

# POLICY BRIEF

May 7, 2021

Valérie Niquet is senior fellow at the Japan Institute of International Affairs and head of the Asia program at Foundation for Strategic Research. She writes extensively on Asia-Pacific strategic affairs and security. Her latest book, *La puissance chinoise en 100 questions*, Tallandier, has been published in 2017. You can follow her on twitter @V.Niquet

## Answering Beijing's Growing Assertiveness beyond the Senkakus: Balancing Japan-China Relations

*Valérie Niquet*

To Japanese authorities, there is no such thing as the “Senkaku question”. China is pursuing with increased assertiveness a strategy of coercion, using ambiguity and “grey zone” operations to put the onus of potential escalation on Tokyo.<sup>1</sup> The vague and ambiguous nature of this strategic power play makes it all the more dangerous and complex. When Tokyo proclaims, with reason, that “the government continues to control and administer the territory by such means as patrolling and law enforcement,” it seeks to answer the permanent pressure that China exerts in the zone.<sup>2</sup> However, the maintenance of the status quo, when China exerts an almost continuous pressure in the waters surrounding the Senkaku Islands and Japanese fishermen do not have access to part of Japan’s own national territory, poses other types of problems that the People’s Republic of China tries to exploit at the service of broader ambitions. It also poses a challenge in crisis management: how can the Japanese government be active and in control of situational developments, and not just reactive, without going as far as sparking a major incident in the East China Sea?

### *A look back at history*

The legitimacy of the People’s Republic of China (PRC) to claim “inherent” sovereignty rights over the Senkaku Islands is indeed null and void under international law. The Senkaku Islands were officially incorporated into Japanese territory as terra nullius in January 1895, without recourse to force, before the signing of the Treaty of Shimonoseki concluding the conflict between the Qing Empire and Japan.<sup>3</sup> This integration had been preceded by some ten years of

#### *Disclaimer :*

The views expressed in this publication are those of the author and do not necessarily reflect the policy or position of The Japan Institute of International Affairs or any other organization with which the author is affiliated.

1 According to the MOFA website, “There exists no issue of territorial sovereignty to be resolved concerning the Senkaku Islands.”

2 Idem.

3 The Treaty of Shimonoseki between Japan and the Qing Empire was signed in April 1895.

observation and investigation that had not given rise to any particular declaration from the Qing Empire. After the Second World War, the Treaty of San Francisco (1951) placed the Senkaku Islands under the administration of the U.S. as part of Okinawa and in 1972, when the United States reverted the administration of Okinawa to Japanese authorities, the Senkaku Islands were included in this agreement.

Chinese claims are recent. In 1958, an atlas published by the People’s Republic of China identified the Senkaku Islands as Japanese territory. The first Chinese claims - not strongly asserted - coincided with the UN’s publication in 1969 of a report on the potential hydrocarbon resources of the seabed around the Senkaku Islands.<sup>4</sup> However, when diplomatic relations between the PRC and Japan were established in 1972, this question did not constitute a major issue for Beijing, which needed Japan’s economic and diplomatic support.<sup>5</sup>

After Tiananmen, when the Chinese leadership was looking for new sources of legitimacy focusing on nationalism and “revenge,” the Senkaku question was gradually established as a great national cause by Beijing. In 1992, the Law on the Territorial Sea and the Contiguous Zone of the People’s Republic of China was enacted and, in 1996, the first group of Hong Kong activists supported by the mainland did land briefly on one of the Senkaku Islands.

Starting in 2008, Chinese boats regularly penetrated Japanese contiguous and territorial waters around the Senkaku Islands. The purchase of the archipelago in 2012 by the

Japanese authorities, after years of leasing, to better prevent possible incidents from both sides served as a pretext for Beijing to organize massive protests. In 2013, Beijing’s “Diaoyu territorial integrity” was raised to the level of a “core interest,”<sup>6</sup> and China unilaterally decreed an ADIZ in the East China Sea covering the Senkaku Islands.

***Increased pressure from China since 2012***

Far from the situation that prevailed in the 1990s, the Chinese navy and coast guard now have considerable resources, developed in parallel with and thanks to the country’s rapid economic growth. Xi Jinping, who came to power in 2012 and is seeking to reinforce the Communist Party and his own legitimacy by exacerbating nationalist sentiments, has further increased tensions. In the name of the “Chinese dream of great rejuvenation,” the PRC must build a “war-ready” army, as the Chinese president has reminded its people almost every year since he came to power.<sup>7</sup> As seen in its “wolf warrior” diplomacy or its ruthlessness on the Hong Kong question, China has chosen to assert itself forcefully, convinced that the balance of power is now in its favor.

The increased pressure around the Senkaku Islands is also part of this ambition. By establishing a de facto balance of power, Beijing draws red lines and pushes them in an attempt to demonstrate not only the limits of Japan’s will and options, but also the limits of its alliance with the United States, which lies at the core of East Asia’s stability. For China, the Senkaku question goes much deeper than a “simple” question of territorial sovereignty.

4 Monika Chansoria, “1969 Report by UN Economic Commission for Asia and the Far East: A Turning Point in the Historical Debate on the Senkaku Islands,” *Japan Review*, vol. 2, n°1, Summer 2018.

5 Japan’s ODA to China and its contributions to Deng Xiaoping’s reform policy and China’s economic development have been massive.

6 The term “core interest” was later dropped from the China MOFA website.

7 Liu Zhen, “Xi Jinping Orders China’s Military to be Ready for War at Any Second,” *South China Morning Post*, 05-01-2021.

For the Chinese Communist Party (CCP), which celebrates its 100th anniversary in 2021, it is one of the vectors of the PRC's assertion of power on the regional and global scene as well as the domestic scene. It is also a testing point. As Xi Jinping stated in January 2021, "The military forces of the CCP must resolutely implement the order of the Central Military Commission (CMC) of the CCP to mark the 100th anniversary of the party founding with excellent performance."<sup>8</sup>

Consequently, around the Senkaku Islands, China uses a hybrid strategy of military or paramilitary pressure and psychological warfare by emphasizing the risks of misunderstandings leading to incidents or even open conflicts if Tokyo "overreacts." China knows that these eventualities are complex for Japan, which is very constrained constitutionally. Simultaneously, the prospect of improved, more stable relations between the two countries and the economic benefits for Japanese companies are also put forward by Beijing.

Beijing's military and paramilitary pressure around the Senkaku Islands has increased considerably, despite the Covid-19 crisis that has hit China and the world since 2020. In 2019, Chinese forces were present for 282 days in the contiguous waters around the Senkaku Islands. In 2020, this length was increased to 333 days, including 29 days in the islands' territorial waters. In October 2020, shortly before the visit of Foreign Minister Wang Yi to Tokyo, Chinese ships remained more than 57 hours in the islands' territorial waters to, as reported in the official *China Daily* newspaper, "assert Chinese sovereignty."

This boosted Chinese presence also corresponds to the development of China's military and naval capabilities. In 2020, the defense budget increased by more than 6%, three times the economic growth rate that, according to official figures, was barely above 2% due to the Covid-19 pandemic. In March 2021, a further increase of the PLA budget was announced, crossing for the first time the threshold of US\$200 billion to reach US\$218 billion. A draft revision of the PRC's defense law also plans to increase investments in the defense sector to facilitate the mobilization of military power "to defend the country's development interests and its sovereignty and territorial integrity."<sup>9</sup>

Above all, in contradiction to more positive diplomatic declarations toward Japan, China adopted a new law in February 2021 authorizing the coast guard to act and even use heavy weapons when, according to Beijing's interpretation, "national sovereignty is illegally violated or threatened."<sup>10</sup> Other countries, including Japan since 2001 and South Korea since 2016, have armed their coast guard vessels with small arms or water cannons. However, the conditions for intervention are rigorous and limited to counter-terrorism operations or to responses to violent actions or full-fledged armed attacks. Moreover, contrary to UNCLOS rules, China applies this law to claimed areas that are not part of its internationally recognized territory.

As early as February 16, a few days after the law came into force, China sent four armed coast guard vessels into Senkaku territorial waters with the mission to "ward off Japanese fishing

8 "Xi Signs Mobilization Order for Training of the Armed Forces," *Xinhua*, 04-01-2021.

9 Minnie Chan, "China's Military Takes Charge of War Power with New Defense Law," *South China Morning Post*, 03-01-2021.

10 Wang Qi, "China Adopts Coast Guard Law, Safeguarding Sovereignty in the Diaoyu Islands," *Global Times*, 23-01-2021.

boats.” In the weeks following, these incursions have been repeated several times.<sup>11</sup>

In terms of capacity, China now has the largest coast guard fleet in the world. The number of vessels over one thousand tons has increased from 60 in 2010 to 130 in 2020. This is in addition to more than 500 vessels over 500 tons. China also has the two largest coast guard ships in the world, with a tonnage of over 10,000 tons. These ships are equipped with 30mm and 76mm guns that they can now use.

To further its “militarization,” the Chinese Coast Guard since 2018 has been placed under the authority of the Central Military Commission of the Communist Party, headed by Xi Jinping, and no longer depends on the State Oceanic Administration. The military dimension has clearly taken precedence over policing missions.

China also uses psychological warfare to demoralize adversaries and, as Sun Zi wrote in his treatise *The Art of War*, “to attack [their] alliances.”<sup>12</sup> The new Chinese law authorizing the use of heavy weapons by the coast guard is presented by China as a response to Jack Sullivan’s statements, the new US National Security Advisor, that place the Senkaku Islands under the scope of the US-Japan alliance treaty. Simultaneously, Beijing also claimed, through the voice of “experts” on Japan, that “Japan will not be a priority for President Biden.”<sup>13</sup>

The new law authorizing Chinese coast guard ships to use weapons also increases pressure on Japan’s own Coast Guard and Self-Defense Forces. The dilemma between action

and restraint is growing. Indeed, if Japan were obliged to involve the Self-Defense Forces in responding to a war-like action by the Chinese coast guard, China could retaliate by justifying its attack, in the eyes of domestic and global public opinion, as an “exclusively defensive” posture, regardless of the facts. How to best respond is the subject of debate in Japan itself, between those who argue for rapid intervention by the Maritime Self-Defense Forces and those who fear entering into a cycle of provocation and overreaction. These debates can - indirectly - serve Beijing’s interests by increasing doubts and reaction times in times of crisis.

This hesitation that the PRC follows closely also extends to the population. According to the *Okinawa Times*, in a region marked by pacifism and hostility towards the United States, some fishermen’s organizations “worry about overly imprudent reactions” on the part of the Japanese authorities. These positions are in line with those of Chinese authorities, who also highlight the risks of conflicts.<sup>14</sup>

### ***A firm but reasonable diplomatic response from Japan***

Confronted with these provocations, Japanese authorities’ preferred response is twofold: a reasonable diplomatic response and the adjustment of control capabilities in the surrounding waters and the East China Sea. At all levels, it is a matter of fighting for every inch of ground against any change in the status quo and preventing China from claiming – whatever the reality - de facto control around the Senkaku Islands.

11 Satoshi Sugiyama, Jesse Johnson, “China Sends Ships with Cannon-Like Weapons for First Time under New Law,” *Japan Times*, 16-02-2021.

12 伐交 in 孫子兵法 Valérie Niquet, *Sunzi Bingfa, traduction et édition critique*, Collection stratégique, Economica, Paris, 1998.

13 Wang Guangtao, Fudan Center for Japanese Studies, in Wang Qi, “China Adopts Coast Guard Law, Safeguarding Sovereignty in the Diaoyu Islands,” *Global Times*, 3-01-2021.

14 “Fishermen Call for Calm in the Wake of China Coast Guard Law,” *The Okinawa Times*, 26-02-2021.

In this context, Tokyo protests at every necessary occasion, such as China’s inauguration in October 2020 of a website of the National Marine Data and Information Service (NMDIS) dedicated to the Senkaku Islands (Diaoyu in Chinese).<sup>15</sup>

At the second “Tokyo Global Dialogue” organized by JIIA and held in February 2021, Prime Minister Suga declared that the “security environment in the Indo-Pacific is severe,” targeting his remark at countries that unilaterally attempt to change the status quo.

At each diplomatic meeting, Japan mentions frequent incursions by Chinese ships near the Senkaku Islands, as during the first telephone conversation between Prime Minister Suga and Chinese President Xi Jinping in September 2020.<sup>16</sup> During Foreign Minister Wang Yi’s visit to Tokyo, his Japanese counterpart Toshimitsu Motegi was more specific at a press conference where Mr. Motegi explained that he had “conveyed Japan’s stance over the Senkaku Islands and strongly urged positive action by the Chinese side.” in response, however, the Chinese side reiterated its determination to “protect China’s sovereignty.”

In reaction to the new February 1, 2021 law authorizing the Chinese coast guard to shoot, the Japanese Ministry of Foreign Affairs initially urged China “not to apply the law in a way contrary to international law.”<sup>17</sup> However, after the first Chinese armed vessels were sent into Japan’s territorial waters, Chief Cabinet Secretary Katsunobu Kato described these actions as “unacceptable” violations of

international law.<sup>18</sup>

Japan’s allies have supported the Japanese position regarding China’s coercive strategy, and the issue of the new Chinese coast guard law was specifically addressed at the QUAD meeting of foreign ministers (Japan, Australia, India, United States) held in February 2021. The partners expressed serious concern and China was specifically mentioned, which was not the case at the October 2020 meeting. The United States declared its support for freedom of navigation operations (FONOP) where necessary, and Japan stressed the importance of international law.<sup>19</sup>

However, while Japan’s diplomatic responses are meant to be measured and reasonable, Beijing continues to push the limits, trying in particular to exploit the transition period in the United States to test the capabilities and willingness of Tokyo and its closest allies and partners to act.

***Engaging Japan’s strategic allies and partners***

For Japan, confronted with this strategy of permanent tension, confirmation of the commitment of its most important ally, the United States, and the rallying of its strategic partners as far away as Europe are essential elements that strengthen its position.

On January 22, as soon as Joe Biden took office, Jack Sullivan, the new president’s National Security Advisor, confirmed that the Senkaku Islands were covered by Article 5 of

15 <http://www.nmdis.org.cn/english/nmdiss-mission/>; “Tokyo Protests China Website on Sovereignty of Senkaku Islands,” *Asahi Shimbun*, 06-10-2020.  
 16 “Suga and Xi Hold Phone Conference to Assess Stances on Vital Issues,” *Asahi Shimbun*, 26-09-2019. Japan’s Ministry of Foreign Affairs refers to “pending issues.”  
 17 Jiji, “Japan Braces for Move in East China Sea After China Coast Guard Law,” *Japan Times*, 01-02-2021  
 18 Satoshi Sugiyama, Jesse Johnson, “China Sends Ships with Cannon-Like Weapons Near Senkakus,” *Japan Times*, 16-02-2021.  
 19 “Pressure Grows for More Vocal Stance over China Incursions Near Senkakus,” *Japan Times*, 26-02-2021.

the Japan-US Security Treaty during a call with his Japanese counterpart Shigeru Kitamura. The same assurances were given during the first meeting between the new Defense Secretary Llyod Austin and Japanese Defense Minister Nobuo Kishi. On this occasion, the US Defense Secretary also stressed the necessity of bolstering US alliances and strengthening the Free and Open Indo-Pacific Concept with various partners.<sup>20</sup>

Several joint exercises were also held in February 2021 between Japan’s Self Defense Forces and US forces to respond to threats posed by fishing fleets or incursions by foreign vessels.<sup>21</sup>

In Europe, France and the United Kingdom are particularly active on the issue of respect for international law in the maritime domain and the rejection of any use of force or coercion to change the status quo. The United Kingdom plans to send an aircraft carrier before the end of 2021, and France has increased its naval activities in the region. The document “Defense and Security in the Indo-Pacific,” published in 2019 by the French Ministry of the Armed Forces, mentions China a dozen times. In February 2021, French Minister of the Armed Forces Florence Parly made public the mission of a *Rubis*-class nuclear attack submarine SNA *Emeraude* patrolling the region since September 2020. France is also preparing another transit in the region to put pressure on Beijing’s claims by sending an amphibious assault ship, the *Tonnerre*, and the frigate *Surcouf* to pass through disputed waters twice during its annual Jeanne d’Arc mission, which started on February 18, 2021.

In the East China Sea, France also sent the frigate *Prairial* to conduct surveillance operations against North Korea. Furthermore, trilateral exercises with Japan and the United States were organized in December 2020 and February 2021. These demonstrate both French capabilities to act 15,000 km from its shores and the common vision shared with Japan on preserving a rules-based international order in the Indo-Pacific.<sup>22</sup>

Germany, which for historical reasons has adopted a more cautious attitude in the region on military engagement, could also send a frigate to the area, which would be an important signal and a first for Berlin.<sup>23</sup>

***Strengthening capacities to act***

However, in parallel with these activities involving its allies and partners, Japan is also debating how to strengthen its own capacity for action in the face of almost daily Chinese incursions around the Senkaku Islands while controlling the risks of escalation that Beijing might seek.

Japan’s capabilities, whether in the form of the Japan Coast Guard or the Maritime Self-Defense Forces, are qualitatively excellent but constrained. The almost continuous presence of Chinese vessels off the Senkaku Islands also requires a permanent mobilization of coast guard capabilities. The units in charge of the Senkaku Islands are also responsible for 160 islands. To put a strain on these capacities might be one of the objectives pursued by the PRC.

Some in Japan argue in favor of an increased scope for action for the Coast Guard and better

20 Jesse Johnson, “New US Defense Chief Confirms Senkakus Fall under the Security Treaty,” *Japan Times*, 24-01-2021.  
 21 “US Forces Planned to Hold Drill off Senkakus in February,” *Yomiuri Shimbun*, 06-03-2021.  
 22 France is also the only EU country with territories both in the Indian Ocean and the Pacific and an increased military budget.  
 23 Ko Hirano, “Japan and US to Boost Defense Ties with Europe in Indo-Pacific,” *Japan Times*, 05-01-2021.

coordination with the Maritime Self-Defense Forces. This policy could lead to an escalation strategy from China. Moreover, the rules of engagement of the Maritime Self-Defense Forces are limited to acts of war by a foreign power. Operations conducted by fleets of fishing boats attempting to land on the Senkaku Islands or aggressive action by armed “civilian” Chinese coast guard vessels fall outside this definition or are subject to debate. This could slow Japan’s reaction in the event of a landing operation on the Senkaku Islands.<sup>24</sup>

Aware of these limitations and the dangers they pose to the defense of Japanese territory, including small islands and the Senkaku Islands under growing Chinese pressure, a meeting of the LDP’s foreign affairs and defense divisions reportedly concluded that, in response to what could be likened to a violent crime, the Coast Guard, in the context of police operations, could use their weapons against foreign vessels entering territorial waters to land on the Senkaku Islands.<sup>25</sup>

### ***Chinese pressure and psychological warfare***

China also resorts to psychological warfare designed to influence the decision-making capacity of Japanese authorities. In Tokyo, the question is not the status of the Senkaku Islands, an integral part of Japan’s territory, but the best reaction to China’s strategy to avoid a major crisis that could lead to an open conflict. Beyond that, the question that arises is that of the possibility of preserving a decoupling between strategic interests, of which the Senkaku Islands is an essential element, and economic interests, which, for some, plead in favor of a more prudent attitude toward China.

Despite the rhetoric of “decoupling” and

building more independent production lines away from China, many Japanese companies still consider China a major and essential market and investment destination. Foreign Minister Wang Yi, multiplying the gestures of appeasement aimed at bringing the two Asian powers closer together by playing on common interests, proposed in November 2020 opening an emergency hotline “to avoid accidental clashes at sea and in the air.”

These positive developments have not, however, prevented China from increasing tensions around the Senkaku Islands. Indeed, Wang Yi told Prime Minister Suga during the same meeting that “the two sides must build genuine mutual trust and properly handle sensitive issues.” However, for Beijing, the proper handling of sensitive issues often means unconditionally accepting China’s position.

Contrary to an often-repeated analysis, however, it is not a question of “internal pressure” from the Chinese side on the Minister of Foreign Affairs, whose hierarchical position within the Chinese party-state is not the highest, but of the fundamental nature of a system which - to reinforce its legitimacy - relies on nationalism with an anti-Japanese dimension, despite cyclical improvements based on the PRC’s own calculus.

Beyond the Senkaku Islands, Beijing’s objectives are to keep Japan in a state of “illegitimacy,” maintain pressure on Tokyo and possibly create divisions with the United States. Thus, in 2012, when the Japanese government bought three of the Senkaku Islands from their private owner, Beijing tried to impose a narrative presenting this decision, unrelated to any question of sovereignty, as the expression of a will to put in question the agreements resulting from the Second World War.<sup>26</sup> China’s leadership

24 Yuichi Hosoya, *Nikkei.com*, 18-02-2021

25 “Japan can Shoot at Foreign Government Vessels Attempting to Land on Senkakus,” *Japan Times*, 25-02-2021.

26 “Japan’s Island Purchase Challenges Post-World War II Order,” *Xinhua News Agency*, 12-09-2012.

has been trying to delegitimize Japan in the region and beyond, albeit with no success.

For all these reasons, and despite occasional seemingly goodwill gestures justified by the need for Beijing to preserve vital economic ties and cooperation with Japan, the third largest economic power in the world and a major innovation center - particularly in a period of a trade war with the United States - and the prospect of strengthening the camp of those in Japan who advocate a cautious attitude toward China, it would be illusory to expect any improvement in the Chinese position on the Senkaku issue.

China needs to maintain sources of tension that can be activated or alleviated according to Chinese leaders' analyses of the balance of military as well as economical and psychological power. For Beijing, it is the legitimacy of the Communist Party and its leaders that is at stake. Specific sovereignty issues only serve to signal and support China's ulterior objectives of regime survival. This poses a specific challenge to Japan as a liberal democratic power.

As Wang Yi declared in November 2020, "the PRC wants to build the East China Sea into a sea of peace, friendship, and cooperation," but only according to China's own conditions and interpretation of what peace, friendship, and cooperation mean.<sup>27</sup>

---

<sup>27</sup> Chinese Ministry of Foreign Affairs, "Wang Yi Reiterates Stance on Diaoyu Islands," 25-11-2020.