On October 25, 2018, Japanese Prime Minister Shinzo Abe made a state visit to Beijing, a significant moment between the two countries—he is the first Japanese prime minister to visit China in seven years. A historically contentious relationship wrought by multiple wars, invasions, and periods of conflict escalation, China and Japan have struggled to forge mutual understanding for generations. Japan’s nationalization of the Senkaku/Diaoyu Islands in 2012 further complicated the China-Japan dynamic and hindered the development of productive bilateral relations between the two countries in recent years. Yet, this recent visit, alongside an ongoing series of bilateral meetings and a 2018 trip made by Chinese Premier Li Keqiang to Tokyo, marks an improvement in this crucial relationship. Not only did Prime Minister Abe’s visit mark an official thaw in Tokyo-Beijing relations, but it could also serve as an important regional stabilizer, counteracting the U.S.-China trade disputes.

As the current U.S. administration has embarked on a crusade to renegotiate trade relations with all major trading partners, many China watchers in the United States have feared that President Trump is unintentionally pushing traditional allies like Japan closer to strategic competitors like China, which would undermine U.S. interests. However, this view exaggerates the harm and downplays the benefits of the recent China-Japan rapprochement. The United States should not forget its role as the security guarantor of Japan, and thus, Washington should be confident that Tokyo would never sacrifice its security protection solely for economic development. Instead of seeing this change as counterproductive, the United States should view improved China-Japan relations as beneficial to U.S. interests, specifically in three distinct ways: greater accountability in global infrastructure development, improved strategic communications between the United States and China, and progress towards regional stability.

Most directly, the China-Japan rapprochement benefits regional infrastructure and development, an area in which the United States has shown increasing interests. The China-Japan thaw would lead to tangible progress in filling the $1 trillion gap in infrastructure spending each year in Asia. During a cooperative forum co-hosted by China and Japan in Beijing in October 2018, the two sides signed 52 cooperative agreements worth $18 billion. Multiple projects in Thailand could be the first to follow the cooperation initiative, as the Japan Bank for International Cooperation and the China Development Bank signed a financing agreement targeting countries, like...
Thailand, whose bilateral relations with both Japan and China are friendly. Japanese media have also reported collaborative projects in countries ranging from the United Arab Emirates to Kazakhstan. Through cooperation, both countries will achieve better coordination and allocate resources more effectively in Asia, where $1.5 trillion of U.S. foreign trade took place in 2017.

Washington worries that Beijing could employ its infrastructure investments as a form of foreign policy leverage, leading to disputes of the lack of competition in the Belt and Road Initiative projects, China’s trillion-dollar infrastructure development program. This flagship Chinese foreign policy provides infrastructure investments across the Eurasian landmass and has faced accusations of misconduct abroad. In contrast, Japan’s Partnership for Quality Infrastructure—Tokyo’s infrastructure plan—has established a reputation of high standards in the United States, promoting project transparency and debt sustainability. Bilateral cooperation between Beijing and Tokyo will ensure that joint infrastructure projects will be held at a higher standard moving forward and thus be more aligned to Washington’s standards. By fostering collaboration between the respective Japanese and Chinese institutions, Washington could be reassured that shared standards and practices between the United States and Japan—including environmental regulations, labor rights, and financial sustainability—will be upheld by Tokyo.

Better Sino-Japanese relations also necessitate deeper and more frequent communication that improves information exchange between China and Japan. Ultimately, the flow of information and improved communication between the United States and China could occur through Japan, as Japan and the United States continue to maintain their close relationship. This is especially important given the current state of affairs; facing the uncertainty of trade conflicts, timely communication between the United States and China does not always occur. Prior to a dinner between Presidents Trump and Xi Jinping at the G20 in Buenos Aires, direct high-level negotiations between the two countries on trade issues were paused for months. The most significant high-level bilateral communication channels between the two nations, the four-pillar U.S.-China Comprehensive Dialogues, have been canceled outright or languish on the sidelines. Established on the basis that increasing mutual understanding could resolve major issues, the four dialogues are now in vain and desperately need supplements that could encourage information exchange. In contrast, between Li’s visit to Tokyo in May 2018 and Abe’s visit to Beijing in October 2018, China and Japan have conducted at least seven high-level official meetings. The indirect communication between the United States and China through Japan partially makes up for the lack of direct communication between the world’s two largest economies and lowers the risk of misunderstanding and miscommunication. As the world economy, and particularly the United States and China, face downward pressure, neither country could afford a strategic miscalculation that is solely due to inefficient communication or erroneous information.

Finally, the China-Japan thaw could lower political and security risks in Northeast Asia. The delicate balance between China, Japan, and the Koreas is difficult
The improving relationship between China and Japan is a signpost that both nations have decided to temporarily place aside other complex issues, such as territorial disputes. Instead, they have elected to focus on constructive issues like third-party cooperation in which both countries help promote economic development in other nations. This could open more productive conversations between China and Japan regarding other sensitive issues in the region, such as the denuclearization of North Korea, an issue that requires coordinated efforts between many countries, including the United States, China, and Japan. China and Japan share a complicated history that neither can ignore, but a forward-looking mindset could offset the historical grievances and produce a positive outcome. Given the uncertain future of the Korean peninsula, improvement in Sino-Japanese relations could mitigate more complicated hostility in the region and serve as an important security stabilizer.

As global challenges mount in 2019 and the world economy faces a slowdown, global decisionmakers need to think outside the box and tackle these challenges together. Welcoming Sino-Japanese rapprochement would bring the United States the concrete benefits of global infrastructure development accountability, strategic communications between the United States and China, and regional stability. Viewing China as a strategic competitor should not put an end to U.S. collaboration with China. Instead, it is the right time to devise creative ideas to manage the relationship between the two largest economies in the world.

*Zijia He* was a research intern with the Reconnecting Asia Project at CSIS.
ENDNOTES


2. One such example lies in the newly passed $60 billion BUILD Act by the U.S. Congress, which supports the improvement of infrastructure in underdeveloped nations. See David Pilling and James Politi, “US Senate passes $60bn foreign development bill,” Financial Times, October 3, 2018, https://www.ft.com/content/14400aa2-c743-11e8-ba8f-ee390057b8c9.


11. The first meeting took place between Tadamori Oshima, speaker of the House of Representatives of the Japanese parliament, and Li Zhanshu, chairman of the Standing Committee of the National People’s Congress on July 26, 2018. The second meeting happened between Taro Aso, Japanese finance minister, and Han Zheng, Chinese vice premier on August 30. The third meeting took place between Toshihiro Nikai, secretary general of Japan’s ruling Liberal Democratic Party, and Wang Qishan, Chinese vice president. The fourth meeting happened between Natsuo Yamaguchi, party leader of Japan’s Komeito Party, the junior ruling party, and Wang Yang, chairman of the National Committee of the Chinese People’s Political Consultative Conference on September 6, 2018. The fifth meeting took place between Prime Minister Abe and President Xi in Vladivostok, Russia, on September 12, 2018. The sixth meeting took place between Soka Gakkai, Japan’s major lay Buddhist organization, and Wang Qishan, Chinese vice president on September 25, 2018. The seventh meeting happened between Hiroaki Nakanishi, Japan Business Federation chairman, and Li Keqiang, Chinese premier on October 10, 2010.