by the Japanese National Institute for Defense Studies in December 2012 noted the growing pattern of coordination, in the form of joint drills and exercises, between the Chinese navy and Chinese government departments responsible for maritime security. The report, titled 2012 China Security Report, speculated that as a result of this strengthening coordination, China could take "more assertive measures" in the near future to protect her maritime rights and interests in disputed waters.

The Institute, which is the Japanese Defense Ministry's think tank, also noted in the report that the military is likely to be deployed to protect China's rights in support of maritime law enforcement vessels if other countries send military forces in disputed areas. "Thus, the neighboring countries will need to respond



Picture 8: Komeito party leader Yamaguchi Natsuo (L) holds talks with Chinese Communist Party leader Xi Jinping, the country's president elect, at the Great Hall of the People in Beijing on Jan. 25, 2013. (Source: Kyodo News)

with an assumption that the PLA (People's Liberation Army) and/or PLAN (People's Liberation Army Navy) may be brought in," the report said.

Following the same line of thought, the Senkaku dispute provides some with a golden opportunity to strengthen the capabilities of the Self-Defense Forces without having to frontally address the traditional domestic criticisms opposed to the use of military force for the protection of national interests. The islands being, from the Japanese point of view, *de jure* part of her national territory, enhancing military capabilities to defend them fits perfectly with the letter of the relevant legislation on national security, including the 1946 Constitution.

One day after the investiture of the Abe Cabinet, Defense Minister Onodera Itsunori announced that he had been instructed by the new Prime Minister to revise the 10-year defense program, as well as the five-year program, both enacted by the Democratic Party of Japan-led government in 2010. The two programs are to be revised by the end of 2013 with the objective of strengthening the Self-Defense Forces' deterrence capabilities, a decision triggered, in the words of the new Cabinet, by China's repeated intrusions into Japanese territorial waters and airspace and North Korea's December 12, 2012 satellite launch.

It is unclear at this writing whether the revision of the defense programs is linked to Abe's pledge to amend the relevant regulations on the use of armed forces, such as the edicts fixing at one percent of gross domestic product the share of national budget dedicated to defense and the prohibition of the right of collective self-defense. Nevertheless, Abe's instruction to Onodera to revise the mid- and long-term defense programs so soon after they were enacted is a telltale sign that the reinforcement of Japan's own means of defense through the strengthening of the Self-Defense Forces is an important objective of the new Cabinet. The long-term defense program was first compiled in 1976 and since then it has been revised only three times, in 1995, 2004 and 2010. The next revision had been scheduled to take place around 2020.

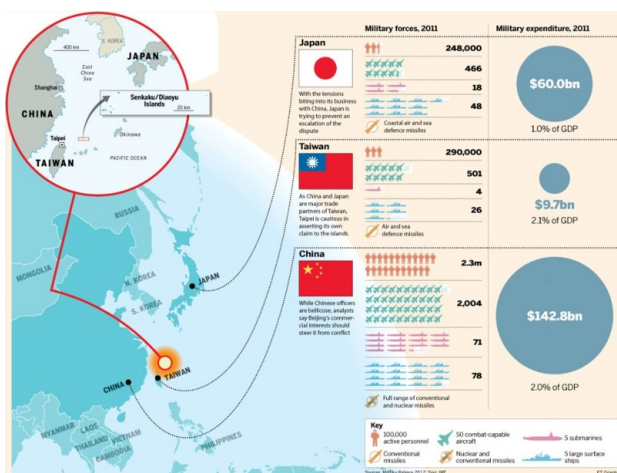
The Abe Cabinet decided in late January to expand defense spending for the first time in 11 years for fiscal 2013, reaching 4,753.8 billion yen (\$52.4 billion), up 40 billion yen from the previous year. As part of it, 287 personnel are to be added to the Self-Defense Forces present membership of 247,746 to reinforce military

operations most needed by Japan to handle territorial disputes, namely intelligence gathering and monitoring.

The Defense Ministry is leaping at this golden opportunity to expand its budget and upgrade its capacities. As early as the beginning of January, the Ministry announced its plan to ask for 180.5 billion yen (\$2 billion) in the form of an "emergency economic measure" for the modernization of the armed forces and the acquisitions of new military assets, including three SH-60 patrol helicopters dedicated to the surveillance of air and maritime space around the Senkakus.

The Ministry's plan to classify the additional funding in the category of an "emergency economic measure" reflects its intention to avoid criticisms from opponents of a bigger defense budget, justifying it by the fact that defense-related business covers a wide range of industrial areas and will, therefore, help revitalize the economy. A parallel is the use of the 1933 National Industrial Recovery Act by Franklin D. Roosevelt to increase naval spending while avoiding criticisms from opponents of an augmented military budget.

The fact that the new Cabinet is ready to exhibit Japan's military muscle was demonstrated by the mid-January exercise of the Self-Defense Forces' elite paratroopers, the 1st Airborne Brigade, under the scenario of retaking an island occupied by foreign forces. A joint military exercise with the United States following a similar scenario, initially scheduled for November 2012, was cancelled in October by the previous government out of concern to avoid provoking China amidst the ongoing Senkaku dispute.



Picture 9: The balance of military power around the Senkakus. (Source: FT Graphic)

The increasing militarization of the region, with the Senkakus as one of its focal points, suggests that the dispute will periodically erupt again if not definitively settled. Shelving it again may allow easing bilateral tensions in the short term, but will not address its systemic causes.

The last piece: Taiwan

Taiwan is the last piece of the puzzle. As Song Yann-huei notes, Tokyo's nationalization of the disputed islands triggered the linkage of the two issues that both Taipei and Tokyo had previously managed to maintain separate from each other: sovereignty and fishing rights in the Senkakus' surrounding waters.¹² Following nationalization, Taiwan President Ma Ying-jeou came under criticism for being too weak in failing to affirm Taiwan's sovereignty over the Senkakus and to protect fishermen's rights in the surrounding waters. If the question of sovereignty is omitted in future bilateral talks on fishing rights, President Ma would have great difficulty convincing public opinion of the legitimacy of his policy.¹³

In early October 2012 the Taiwanese Foreign Ministry placed a full-page color advertisement in leading American newspapers saying that "Unless the relevant parties recognize that a dispute does indeed exist, a resolution cannot possibly be reached."

The fishery talks aim at finding common ground between Japanese and Taiwanese authorities in order to allow fishermen from both countries to share the resources of the Senkakus' surrounding waters. Since the two countries began discussing the issue in 1996, 16 rounds of negotiations have been held. The 17th round was originally planned for the beginning of October 2012, but the talks were put on hold following the Japanese government's announcement of the purchase of the islands. The challenge, at a time of rising nationalisms, will be to find a way out of the stalemate with a face-saving agreement that allows Ma and Abe to satisfy their domestic audiences, granting Taiwanese fishermen the right to practice their activities while not requiring Abe to explicitly recognize the existence



Picture 10: Emblem of the 1st Airborne Brigade, Self-Defense Forces' elite paratroopers. (Source: Webpage of the 1st Airborne Brigade)

of a territorial dispute.

Efforts such as the November visit to Taiwan by Ishigaki Mayor Nakayama Yoshitaka aimed at exchanging views with Taiwanese fishermen, are likely to prove ineffective, however important for maintaining dialog between the two sides, so long as policy at the highest level of Japanese administration remains frozen on denial of the conflict.

It is difficult to assess the consequences of a Taiwan-Japan settlement of the fishery issue for Sino-Japanese relations given the fact that both Taiwan and China adhere to the One-China policy. It could set a precedent that Japan and China could follow in order to shelve the dispute, but it would more likely anger China and complicate Chinese relations with both Taiwan and Japan. The only certainty is that Japan's nationalization of the Senkakus has negatively affected

bilateral relations with Taiwan, and it will take time to rebuild a constructive Japan-Taiwan relationship.

Concluding remarks

Deng Xiaoping's Pandora's box appears to have been opened too early by Japan, with potentially irreversible consequences for the future of the Senkakus and Japan's claim to sovereignty. Equally important, the unilateral Japanese action may have long lasting effects on its relations with neighboring countries. In light of the domestic and regional factors described above, it seems impossible that the dispute will be resolved in the foreseeable future. There is nevertheless room for negotiations that could prevent the issues from spiraling out of control, leaving resolution of the core issues for the future.

In the optimistic scenario in which the three parties agree to shelve the dispute and leave future generations the responsibility to resolve it, the September 2012 nationalization would only have disturbed Sino-Japanese economic relations, resulting in heavy losses for businesses in both countries, and heightened mutual distrust fueled by nationalist sentiment on all sides to poison relations between Japan and its two neighbors, China and Taiwan.

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- Wani Yukio, [Barren Senkaku Nationalism and China-Japan Conflict](#)
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- Koji Taira, [The China-Japan Clash Over the Diaoyu/Senkaku Islands](#)

Notes

- ¹ Interview with Prof. Michael Sheng-Ti Gau, National Taiwan Ocean University, Taiwan.
- ² Ibid.
- ³ Interview with Prof. Karoline Postel-Vinay, Paris Institute of Political Studies (Sciences Po), France.
- ⁴ Ibid.
- ⁵ Interview with Prof. Jean-Pierre Cabestan, Hong Kong Baptist University, Hong Kong.
- ⁶ Ibid.
- ⁷ Interview with Prof. Yu Tiejun, Peking University, China.
- ⁸ Interview with Prof. Jean-Pierre Cabestan, Hong Kong Baptist University, Hong Kong.
- ⁹ Ibid.
- ¹⁰ Ibid.
- ¹¹ Interview with Prof. Karoline Postel-Vinay, Paris Institute of Political Studies Sciences Po, France.
- ¹² Interview with Prof. Song Yann-huei, Academia Sinica, Taiwan.
- ¹³ Ibid.