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# The Senkaku Islands Dispute Shows that "China is different" and Benefits Japan

## International and Japanese public opinion are in agreement on the Senkaku Islands problem

Although it is not intentional, the Senkaku Islands dispute is moving in a direction that is extremely favorable for Japan. This problem has yielded three significant benefits for Japan. (1) The problem has exposed the differences between the true nature of the Chinese government (dictatorship of the Communist Party) and the principles of democracy and market economies. International opinion has instantly shifted direction as a result. (2) The Japanese public has at once become wary of China and unified in their support for strengthening the alliance with the United States. (3) The Japan-U.S. alliance has become stronger now that it has become clear that both countries share the same threat. All three benefits could not have been achieved even after years of debates. Obviously, China has suffered enormous damage.

#### Releasing the Chinese captain earned Japan the backing of international public opinion

Japan is unable to penalize China in any way for its fishing boat incursion in Japanese territory and damage to Japanese patrol boats. On the other hand, Japan gave in to China's high-handed actions like prohibiting rare earth metal exports to Japan, delaying customs procedures and detaining the Fujita employees. Many people in Japan are very critical of the country's "diplomacy of humiliation." The Japanese public does not want to allow this to happen. But the country has captured the three benefits listed above. Consequently, we can conclude that the country has acted appropriately during this dispute.

(1) Japan's decision to hold the fishing vessel and charge the captain with violating the law was correct in order to make it clear that the incident happened in Japanese territory. Furthermore, taking these actions had the effect of forcing China to expose its autocratic nature. (2) The decision to release the captain with no charges was correct because it avoided a pointless confrontation that would have done no one any good. After all, what would happen if the captain were tried and found guilty? China may respond by using military force in order to preserve its honor regarding the Senkaku Islands. Japan would find itself in an impossible position. After all, Japan is not mentally or militarily prepared for a confrontation.

If this problem becomes a trivial dispute over territory, international public opinion would refuse to support Japan and would also most likely adopt the stance that both parties share the blame of this quarrel. However, the world stands with Japan's decision to act as an adult by not going along with China's high-handed actions. Japan now stands at the forefront of the movement to confront the China, "the different country." This stance will be at the center of international relations in the future. That places Japan right in the middle of international cooperation. But China has abandoned free trade and the international rule of law over a petty territorial dispute. The country has suffered a massive loss of faith in the global community. Global society will no longer view China as an equal partner. Instead, the world may look at China as a country that is different and threatening. China has suffered an enormous loss by turning international opinion into its enemy.

#### Emergence of the "China is different" belief and rebuilding the Japan-U.S. alliance

The Senkaku Islands dispute has spotlighted the need for the Japan-U.S. security treaty to both the Japanese public and the world. We will probably see the emergence of a "China is different" belief that is reminiscent of (or even stronger than) the widespread "Japan is different" stance of the 1990s. China is feared as having the strength to destroy its neighbors in the near future even more than Japan was in the late 1980s. China's GDP (\$4.8 trillion) in 2009 was about the same as Japan's but only one-third of the U.S. GDP. At this rate of growth, though, China's GDP will probably surpass the U.S. in about 10 years. China's increasing global stature will almost certainly have a disruptive influence on the world with regard to many of today's issues: a market economy,

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901 Renai Partire Shiodome 2-18-3 Hiagshishinbashi, Minato-ku, 105-0021 Tokyo democracy, the rule of law, property rights and intellectual property rights. This cannot be allowed to happen by either the United States, the world's most powerful country, or international society as a whole.

Constant pressure will be required to control China and force the country to change from within. To accomplish this, the presence of Japan as a neighboring country must be increased to achieve the necessary balance. However, Japan's prolonged economic stagnation has caused the people of Japan to lose their faith in capitalism, a market economy and globalization. In the unlikely event that Japan begins to drift, there would be considerable instability throughout Eastern Asia. During the Hatoyama administration, there was growing interest at one point in discussions about creating a trilateral relationship of equals among Japan, the United States and China. But this would undermine the very foundations of the U.S. international strategy by weakening Japan-U.S. ties while bringing Japan closer to China. This is why reviving the Japanese economy is also vital to the interests of the United States as the world's only super power.

#### The end of the age of a too-strong yen

During the 1990s and part of this decade, Japan was targeted as a country to be held back because it had become too competitive, a belief rooted in the "Japan is different" stance. The result was an excessive increase in the yen's value that produced Japan's "lost 20 years." Finally, we are about to see the end of this dismal period. For the first time in 20 years, the winds have started to shift geopolitical factors and the U.S. power game to favor Japan. Both are vital to Japan's ability to achieve long-term economic prosperity. At last, Japan has the opportunity to break away from deflation and many years of economic stagnation. The restructuring of the Japan-U.S. alliance brought about by the Senkaku Islands dispute may very well represent an excellent opportunity for Japan to restore the vitality of its economy.

These events will make the reoccurrence of an unusually strong yen to penalize Japan even more unlikely (this is even more so if we believe that the recent upturn in the yen's value was merely the result of China's decision to use its foreign currency reserves to sell dollars and buy the yen).

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